

# **LOK SABHA DEBATES** **(English Version)**

**Fourth Session (Part-I)**  
**(Eleventh Lok Sabha)**



*(Vol. IX contains Nos. 1 to 10)*

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

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CORRIGENDA TO LOK SABHA DEBATES

(ENGLISH VERSION)

....

Friday, February 28, 1997/Phalguna 9, 1918(Saka)

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# LOK SABHA DEBATES

## LOK SABHA

Friday, February 28, 1997/Phalguna 9,  
1918 (Saka)

The Lok Sabha met at One Minute Past  
Eleven of the Clock.

[MR. SPEAKER in the Chair]

[English]

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) :  
Sir, yesterday also, we had raised this issue  
...(Interruptions)

MR. SPEAKER : I think, Shri Chatterjee, we can  
take it up after the Question Hour.

SHRI NIRMAL KANTI CHATTERJEE : Since it  
concerns the List of Business, it comes even before the  
Question Hour. So, it comes first. Therefore, I request  
you...(Interruptions)

SHRI P.R. DASMUNSI (Howrah) : Sir, these Items  
No. 11 and 12 be referred to the Standing Committee  
on Finance...(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE : It is mentioned  
in the List of Business and, therefore, should come  
before the Question Hour. What I am requesting you is,  
when we raise the issue, kindly refer it to the Standing  
Committee on Finance. We know that there are  
difficulties because it is issued as an Ordinance.  
Therefore, there may be a time limit. But then my appeal  
to you is that this Reconstruction Bank of India is being  
transformed into an investment company...(Interruptions)

SHRI P.R. DASMUNSI : 'Reconstruction' is being  
replaced by 'investment'. It is a dangerous thing. It is a  
dangerous game.

[Translation]

Please stop it.

[English]

It was your bank.

SHRI JASWANT SINGH (Chittorgarh) : This objection  
can come only when that item on the List of Business  
comes up.

SHRI NIRMAL KANTI CHATTERJEE : That means,  
there will be no time left for reference.

SHRI PRAMOD MAHAJAN (Mumbai-North East) : I  
will have any objection with an item mentioned in the  
List of Business only when that item comes up.

SHRI NIRMAL KANTI CHATTERJEE : Sir, Shri  
Pramod Mahajan should try to understand it because  
there is a limitation on it...(Interruptions)

SHRI PRAMOD MAHAJAN : Not only am I trying to  
understand it but I am also supporting his contention of  
withdrawing it.

SHRI NIRMAL KANTI CHATTERJEE : It may not  
come even today. It may come on Monday or Tuesday.  
But when it comes, there may not be time even for  
consideration by the Standing Committee.

MR. SPEAKER : I think, Shri Jaswant Singh and  
Shri Pramod Mahajan are very right. You can raise the  
issue only when we take up this particular agenda item.

SHRI PRAMOD MAHAJAN : They should ask the  
Government to withdraw it from the List of Business.

MR. SPEAKER : You have a point in the sense that  
if you raise it at that time when it comes up, then there  
may be a time constraint for whatever you are asking  
for. What I will do is, I will discuss with the Finance  
Minister, the author of the Bill, and the Parliamentary  
Affairs Minister and take an appropriate decision.

SHRI RUPCHAND PAL (Hooghly) : Without  
disturbing the Question Hour, I would like to ask you a  
question.

MR. SPEAKER : You have already disturbed.

11.05 hrs.

## RE: EXCLUSIVE RIGHT TO COVER LOK SABHA PROCEEDINGS

[English]

SHRI RUPCHAND PAL (Hooghly) : I would like to  
know if you have permitted any authority other than the  
Doordarshan to cover this Parliament because I find  
that throughout the country, there is an advertisement  
that the Star TV has the exclusive right to cover  
Parliament proceedings on Budget. They have been  
collecting money since the 12th of February. Even in  
the midst of the Budget speech or any other speech  
made on the floor of the House, they are proposing to  
insert an advertisement including the advertisements of  
liquor and cigarette.

Have they taken your permission, Sir?

SHRI JASWANT SINGH (Chittorgarh) : Sir, I think,  
though there might be differences as to when this issue  
should be raised, the issue itself is substantial and the  
aspects of it are privilege of the House — disclosure  
of budgetary proposals ahead of time to television  
companies and or other people; and the television  
companies or whoever going with full page  
advertisement. Does it suggest that they have exclusive  
right of coverage than what is not even our exclusive  
right?

SHRI P.R. DASMUNSI (Howrah) : We are not a  
commodity to be sold.

SHRI JASWANT SINGH (Chittorgarh) : It is the  
exclusive right till four o'clock this afternoon only of the

Finance Minister and the Prime Minister. Even the Cabinet is not privy to it. We are, of course, not privy to it. And, if we are denied this information, the Parliament is denied this information and the other House does not have access to it until the full Budget presentation is made, then I think this Government owes an explanation as to how it is possible that budgetary proposals were shared, not just today, even in past years, reportedly, with some private television companies and individuals. It suggests that they were shared even with industrialists. So, we want a clarification today...*(Interruptions)*

SHRI P.R. DASMUNSI : Mr. Speaker, Sir, you have every time defended the honour of this House and the nation is grateful to you. You have defended this institution every time.

This news has created such a bad situation that the authority of the Star TV *vis-a-vis* the Finance Ministry has been exposed in such a manner that it is derogatory to the honour of the Parliament. Therefore, it is time that before the placement of the Budget, you should dispose it of finally and once for all as to what is the message of yours and the House. We cannot tolerate it.

*[Translation]*

SHRI SHATRUGHAN PRASAD SINGH (Balia) (Bihar) : This is an insult of the House...*(Interruptions)* It would set a wrong precedent to show advertisements during budget...*(Interruptions)* It would tantamount to violation of the conventions. Please give your ruling on it.

*[English]*

SHRI NIRMAL KANTI CHATTERJEE (Dumdum) : Sir, the Budget matters should not be made public before its presentation, through a private TV channel. That is our view...*(Interruptions)*

SHRI PRAMOD MAHAJAN (Mumbai - North East) : Sir, you have got the exclusive right of telecasting of the parliamentary proceedings.

SHRI P.R. DASMUNSI : What right they have got to say that they want the Budget papers two hours before the placement of the Budget? Two hours before, they want the Budget Papers, when even the Parliament has no access to them before the placement of the Budget.

You should not tolerate it...*(Interruptions)*

MR. SPEAKER : I think, you have made your point. Let me hear the former Minister of Information and Broadcasting who wants to say something.

*[Translation]*

SHRIMATI SUSHMA SWARAJ (South Delhi) : The secrecy of budget carried so much importance that even a slight hint or indication was viewed as violation of the secrecy of budget. You might remember that once a

Finance Minister before the presentation of the budget, had told his friend to enjoy his cigarette on that day as it was going to cost more thenceforth. This statement was considered as an indication of imposition of tax on cigarettes but in this case, the entire budget is being shared and telecast rights are being given...*(Interruptions)*

*[English]*

MR. SPEAKER : This is not the point. The point being raised is about the right to telecast and not the contents of the Budget.

*[Translation]*

SHRIMATI SUSHMA SWARAJ : The procedures regarding presentation of budget have been violated. As Shri Jaswant Singh has stated that the budget proposals have been shared and that too with a private channel. It is a very serious matter...*(Interruptions)*

*[English]*

MR. SPEAKER : Okay, let me say now. First of all, I should say that I never knew that during the Question Hour the Speaker will be put the first question.

*(Interruptions)*

MR. SPEAKER : I think, you have raised a very important point.

*(Interruptions)*

MR. SPEAKER : Order, please. Hon. Members, you cannot be speaking like that. Take your seats.

SHRI RAM NAIK (Mumbai North) : Sir, I have already given a notice for that, which I thought should be taken up when the Budget is being presented. When I have given a notice, I am being deprived...*(Interruptions)*

MR. SPEAKER : No. That may be a little late.

SHRI RAM NAIK : No, Sir, I do not know.

MR. SPEAKER : It is okay. Now, the matter has come up. Will take cognizance of your notice. That is all right.

I can only say that the exclusive right to telecast the proceedings of the Parliament has been given to the Doordarshan and the Doordarshan only. If some other agencies want to have a footage for telecasting the Lok Sabha proceedings, they have to take it from Doordarshan. That also - a condition has been laid by the Parliament - will be subject to the Parliamentary privileges. That is the condition imposed. So, the exclusive right of telecasting the Parliamentary proceedings lies only with Doordarshan and not with anybody else.

SHRIMATI SUSHMA SWARAJ : But the Information and Broadcasting Minister has violated these guidelines.

The Information and Broadcasting Ministry has already violated these guidelines.

MR. SPEAKER : No. I do not think so. I do not think like that. As far as we are concerned, we have given the exclusive right to Doordarshan. I have said that if Doordarshan wants to give a footage to any other agency, they can give it subject to Parliamentary privileges. So, it is for them to take care of it.

SHRIMATI SUSHMA SWARAJ : But the Budget papers are given to them after it is presented ...*(Interruptions)* But the word being spread is that it is a pre-recorded thing.

MR. SPEAKER : But the way they are advertising it, it seems that it is misleading. I think the Information and Broadcasting Ministry should take appropriate action on that. I will find out how it happened like that.

Now, Question No. 101, Shri Ram Kripal Yadav.

### ORAL ANSWERS TO QUESTIONS

11.12 hrs.

*[Translation]*

#### Persons Detained under FERA

\*101. SHRI RAM KRIPAL YADAV :

SHRI MOHAMMAD ALI ASHRAF FATMI :

Will the Minister of FINANCE be pleased to state :

(a) whether many persons detained under FERA have been released;

(b) if so, the details thereof during the last three years, State-wise;

(c) whether the action being taken in matters of FERA has been reviewed by the Government; and

(d) if so, the details thereof?

*[English]*

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) A statement is laid on the Table of the House.

#### Statement

(a) and (b) Persons arrested under section 35 of the Foreign Exchange Regulation Act (FERA) are produced before the Magistrates who either remand them to judicial custody for specific periods or release them on bail.

Zone-wise figures of persons arrested under FERA and released subsequently during the last three years

are as under :

Year Zone	1994	1995	1996
Mumbai	151	116	90
Calcutta	103	13	29
Delhi	40	32	19
Jalandhar	13	13	28
Chennai	58	54	47
	365	228	213

The data regarding persons arrested under FERA are not maintained State-wise.

(c) and (d) No, Sir. However, the Government regularly monitors the action taken by the Enforcement Directorate to prevent harassment.

SHRI SONTOSH MOHAN DEV : Maiden reply by the new Minister!

*[Translation]*

SHRI RAM KRIPAL YADAV : Mr. Speaker, Sir, through you I would like to say that in reply to my question the hon. Minister himself has admitted that inspite of strict enforcement of Act like FERA, since long FERA is being violated on large scale. I feel that economic position of our country will shatter if stringent action is not taken to check this trend. In the reply he himself has admitted that number of cases of FERA violation has declined marginally during 1994-96 but these cannot be contained or curtailed to the expected level. As per the figures given by hon. Minister in 1994 in Mumbai area 151 cases of FERA violation were registered which declined to 116 in 1995; and upto 90 in the year 1996. In Calcutta 103 cases of FERA violation were registered in 1994, 13 cases were registered in 1995 and 29 in 1996. In Delhi 40 such cases were registered in 1994, 32 in 1995 and 19 in 1996. In Jalandhar, during 1994 and 1995, 13 such cases were registered and in 1996 this number was 28. The number of such cases have increased. In Chennai 58 cases were registered during 1994, which declined to 54 in 1995 and 47 in 1996.

*[English]*

MR. SPEAKER : Ask the question now, please.

*[Translation]*

SHRI RAM KRIPAL YADAV : So far 213 cases of FERA violation have been registered and I would like to know from the hon. Minister as to how much money is involved in these cases. You have told about the number of cases but my question is about the amount of money embezzled in these cases.

MR. SPEAKER : It is a very good question.

[English]

SHRI M.P. VEERENDRA KUMAR : I am answering for the first time in the House. So, I want your indulgence if at all there is anything.

SHRI SONTOSH MOHAN DEV : Nothing to worry.

SHRI M.P. VEERENDRA KUMAR : With regard to FERA, the first thing the hon. Member wanted to know was why the cases are decreasing. He quoted the figures given in the written answer about Mumbai and all that. The RBI regulations now are not the same as before. What does FERA do? Whenever RBI regulations or RBI restrictions are violated by anybody, the Enforcement Directorate swings into action.

Then only FERA is invoked. This is what happens regarding FERA violations.

[Translation]

SHRI G.L. KANAUIA : Mr. Speaker, Sir, the hon. Member has asked a very specific question by hon. Minister is trying to evade a clear-cut reply ...*(Interruptions)*

[English]

MR. SPEAKER : Please let him answer. The specific question which the hon. Member has asked is, what is the total amount of money involved. It is enough if you could just give that figure.

SHRI M.P. VEERENDRA KUMAR : The amount involved in FERA violation cases on which show cause notices have so far been given is Rs. 2600 crore.

[Translation]

SHRI RAM KRIPAL YADAV : Mr. Speaker, Sir, my question was whether the action being taken by the Government in the FERA violation cases have been reviewed so far or not and in the hon. Minister had replied in negative. I feel that some officers register weak and vague cases of FERA violation deliberately and thus, culprits get themselves released on bail. FERA is an stringent Act and therefore, I could not understand as to how a person can be granted bail under it. The detainee under this Act must be punished. I think that such a situation arises due to non-reviewing of the action taken under it.

I would like to know whether there is any provision to keep surveillance of such officers or not? Due to some corrupt officials, the actually guilty persons can not be apprehended under FERA. They are released on bail because case against such culprits are not registered properly. It is essential to review such cases because due to some corrupt officers and vague F.I.R.'s the culprits are released on bail. I would like to know the number of officers booked under it if there already exists provision of surveillance of such officials. It is a laxity on the part of Government if review has not been done so far, sir, through you, I would like to submit that these cases should be reviewed.

[English]

MR. SPEAKER : I think, you have put the question.

SHRI M.P. VEERENDRA KUMAR : Sir, the way how it is dealt is this. The Enforcement Directorate have their own powers to impose penalties and things like that. It is under the general law. That is one way.

The second is, they chargesheet them under FERA and take them to the court. And what do the courts do? They release them on bail.

Thirdly, they can use all options regarding detention. There could be a detention when an FIR is filed in a criminal court. There is another Act known as COFEPOSA. People are detained and that detention is not done as a matter of routine. When there are perpetual offenders, when we notice that somebody is going on committing some violation throughout, then, we book him under COFEPOSA. When they are held under COFEPOSA, there is a Board to review that once in every two months. They can be kept under detention for two years. But under Fundamental Rights, they can go to a High Court. In Sessions Courts, there is no appeal for this; they can go to a High Court or the Supreme Court. For the information of the hon. Members, I would say that many people whom we have detained as perpetual offenders have gone to courts.

[Translation]

SHRI RAM KRIPAL YADAV : Mr. Speaker, Sir, I have not got reply to my question. I would like to know as to what action has been taken against the officers who have registered weak cases under it...*(Interruptions)*

[English]

MR. SPEAKER : Mr. Minister, you do not have to answer that. I have not allowed it.

DR. T. SUBBARAMI REDDY : Sir, the Congress Members should also get a chance.

SHRI NIRMAL KANTI CHATTERJEE : Sir, this statement relates to those who were arrested and released. This figure 213 refers to the number of persons released. My question is: How many people were convicted under FERA and how much money has been collected by the authorities because of FERA violations? If the hon. Minister has got the figures, let him give it.

MR. SPEAKER : Do you have the figures?

SHRI M.P. VEERENDRA KUMAR : With due notice, I will provide the figures...*(Interruptions)*

MR. SPEAKER : It is his maiden reply. Why do you not keep that in mind? He is answering for the first time.

*(Interruptions)*

MR. SPEAKER : Dr. Debi Prasad Pal is a Finance Minister. He should be more knowledgeable. That is

why I am giving him an opportunity. You will also get a chance.

DR. DEBI PROSAD PAL : When the detention is made under the COFEPOSA Act for the alleged violation or the threatening of violation under the Foreign Exchange Regulation Act, is there is any consideration of the entire matter at a higher level. I am asking this because of the fact that in many instances where the proceedings had been started against some persons under the COFEPOSA Act, ultimately it was found that there was not even a *prima facie* case against them. It depends upon the sweet will and the whims of the particular officer concerned. So, I would like to know from the hon. Minister whether there is any high-powered committee to consider whether COFEPOSA would be applicable to a particular individual. That is my first part of the question. Number two...

MR. SPEAKER : Please complete your question. There is no number one, number two, number three etc. You yourself were a Minister. You have been answering questions. You should understand the position of the hon. Minister.

DR. DEBI PROSAD PAL : I would like to know another thing. It is not correct to say that when the arrest has been made or the detention has been made under the COFEPOSA, it is not possible to go to the court until the Advisory Board has considered the matter. So, in how many cases have the persons gone to the court and in how many cases has the party or the detinue been released by the court? Will the hon. Minister answer?

SHRI M.P. VEERENDRA KUMAR : The hon. Member has asked for the figures. In 1994, under COFEPOSA, 119 detention orders were issued, 77 persons were detained and 21 persons were released by the Advisory Board and the High Courts. In 1995, 70 orders were issued, 17 persons were detained and 19 persons were released. In 1996, 53 orders were issued, 48 persons were detained and 10 persons were released. Regarding COFEPOSA, it will be considered by the high-powered committee.

SHRI G.A. CHARAN REDDY : The FERA has been there for a long time. In 1973 an amendment was brought to the FERA. I would like to know whether the Government has any intention to bring further amendment to the FERA Act or to abolish it.

SHRI M.P. VEERENDRA KUMAR : I have already said that it is under consideration of the high-powered committee. I cannot give you any more details.

MR. SPEAKER : The hon. Member's question is, do you have any plan to amend the FERA Act in the near future?

SHRI M.P. VEERENDRA KUMAR : It is under consideration...(Interruptions)

MR. SPEAKER : You cannot ask the question. You have no permission to ask.

[Translation]

SHRI G.L. KANAUIA : Mr. Speaker, Sir, through you, I would like to know the number of cases in which officers were pressurised to register F.I.R. on weak grounds courts has also commented that these cases can not be pursued further as FIR has been lodged on weak grounds.

[English]

SHRI M.P. VEERENDRA KUMAR : The hon. Member has put a specific question. I cannot say as to in how many cases the courts have commented. I only said that some people are released. When they are released, there is no case against them.

SHRI G.L. KANAUIA : It was commented by the court that in some cases your FIR are not properly framed and in certain cases FIRs were not lodged at all or there is a lacuna.

SHRI M.P. VEERENDRA KUMAR : Since the Member has asked this question, we will collect the information and furnish it later on.

[Translation]

#### Printing of Notes

\*102. SHRI THAWAR CHAND GEHLOT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to award the contract of printing of higher denomination notes to a Japanese company;

(b) if so, the reasons therefor;

(c) the printing capacity of Bank Note Press, Dawes and Currency Note Press, Nasik;

(d) the number of high denomination notes printed in these presses during the last two years;

(e) whether the Interpol has warned the Government that the Japanese printed notes can be easily forged; and

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

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c) The existing printing capacity of Bank Note Press, Dawes and Currency Note Press, Nasik is as under :

BNP, Dewas	-	1875	million pieces per annum.
CNP, Nasik	-	4000	-do-

(d) The number of high denomination notes of Rs. 100 and Rs. 500 printed in BNP and CNP during the last two years was as under :

(Figures in million pieces)

Denominations	1994-95		1995-96	
	BNP	CNP	BNP	CNP
Rs. 100/-	904	451	882	469
Rs. 500/-	88	nil*	105	nil*

\*Rs. 500 dono. notes is printed only at BNP.

(e) The Ministry of Finance is not aware of any Interpol warning that the Japanese printed notes can be easily forged.

(f) Does not arise.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Speaker, Sir, I would like to know from the hon. Minister whether apart from Dewas and Nasik currency printing press, the Government is contemplating to get the higher denomination notes printed from foreign countries or some other agencies. If so, the reasons therefor?

[English]

SHRI M.P. VEERENDRA KUMAR : Now, the currency is being printed at two places, one at Dewas and the other at Nasik. We have shortage of currency. We have not yet given orders for printing from outside, but the RBI is considering it... (Interruptions) I will give you the whole picture so that there would not be any more trouble for you to ask supplementary questions. The RBI is considering whether we can give contract. We have some offers which are received - three from Consortiums and another three from private persons; and no decision has been taken. There is a proposal regarding this and the RBI is going through it.

As it is now, though we have shortage of pieces - I do not want to refer to the value; if you want, I have the figure for its value also - in terms of quantum, we print less. Whatever is necessary for the country could not be printed from these two places. That is the position.

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Speaker, Sir, the reply given to my question is incomplete. He has not answered to my question as to why this practice is being resorted to My Second question to the hon. Minister is whether he will tell the House about the amount of currency notes requisitioned by RBI or the Government from these two factories during the last three years and the amount of notes printed by these two Bank Note Presses during that period. I would like to make a submission that these Bank Note Presses have been able to fulfil the demand and printed the notes much more than the demand. I do not know as to why shortage is being stated presently the currency

notes worth 80 million are lying with the Bank Note Press Dawas Bank Note Press but the Government is not issuing requisition for that lot.

[English]

SHRI M.P. VEERENDRA KUMAR : I think the hon. Member might have had some information which is not correct... (Interruptions)

[Translation]

PROF. RASA SINGH RAWAT : Mr. Speaker, Sir, hon. Minister is reading it. He should not do that ... (Interruptions)

[English]

MR. SPEAKER : Please do not say like that. You may also become a Minister one day! One need not become a Minister only at the Centre; it can happen in the States also! Please do not mind that... (Interruptions)

SHRI RAM NAIK : We are thankful to you for that, Sir... (Interruptions)

SHRI M.P. VEERENDRA KUMAR : Probably, some hon. Members might be thinking that the full capacity in these two Presses was not being used in previous years. In 1996-97, the figure of production 5940 million pieces; the requirement is 16,000 million pieces; and the shortfall is 10,060 million pieces. During 1997-98, the production would be 7,560 million pieces; the requirement would be 14,400 million pieces; and the shortfall would be 6,840 million pieces. During 1998-99, the production would be 10,390 million pieces; the requirement would be 15,890 million pieces and the shortfall would be 5,300 million pieces. We feel - I am giving you figures even for future - that the same trend may continue in future also. For the year 1999-2000, production will be 16,650 million pieces and requirement will be 18,800 million pieces and shortage will be 2240 million pieces. In 2000-01, production will be 16,700 million pieces, requirement will be 21,050 million pieces and shortage will be 4350 million pieces. I will give you the last figure. In 2004-05, our total production will be 19020 million pieces and shortfall will be 12,680 million pieces. That is the position ... (Interruptions)

[Translation]

SHRI THAWAR CHAND GEHLOT : Mr. Speaker, Sir, hon. Minister has given incomplete reply to my question.

MR. SPEAKER : No. It is complete.

[English]

SHRI N.S.V. CHITTHAN : Sir, may I know from the hon. Minister whether the Government is aware that there is shortage of printing of notes of small denominations like one rupee, two rupee and five rupee notes? If so, will the Government again start printing notes of these denominations in order to help the poor and also the middle class people?

For instance, the Government is printing and selling post cards at 15 paise per card and also inland covers at a lesser price. In the same spirit, may I know from the hon. Minister as to whether the Government will start printing notes of small denomination like one rupee, two rupee and five rupee notes?...(Interruptions)

SHRI M.P. VEERENDRA KUMAR : Formerly, we were printing one, two and five rupee notes. Now, what has happened is that we cannot do that. We have stopped printing one, two and five rupee notes and made them coins. So, we are printing coins and not one, two and five rupee notes.

SHRI N.S.V. CHITTHAN : Sir, that is not sufficient.

MR. SPEAKER : It is enough. Now, listen to the next question.

[Translation]

SHRI MAHENDRA KARMA : Mr. Speaker, Sir, through you, I would like to draw the attention of the hon. Minister towards the shortage of one and two rupee currency notes in market. The notes available in market are generally mutilated and in very shabby condition. New notes one and two rupee denomination or being sold in black market at higher say double or four times of their worth. In view of these conditions whether the hon. Minister would like to tell as to what steps would be taken by the Government for printing of one and two rupee notes and by when these steps will be taken?

[English]

SHRI M.P. VEERENDRA KUMAR : The hon. Member has said that there is shortage of one, two and five rupee currency notes. We do not produce one, two and five rupee currency notes. Only coins are being printed and we know that there is shortage. We produce only one-fourth of what we need. There are four printing mints in India for producing currency notes and coins with the centre at Hyderabad. The whole operation is in Hyderabad. Now, if you want to know what the Government proposes to do, I may tell you that we have some old machines and we are bringing some new machines. We are going to overhaul the whole thing. We are going to look into the matter very seriously because this thing cannot continue. So, regarding minting of coins and printing of notes, I think we are going to look into what is happening in our minting press including machinery, structure and everything and we will come with a solution...(Interruptions)

### Maruti Udyog

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\*103. SHRI CHITTA BASU :

SHRIMATI GEETA MUKHERJEE :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Suzuki Motors has requested the Government to sell the Maruti Udyog to it; and

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

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

### Statement

(a) President and CEO of Suzuki Motor Corporation (SMC) has in his letter proposed, inter-alia, that "management of Maruti be straightened by listing its shares or by selling the Government's shares to Suzuki, or vice-versa".

(b) Government is not considering any change now in the existing equity structure of MUL or disinvestment of its shares in favour of SMC.

SHRI CHITTA BASU : Sir, as you know, Maruti Udyog is a highly profit-earning institution in our country.

It is expected that it will make a net profit of Rs. 500 crore this year.

It is now estimated that the market value of the company is about Rs. 10,000 crore. The contribution of the Suzuki Motor Corporation in this respect does not exceed more than Rs. 100 crore. Having regard to these facts, it is apprehended that the SMC wants to take over the Maruti Udyog Limited and exploit the Indian market and also earn fabulous profit.

In view of that apprehension, may I know from the hon. Minister whether he could assure this House that the Government would not allow disinvestment of the Maruti Udyog in future which is a profit earning company?

Would he also take certain measures to prevent the dilution of equity of the Government in the company?

SHRI MURASOLI MARAN : Sir, the hon. Member need not have any apprehensions. I have made it very clear in my statement. The Government is not considering any change now in the existing equity.

SHRI CHITTA BASU : Not now.

SHRI MURASOLI MARAN : How can I answer for eternity? There is not such decision now.

SHRI CHITTA BASU : Therefore, I put a question. I think, the hon. Minister is an experienced one and he might have taken note of it. Does he also propose to take some preventive measures for further dilution? Anyway, he chose not to reply about it. It is for him.

SHRI MURASOLI MARAN : Sir, as I have said, we have no proposal to dilute the equity structure of the Government. We would not dilute it.

SHRI CHITTA BASU : Thank you.

Is it a fact that the Maruti Udyog Limited was, at first, conceived as a hundred per cent public sector undertaking? Suzuki Motor Corporation was allowed to

have some equity participation in 1992. May I know from the hon. Minister what were the compelling grounds for allowing the SMC to have the equity participation in this profit earning company in our country which was a hundred per cent public sector undertaking?

SHRI MURASOLI MARAN : It all started with 26 per cent shares for Suzuki. Later on, it was enhanced to 40 per cent. Then, it became 50 per cent. So, it was a decision of the then Government.

SHRI CHITTA BASU : What were the compelling reasons for that?

SHRI MURASOLI MARAN : I have no answer. It was a decision taken by the previous Government.

SHRI CHITTA BASU : So what? Sir, the Government succeeds.

MR. SPEAKER : No question on Maruti from the other side?

AN HON. MEMBER : No.

SHRIMATI GEETA MUKHERJEE : Sir, the hon. Minister in his reply to Comrade Chitta Basu said that he could not give any promise for eternity. Now, the question of eternity does not arise.

I would like to know whether it is a fact that the Suzuki Motor Corporation are dangling in a terror of Rs. 5,000 crore in India.

If so, are the Government aware of the fact that Suzuki's financial condition in its home country is not at all comfortable and its efforts to set up car manufacturing facilities in Pakistan and Spain have flopped? Therefore, if not for eternity, at least, it should be remembered for the near future when deciding about this question.

SHRI MURASOLI MARAN : We will remember that. The hon. Member's party is a partner in the Government. Their own representative is in the Government. I think, they will take care of their interests.

DR. T. SUBBARAMI REDDY : May I know from the hon. Minister whether there is a proposal to set up a Maruti factory in Andhra Pradesh? If so, for what value? I would like to bring to the notice of the hon. Minister that Visakhapatnam is the best place for setting up such a factory.

SHRI MURASOLI MARAN : There is no question of setting up a factory in Andhra Pradesh at all. Of course, there is an expansion plan. A Committee has been set up and they are going into it.

### Full Convertibility of Indian Rupee

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\*104. SHRI MADHAVRAO SCINDIA :

SHRI K. PARASURAMAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are considering a

proposal for full convertibility of the rupee on capital account;

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

(c) the time by which a decision is likely to be taken on this account?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) A statement is laid on the Table of the House.

### Statement

(a) to (c) The Indian rupee is convertible in respect of certain constituent elements of the capital account. Full convertibility of the rupee on capital account requires fulfilment of some basic pre-conditions, which will ensure containment of the risks of capital flight and possible macro-economic instability. These pre-conditions include a sound and flexible domestic financial system able to adapt rapidly to changing situations, reduction in fiscal deficit, moderation in inflation, a sustained export performance and a further build-up of foreign exchange reserves. The on-going economic reforms, which aim at achieving these pre-conditions, will guide the timing and the sequencing of further capital liberalisation and facilitate a move towards full convertibility of the rupee.

SHRI MADHAVRAO SCINDIA : Sir, it is obvious from the statement made by the hon. Minister that capital account convertibility is still the ultimate objective. But certain preconditions have been indicated from the Statement like the reduction in fiscal deficit, moderation in inflation, sustained export performance and further build up of foreign exchange reserves. Unfortunately, in most of the parameters enunciated by the Finance Minister, there has been a negative performance. Fiscal deficit may be probably achievable at five per cent but only because the full impact of the Fifth Pay Commission will be felt next year, whereas a provision for Rs. 5,000 crore has been made this year, there would be a saving of Rs. 5,000 crore in that. Again, Rs. 3,000 crore is unutilised and would remain unutilised in the Plan Fund and also the impact of additional food and fertilizer subsidy would felt in the next year.

SHRI NIRMAL KANTI CHATTERJEE : Is he making a Budget speech?

SHRI MADHAVRAO SCINDIA : Inflation has almost touched double figures; export performance is down at four per cent from 25 per cent, when Shri Chidambaram was himself the Commerce Minister, and the foreign exchange reserves have only shown a meagre addition, that also because of the slow growth the imports.

Sir, it appears, therefore, from these parameters that we are drifting away from this ultimate objective. I would like to know from the Finance Minister whether or not, in his view, we are further away from achieving

full capital account convertibility than we were a few years ago.

SHRI M.P. VEERENDRA KUMAR : This is a question which involves broader policy aspects. I do not think it could be a mere question - answer issue. This is a matter of broader policy which the Government has to decide. That is why I made a brief statement about it. I do not think that through a question-answer session here we could enunciate the policy of the Government. So, I think, I would not be able to answer anything on this issue.

SHRI MADHAVRAO SCINDIA : Sir, if the hon. Minister is not enunciating the policy of the Government through questions and answers, is he enunciating a personal policy? What are we here for?

SHRI M.P. VEERENDRA KUMAR : It is not a personal policy.

DR. DEBI PROSAD PAL : Sir, this is a matter of great importance.

SHRI MADHAVRAO SCINDIA : Sir, he has to give an answer to this...*(Interruptions)* If the policy of the Government is not going to be a matter of question and answer, then what is this Question Hour for?

SHRI M.P. VEERENDRA KUMAR : The Government policy would a matter of question and answer ...*(Interruptions)*

MR. SPEAKER : Mr. Minister, you can answer it.

SHRI M.P. VEERENDRA KUMAR : Sir, what I am saying is that it involves a wider role...*(Interruptions)*

SHRI SONTOSH MOHAN DEV : Sir, that means, in a future we should not ask questions which involve a wider role. Please say, 'yes' or 'no'.

MR. SPEAKER : You can answer the question as the policy stands today. Let him take the plea, as was taken by the Industry Minister, saying, "How can I reply for eternity?"

SHRI MADHAVRAO SCINDIA : I have asked a very simple question. I feel there has been a negative performance in most of the parameters that have been laid down in this House for moving towards full capital account convertibility. Therefore, in his opinion, are we not further away from capital account convertibility than we were a few years ago? And, if not, then how does he explain these parameters? This is a very simple question.

DR. MALLIKARJUN : Mr. Speaker, Sir, the Minister can say that this is under consideration.

SHRI MADHAVRAO SCINDIA : You are not a Minister here. You should join the Government.

SHRI M.P. VEERENDRA KUMAR : There are two types of convertibility. One is, current account convertibility and other is capital account convertibility. Question about the first, that is current account

convertibility, is not asked. So, I need not answer that. Regarding deficit, he has said that it was 8.3 percent of the the GDP in 1991. It is a different question altogether. What I said is, this is a matter which has to be given a very serious consideration and I cannot just in one go answer this question.

MR. SPEAKER : No, I think, Mr. Minister you are not correct.

*(Interruptions)*

MR. SPEAKER : Please, let me explain. I also know something about it. Why are you trying to help me?

What the hon. Member is saying is, the policy of the Government is to go towards full convertibility in the course of time. But your economic performance is showing that instead of going towards full convertibility, you are going backward. Do you agree with this position? It is a very simple question. It has nothing to do with the policy. I hope I have explained it properly.

SHRI M.P. VEERENDRA KUMAR : I think, we are going towards that direction. I can neither say, 'yes' nor 'no' to th is question.

SHRI MADHAVRAO SCINDIA : In deference to the fact that the hon. Minister is putting in his maiden appearance today, I will let that question pass, but I am not really satisfied with that answer.

My second Supplementary is, Dr. Manmohan Singh had stated that if the then Government gets re-elected then they would achieve full capital account convertibility three years into the next term. That indicated round about 2000 and 2001. As recently as in December-January, the hon. Commerce Minister, Mr. Ramaiah has stated that Government is considering a proposal for full convertibility on capital account.

Now, if the Government is still not sure or is still very nebulous about the situation, then on what basis did your colleague, the hon. Commerce Minister, make the statement? As Mr. Ramaiah stated, has the Government considered the proposal - as the statement was made two months ago? If not, then what answer does the Finance Ministry have for what the Commerce Ministry has stated?

MR. SPEAKER : I think your question could have been slightly modified. Rather than asking, why did he say so, you should have simply asked, does he agree with the Commerce Minister or not. I do not think he can possibly answer as to why the Commerce Minister said so.

SHRI M.P. VEERENDRA KUMAR : I have already made a statement in the House.

SHRI MADHAVRAO SCINDIA : This is a very simple question, Sir. Has the Government considered this proposal? The Government has a collective responsibility. The Commerce Minister has made a

statement. Has the Government considered this in the last two months or not?

PROF. P.J. KURIEN : The problem is, when the Commerce Minister made the statement, he was not the Minister at that time.

SHRI M.P. VEERENDRA KUMAR : The Industry Minister has said something. I have made a statement in the House and I said that this is a matter of policy. Did I say that we will do it or we will not do it? I did not say that. I only said that such a macro issue cannot be answered by a reply in the Question Hour.

SHRI MADHAVRAO SCINDIA : Has the Government considered this proposal in the last two months? That is all I want to know.

MR. SPEAKER : I think we need to have some other occasion to get all these clarifications.

SHRI K. PARASURAMAN : Mr. Speaker, Sir, as I understand, according to the Economic Survey report, full convertibility of rupee on capital account is possible if fiscal deficit is reduced to the minimum, inflation is brought under control, if there is a good export performance, a comfortable foreign exchange reserve, etc. In this connection, I would like to draw the attention of the hon. Minister to the fact that even after five years of introduction of liberalisation policy, transparency and greater extent of open market policy followed by the Government, it has not been possible for the Government to bring down fiscal deficit, contain inflationary pressures, increase export and improve foreign exchange reserves etc. It seems that in the present situation it will not be possible for the Government to introduce full convertibility on capital account. Therefore, the foreign investment is slack. I would like to know from the hon. Minister whether he has any other mechanism for perceptible export growth and drastically reduced the fiscal deficit so that full convertibility is made possible.

SHRI M.P. VEERENDRA KUMAR : Mr. Speaker, Sir, the Budget is going to be presented in a few hours from now. Let the hon. Member wait till then.

MR. SPEAKER : "Wait for the Budget", that is a good answer.

[Translation]

#### Disinvestment of Shares of PSUs

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\*105. PROF. PREM SINGH CHANDUMAJRA :  
SHRI NITISH KUMAR :

Will the Minister of INDUSTRY be pleased to state :

(a) whether the attention of Government has been drawn to the news item captioned "Disinvestment of PSU Shares unlikely this fiscal, says Maran" appearing in the "Times of India" dated January 15, 1997;

(b) if so, the total amount which has been mobilised through disinvestment so far; and

(c) the names of the Public Sector Undertakings which were identified sick by the Government for the purpose of selling of shares and the reasons for which the shares of these institutions have not been sold?

[English]

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

#### STATEMENT

(a) Yes, Sir.

(b) No disinvestment has taken place so far during 1996-97.

(c) No sick units have been identified or their shares offered for sale, as a part of disinvestment programme. As such the question of the shares not having been sold does not arise.

[Translation]

PROF. PREM SINGH CHANDUMAJRA : Mr. Speaker, Sir, the statement made by the hon. Minister is not factual. He has given reply that

[English]

"As such the question of shares not having been sold does not arise."

[Translation]

I would like to know whether it is not a fact that United Front Government has sent a proposal to the Cabinet for selling 11 companies; not their shares but out right sale of these companies. Whether it is not a fact that five out of it are viable companies which comprise Hindustan Paper Corporation Ltd. Tung bhadra Steel Products Limited,; National Industrial Development Corporation Ltd; Bridge and Roof and Company Ltd, Hindustan Salts Ltd. If it not true that last year the United Front Government had set up a disinvestment Commission under the Chairmanship of Shri N.V. Ramakrishna for carrying out disinvestment in a phased manner. Whether it is not true that the UF Government had promised the people under their Common Minimum Programme that financial and management structure building of Public Undertakings would be accorded priority. In the face of this promise why this proposal was referred to the cabinet and why it was not brought in to the notice of the Disinvestment Commission. Why its statutory power are being diluted and its being delegated only the advisory powers only. This is exactly what I want to know.

[English]

SHRI MURASOLI MARAN : Sir, Disinvestment Commission is an autonomous body to give advice to the Government on measures taken for disinvesting from the public sector undertakings.

Sir, what the hon. Member is referring to is regarding the 11 companies under the Department of Heavy Industry. Every public sector company is embarking on a plan to restructure it. So, regarding 11 companies, the Department of Heavy Industry, have suggested for going in for joint ventures, even diluting the equity capital to the extent of 74 per cent. So, this is only a concept paper and the Cabinet has given consent to it. But everything has to be gone through individually for the approval of the Cabinet. No final decision has been taken. The Commission will go into the picture when we want to disinvest.

[Translation]

PROF. PREM SINGH CHANDUMAJRA : Please do not formulate any such policy as may instead of caring the insurance sector, prove total for this 'Golden Goose' like sector, whether it is not true that the 1996-97 Budget had envisaged mobilising five thousand crore of Rupees by floating the shares of Public Sector Undertakings the hon. Minister has concealed that not even a single share could be sold, is it not indicative of the failure of Government on economic front? Has it not undermined the Government's credibility among the people. The entire nation wants to know from the Government whether it has lost its economic credibility to such an extent that nobody is willing to buy the shares of Government Companies. If this kind of situation prevails, then what remedial measures are being taken by the Government.

[English]

SHRI MURASOLI MARAN : I want to disabuse his thinking. In the previous Government, Dr. Manmohan Singh when he was the Finance Minister, in the interim Budget took credit for Rs. 5000 crore of disinvestment. After the elections, the new Government came and the new Finance Minister also took credit for Rs. 5000 of disinvestment. It has been decided by the Cabinet that the first two tranches would be done by the core committee. Afterwards, it will be given to the Disinvestment Commission. The process is on. Already we have decided to disinvest about five per cent of the capital issued in IOCL and seven per cent of the Government holding in VSNL. Regarding VSNL, already pre-marketing exercise has started and it is going on.

DR. B.N. REDDY : The hon. Minister has stated earlier that before privatising, they will also consult the employees and they will not do the privatisation without their consultation. In Andhra Pradesh, there are some sugar industries which are being privatised and I have represented this matter in Parliament earlier and also

to the hon. Minister. I would definitely request the Minister to inform as to whether the Government in the States can just take a *suo motu* decision to privatise the PSUs.

SHRI MURASOLI MARAN : Which factory are you referring to?

DR. B.N. REDDY : Nizam Sugar Factory in Miryalguda.

SHRI MURASOLI MARAN : Who is running it?

DR. B.N. REDDY : The State Government.

SHRI MURASOLI MARAN : Sir, it is regarding the State Government public undertaking.

MR. SPEAKER : I do not think you can expect the Minister to answer this question.

SHRI BASU DEB ACHARIA : May I know from the hon. Minister, firstly, the amount of disinvestment of public sector undertakings and secondly, whether the Government proposes to utilise a portion of the amount received by way of disinvestment for revival of sick public sector undertakings?

SHRI MURASOLI MARAN : As you may know, Sir, in the Common Minimum Programme, we have stated that a portion of the disinvestment amount will be earmarked for social sector expenditure like public health and education in the backward areas. Now, ten per cent of the disinvestment amount has been earmarked for promoting the public sector undertakings and for improving the operational efficiency.

[Translation]

PROF. PREM SINGH CHANDUMAJRA : It is the Government which issues licences to the sugar factories. He is misleading the House...(Interruptions)

[English]

MR. SPEAKER : Please do not disturb others. Other hon. Members have also got the right to put questions. It is not your exclusive right.

(Interruptions)

[Translation]

SHRI BRIJ BHUSAN TIWARI : What power would be delegated to the Disinvestment Commission and on what basis it would sell out the shares of the companies?...(Interruptions)

PROF. PREM SINGH CHANDUMAJRA : I have a point of order...(Interruptions)

12.00 hrs.

[English]

MR. SPEAKER : There is no Point of Order during Question Hour. Please understand that.

[Translation]

SHRI BRIJ BHUSHAN TIWARI : Mr. Speaker, Sir I would like to raise a question seeking to know the powers vested in the Disinvestment Commission and the persons represented on it and also the basis on which it would sale the shares of any company.

[English]

SHRI MURASOLI MARAN : Sir, the Disinvestment Commission cannot sell the shares. It is an expert body, it is an autonomous body to give advise to the Government as to how much amount of shares can be disinvested. It will supervise the sales.

#### WRITTEN ANSWERS TO QUESTIONS

[English]

#### Highest Tax Paying Companies

\*106. SHRI BIR SINGH MAHATO : Will the Minister of FINANCE be pleased to state :

(a) the details of top 50 companies/individuals who

have paid the highest amount of Central excise and income tax during the last and the current year, so far, State-wise; and

(b) the amount still outstanding against them?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b)

(i) *Income tax (including Corporation tax)*

Lists of 50 companies who have filed highest returned income for the Assessment years 1994-95 and 1995-96 are given in the attached Statement I and II respectively. The amounts of tax outstanding, if any, against these companies will become known only after the final assessments are made.

(ii) *Central Excise Duty :*

List containing the names of 50 companies who have paid the highest amount of Central Excise duty alongwith the amounts paid during 1995-96 and 1996-97 (upto January, 1997) and the amount of duty outstanding is given in the Statement III attached.

#### Statement-I

*List of Top 50 Income-tax and Corporation Tax Payers for the Assessment Year 1994-95  
(Based on Returned Income)*

						(Rs. in crores)
Rank	Name of Assessee	Status	Returned Income	Tax Paid	Charge	
1	2	3	4	5	6	
1.	Life Insurance Corpn. of India	Co.	2769.04	398.08	Maharashtra	
2.	State Bank of India	Co.	432.26	622.45	-do-	
3.	I.D.B.I.	Co.	361.17	18.40	-do-	
4.	B.H.E.L.	Co.	344.54	14.69	Delhi	
5.	Indian Oil Corporation	Co.	322.89	125.50	Maharashtra	
6.	Tata Iron and Steel Co. Ltd.	Co.	316.82	1.18	-do-	
7.	Hindustan Petroleum Corpn. Ltd.	Co.	305.78	183.07	-do-	
8.	Videsh Sanchar Nigam Ltd.	Co.	281.13	137.54	-do-	
9.	Bharat Petroleum Corpn Ltd.	Co.	272.78	133.06	-do-	
10.	I.T.C. Ltd.	Co.	246.01	136.00	West Bengal	
11.	G.I.C. of India	Co.	218.57	94.89	Maharashtra	
12.	Bajaj Auto Ltd.	Co.	215.77	105.50	-do-	
13.	Indian Farmers & Fertilizers Corpn.	Co.	192.13	77.47	Delhi	
14.	Hindustan Levers Ltd.	Co.	1182.45	103.05	Maharashtra	
15.	Kribhco, 40.50 Red House	Co.	180.88	71.60	Delhi	
16.	Voltas Ltd.	Co.	172.38	3.87	Maharashtra	
17.	United India Insurance Co. Ltd.	Co.	145.94	76.53	Tamil Nadu	
18.	I.C.I.C.I. Ltd.	Co.	132.99	81.21	Maharashtra	

1	2	3	4	5	6
19.	I.T.I. Ltd.	Co.	130.74	93.38	Karnataka
20.	I.A.A.I.	Co.	126.03	68.56	Delhi
21.	New India Assurance	Co.	123.23	146.33	Maharashtra
22.	Bank of America	Co.	113.96	72.99	-do-
23.	Mashreq Bank (Bank of Oman)	Co.	113.90	5.46	-do-
24.	Colgate Palmolive (I) Ltd.	Co.	109.81	58.02	-do-
25.	Oriental Insurance Co. Ltd.	Co.	109.71	51.27	Delhi
26.	Americal Express Bank	Co.	107.71	13.25	Maharashtra
27.	Citi Bank NA	Co.	105.53	65.26	-do-
28.	Bank of Baroda	Co.	101.40	134.06	Maharashtra
29.	Biscount and Finance India Ltd.	Co.	100.54	52.17	-do-
30.	National Insurance Co. Ltd.	Co.	100.36	52.80	West Bengal
31.	Cochin Refineries	Co.	98.19	56.10	Kerala
32.	Bennett Coleman Co.	Co.	97.38	54.70	Maharashtra
33.	State Bank of Patiala	Co.	90.69	63.58	Chandigarh
34.	Hongkong and Shanghai Banking Corpn. Ltd.	Co.	89.67	63.61	Maharashtra
35.	Ceylong Shipping Corpn. Ltd.	Co.	87.01	2.12	-do-
36.	Brook Bond Lipton India Ltd.	Co.	79.00	40.75	West Bengal
37.	Engineers India Ltd.	Co.	72.66	37.70	Delhi
38.	National Textile Corpn.	Co.	71.06	0.02	Maharashtra
39.	The Hindustan Times Ltd.	Co.	67.65	35.20	Delhi
40.	Deutsche Bank A.G.	Co.	61.99	34.68	Maharashtra
41.	Motor Industries Co. Ltd.	Co.	55.36	29.09	Karnataka
42.	Castrol India Ltd.	Co.	55.22	29.26	Maharashtra
43.	Century Enka Pvt. Ltd.	Co.	53.57	4.00	West Bengal
44.	Bank of Tokyo	Co.	51.82	31.30	-do-
45.	J & K Bank, Srinagar	Co.	51.46	26.85	Chandigarh
46.	Larsen & Turbo Ltd.	Co.	51.45	40.90	Maharashtra
47.	SCICI Ltd.	Co.	51.00	17.00	-do-
48.	National Mineral Development Corpn.	Co.	50.64	26.21	Andhra Pradesh
49.	Philips India Ltd.	Co.	50.21	27.27	West Bengal
50.	Siemens Ltd.	Co.	48.89	32.40	Maharashtra

**Statement-II**

*List of Top 50 Income-tax and Corporation Tax Payers  
For the Assessment Year 1995-96  
(Based on Returned Income)*

(Rs. in crores)

Rank	Name of Assessee	Status	Returned Income	Tax Paid	Charge
1	2	3	4	5	6
1.	Life Insurance Corpn. of India.	Co.	3176.99	456.81	Maharashtra
2.	State Bank of India Mumbai	Co.	1031.70	962.97	-do-

1	2	3	4	5	6
3.	M.T.N.L.	Co.	994.40	458.94	Delhi
4.	Indian Oil Corpn. Ltd.	Co.	833.83	351.39	Maharashtra
5.	I.D.B.I.	Co.	459.65	198.20	-do-
6.	Hindustan Petroleum Corpn.	Co.	387.41	201.00	-do-
7.	IFFCO Ltd.	Co.	383.73	134.34	Delhi
8.	Bharat Petroleum Corpn.	Co.	350.68	169.59	Maharashtra
9.	Bajaj Auto Ltd.	Co.	284.66	—	-do-
10.	Telco	Co.	270.28	137.02	-do-
11.	K.R.I.P.	Co.	262.30	—	Delhi
12.	Hindustan Lever Ltd.	Co.	245.64	117.30	Maharashtra
13.	ITC Ltd.	Co.	237.00	136.00	West Bengal
14.	RCF	Co.	222.29	156.29	Maharashtra
15.	Citi Bank Ltd.	Co.	210.18	170.52	-do-
16.	Oil India Ltd.	Co.	194.77	96.70	Bihar
17.	I.A.A.I.	Co.	187.80	—	Delhi
18.	Bennett Coleman & colleman	Co.	178.84	83.92	Maharashtra
19.	State Bank of Saurashtra, Bhavnagar	Co.	146.28	4.77	Gujarat
20.	I.F.C.I.	Co.	134.50	—	Delhi
21.	ICICI Ltd.	Co.	134.19	61.73	Maharashtra
22.	Colgate Palmolive	Co.	122.80	63.82	-do-
23.	A.N.Z. Grindlays Ltd.	Co.	119.00	—	Delhi
24.	Bank of America	Co.	114.92	90.25	Maharashtra
25.	Larsen & Tourbo Ltd.	Co.	114.62	62.94	-do-
26.	Maruti Udyog Ltd.	Co.	114.35	54.61	Delhi
27.	Corporation Bank	Co.	109.24	63.67	Karnataka
28.	Hongkong & Shanghai Banking Corpn Ltd.	Co.	103.69	87.43	Maharashtra
29.	Motor Industries Co. Ltd.	Co.	103.54	47.80	Karnataka
30.	State Bank of Patiala	Co.	101.56	56.42	Chandigarh
31.	Castrol India Ltd.	Co.	97.81	47.24	Maharashtra
32.	IPCL Baroda	Co.	95.83	6.33	Gujarat
33.	KCt Bros. Ltd.	Co.	94.15	44.11	West Bengal
34.	E.I.L. Ltd.	Co.	90.94	40.91	Delhi
35.	Engineers India Ltd.	Co.	90.90	—	Delhi
36.	Hindustan Times Ltd.	Co.	89.23	40.77	Delhi
37.	SCICI Ltd.	Co.	88.38	41.10	Maharashtra
38.	Raigad Trading Co.	Co.	87.64	4.44	Maharashtra
39.	Hindustan Ciba Geigy Ltd.	Co.	85.94	61.13	-do-
40.	Bank of Baroda	Co.	84.85	22.77	-do-
41.	American Express Bank	Co.	84.46	65.61	Maharashtra
42.	Diwan Housing	Co.	83.97	38.78	-do-
43.	Philips India Ltd.	Co.	83.95	41.99	West Bengal
44.	H.U.D.C.O.	Co.	80.40	—	Delhi
45.	Asian Paints	Co.	75.49	34.72	Maharashtra
46.	State Bank of Hyderabad	Co.	72.71	54.77	Andhra Pradesh
47.	India Rayons & Industries Ltd.	Co.	69.38	44.76	Maharashtra

1	2	3	4	5	6
48.	NMDC Ltd.	Co.	68.42	31.47	Andhra Pradesh
49.	HDFC Ltd.	Co.	68.39	42.67	Maharashtra
50.	Kirlosker Cuminis Ltd.	Co.	68.15	31.35	Maharashtra

**Statement-III**

*Detail of the Top 50 Companies who have paid Highest Amount of Central Excise Duty during the year 1995-96, 1996-97 and the amount Outstanding against them are as Under :*

(Rs. in crores)

S.No.	Name of the Company	1995-96	1996-97 (upto Jan., 97)	Outstanding amount
1	2	3	4	5
1.	ONGC	2685.56	2004.15	13.67
2.	ITC Ltd.	2055.55	2995.35	497.33
3.	Indian Oil Corporation	2037.82	2372.28	46.29
4.	Steel Authority of India	1356.41	1059.54	202.95
5.	Reliance Industries Ltd.	1054.35	681.68	31.57
6.	Maruti Udyog Ltd.	902.24	892.76	84.50
7.	HPCL	787.35	993.31	34.02
8.	Bharath Petroleum Co. Ltd.	621.97	849.45	14.56
9.	TISCO	477.24	436.14	55.41
10.	Cochin Refineries Ltd.	326.53	372.51	29.99
11.	Godfray Philips	325.28	271.84	53.02
12.	VST Industries Ltd.	305.22	244.05	-
13.	Grasim Industries Ltd.	303.28	223.10	10.59
14.	MRF Ltd.	293.23	263.86	4.96
15.	IPCL	569.05	388.50	144.07
16.	Associated Cement Co. Ltd.	269.29	233.27	1.02
17.	Hindustan Lever	265.93	248.63	20.93
18.	Oil India Ltd.	261.58	174.58	117.62
19.	Hindustan Motors	234.54	202.35	-
20.	Bajaj Auto Ltd.	231.95	232.48	7.16
21.	BHEL	210.84	147.55	37.58
22.	Vizag Steel Plant	208.77	174.06	-
23.	Raymonds Ltd.	203.80	135.51	0.63
24.	Hyderabad Decon Cigarettes Ltd.	202.35	171.36	17.04
25.	Mahindra & Mahindra	196.23	193.67	8.93
26.	Larsen & Turbo	164.58	186.36	18.86
27.	NALCO	146.52	49.36	20.54
28.	CEAT	137.98	127.17	1.42
29.	Modi Rubber Ltd.	137.97	108.23	-
30.	Hindalco Industries Ltd.	137.83	85.10	3.11
31.	Reliable Cigarettes and Tobacco Ltd.	128.94	107.60	26.60
32.	NOCIL	125.13	90.59	12.76

1	2	3	4	5
33.	GTC Industries Ltd.	135.40	126.87	145.34
34.	DSP	121.87	94.58	2.42
35.	Premier Auto Ltd.	114.55	44.18	0.23
36.	Asia Tobacco Ltd.	108.75	96.44	45.11
37.	Tata Chemicals Ltd.	108.47	89.58	0.05
38.	Birla Tyres	102.32	80.02	4.21
39.	Century Enka Ltd.	97.56	67.32	1.18
40.	Apollo Tyres	173.03	180.41	0.03
41.	IISCO	90.84	54.43	0.68
42.	DCL Polyester	86.85	56.12	0.19
43.	Dunlop India Ltd.	84.04	77.77	36.14
44.	Sanghi Polyester Ltd.	81.57	63.48	-
45.	Baroda Rayon	78.90	50.69	1.22
46.	BRPL	77.68	66.14	1.46
47.	Jindal Polyester	69.02	46.71	-
48.	Ballarpur Ind. Ltd. (Prov.)	90.78	75.58	1.20
49.	J.K. Synthetics Ltd.	88.40	42.06	2.44
50.	Laxmi Tobacco Company Bhilai	118.60	113.83	0.32

### Judicial System of the Country

\*107. SHRI GULAM RASOOL KAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government have worked out any comprehensive plan of action for streamlining the judicial system of the country;

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

(c) the manner in which the judicial reforms are likely to be financed and implemented?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c) A proposal for the amendment of the Code of Civil Procedure, 1908 and the Limitation Act, 1963 towards judicial reforms is under active consideration of the Government and a Bill in this regard may be brought soon before the Parliament.

[Translation]

### Target for Foreign Investment

\*108. SHRI DEVI BUX SINGH :

DR. RAMESH CHAND TOMAR :

Will the Minister of INDUSTRY be pleased to state:

(a) the details of the target fixed by the Government for foreign investment during the year 1996-97;

(b) whether the Government have achieved the said target;

(c) if not, the reasons therefor alongwith the total investment made during 1996-97, so far; and

(d) the steps being taken by the Government to achieve the target in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) There are no targets fixed by the Government for foreign investment during the year 1996-97. However, in view of the fact that the Common Minimum Programme states that the nation needs and has the capacity to absorb atleast US \$10 Billion a year as Foreign Direct Investment, Government is committed to substantially increasing the inflows of Foreign Direct Investment into the country.

(b) Does not arise.

(c) The total Foreign Direct Investment approved during the year 1996-97 (from April to December, 1996) is Rs. 277.18 Billion (approximately US \$7.9 Billion).

(d) The steps taken by the Government include revamping of Foreign Investment Promotion Board (FIPB), Constitution of Foreign Investment Promotion Council (FIPC), organising global investment promotion summits like Destination India, taking up country specific investment promotion initiatives, issue of guidelines for the purpose of bringing transparency in FIPB approval process, expansion of list of industries for automatic approval etc.

[English]

### Reservation for Handloom Sector

\*109. SHRI GEORGE FERNANDES : Will the Minister of TEXTILES be pleased to state :

(a) the items reserved for production by the handloom weavers;

(b) the steps being taken to prevent the non-handloom sector from poaching into the reserved items;

(c) whether the Government are providing any marketing assistance to the handloom weavers; and

(d) if so, the details thereof?

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

(a) The items reserved for exclusive production by Handlooms are (i) Saree (ii) Dhoti (iii) Towel, Gamcha and Angavastram (iv) Lungi (v) Khes, Bedsheet, Bedcover, Counterpane, Furnishing (including tapestry, upholstery) (vi) Jamakkalam Durry or Durret (vii) Dress Material (viii) Barrack Blankets, Kambal or Kamblies (ix) Shawl, Loi, Muffler, Pankhi etc. (x) Woolen Tweed and (xi) Chaddar, Mekhala/Phanek.

(b) The steps taken by the Handloom sector to prevent the non-Handloom sector from poaching into the reserved items are as follows :

(i) State Governments from time to time have been directed to implement the Handlooms (Reservation of Articles for Production) Act, 1985 and orders issued thereunder;

(ii) To make the powerloom operators aware of the provisions of the Act and also for switching over to the unreserved item, awareness programmes have been organised at Ranaghat, Meerut, Bhilwada, Kishangarh, Amritsar, Ludhiana, Cannanore, Salem, Komarapalyam, Trichy etc.

(iii) Scheme for establishing Enforcement machinery in the States/UTs with the 100% financial assistance from Government of India during the current Plan is in operation and releases have been made to the various States namely Karnataka (Rs. 22.62 lakhs), Rajasthan (Rs. 68.11 lakhs), Madhya Pradesh (Rs. 20.11 lakhs), Haryana (8.72 lakhs), West Bengal (Rs. 7.47 lakhs), Orissa (Rs. 9.02 lakhs) etc.

(iv) Inspection of Powerloom is also conducted by the implementing agencies. So far 2,15,129 powerlooms have been inspected and 687 FIRs have been lodged.

(c) and (d) For marketing the handloom products, marketing assistance is provided to the Handloom weavers, Primary Weavers Cooperative Societies, Apex

Handloom Weavers Cooperative Societies and State Handloom Corporations under various ongoing schemes, namely, Rebate/Market Development Assistance, participation in National Handloom Expos, Mini Expos, District Level Events, Dilli Haat, Craft Mela, Setting up of Market Complexes and Development of Exportable products and their marketing.

### Loss/Profit of Nationalised Banks

\*110. SHRI MANGAT RAM SHARMA : Will the Minister of FINANCE be pleased to state :

(a) the total number and names of nationalised banks functioning in the country; State-wise;

(b) the names of the banks running into loss/proft separately;

(c) the total amount deposited and loan advanced by these nationalised banks to the public, State-wise; and

(d) the steps being taken by the banks to recover the outstanding loans and to reduce their losses?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) There are at present 19 nationalised banks functioning in the country. The names of such banks and the profit/loss for the last three years is given in statement-I attached. These banks have a number of branches spread throughout the country.

(c) The details of deposits and advances of nationalised banks State-wise for the last three years is given in statement-II attached.

(d) Reserve Bank of India (RBI) have advised all nationalised banks to have documents of loan recovery policy approved by the Board of Directors. The components of the loan recovery policy followed by the banks are as under :-

(i) effecting maximum recoveries particularly out of Non-performing Asset (NPA) accounts by fixing recovery targets and bringing down level of NPAs.

(ii) close monitoring of large borrowal accounts in order to avoid their slippage into NPAs.

(iii) entering into compromise proposal for expeditious recovery based on RBI guidelines/and

(iv) close follow up of cases under litigation.

RBI have also advised the banks to strengthen their credit management and tone up internal control in addition to making concerted efforts for reduction of NPAs in accordance with the loan recovery policy adopted by them.

**Statement-I****Profit/Loss position of Nationalised Banks**

(Amount in Crores)

Name of the Bank	1993-94		1994-95		1995-96	
	Oper. Profit	Net Profit	Oper. Profit	Net Profit	Oper. Profit	Net Profit
Allahabad Bank	22.84	- 367.72	30.42	- 76.36	103.21	5.62
Andhra Bank	- 18.66	- 162.25	13.13	- 43.57	61.67	11.07
Bank of Baroda	726.82	66.15	774.87	175.54	877.27	204.27
Bank of India	204.80	- 1089.15	317.10	50.36	473.86	276.48
Bank of Maharashtra	- 33.86	- 296.93	26.98	- 40.80	66.49	12.60
Canara Bank	319.54	120.35	552.27	204.10	684.63	252.52
Central Bank of India	- 122.01	- 711.93	49.18	- 84.24	210.89	- 73.53
Corporation Bank	108.22	27.04	174.03	72.55	216.10	104.75
Dena Bank	39.39	- 69.84	68.80	30.02	145.49	51.69
Indian Bank	49.78	- 390.65	75.12	14.26	- 223.68	- 1336.40
Indian Overseas Bank	45.86	- 351.18	75.19	10.39	21.95	3.20
Oriental Bank of Commerce	109.54	32.11	194.77	113.36	276.14	172.75
Punjab & Sind Bank	- 6.06	- 175.99	40.97	- 7.42	8.40	- 132.18
Punjab National Bank	287.59	74.52	321.27	85.79	384.28	- 95.92
Syndicate Bank	4.05	- 299.40	14.29	- 91.79	99.40	20.17
UCO Bank	- 161.82	- 546.45	36.63	- 83.81	- 26.13	- 236.66
Union Bank of India	163.26	50.27	285.25	106.48	311.02	80.49
United Bank of India	- 119.00	- 618.06	- 82.73	- 197.23	- 50.24	- 234.46
Vijaya Bank	40.53	4.10	77.58	31.70	4.91	- 250.95
<b>Total Profit</b>	<b>2122.22</b>	<b>374.54</b>	<b>3127.85</b>	<b>894.55</b>	<b>3945.71</b>	<b>1195.61</b>
<b>Total Loss</b>	<b>- 461.41</b>	<b>- 5079.55</b>	<b>- 82.73</b>	<b>- 625.22</b>	<b>- 300.05</b>	<b>- 2360.10</b>

**Statement-II****Aggregate deposits and Gross bank credit of Nationalised banks for the year ending March 1994, 1995 & 1996.**

(Amount in Rupees Lakh)

State/Union Territory	1994		1995		1996	
	Deposits	Credit	Deposits	Credit	Deposits	Credit
1	2	3	4	5	6	7
Haryana	4053,35	1872,49	4915,39	2104,29	6130,40	2573,23
Himachal Pradesh	1215,57	332,32	1472,10	372,84	1729,10	442,23
Jammu & Kashmir	660,57	172,91	745,43	185,50	867,57	203,27
Punjab	10567,83	4244,09	12411,74	4912,24	14133,97	5644,72
Rajasthan	3906,90	2038,35	4616,41	2217,20	5233,91	2559,05
Chandigarh	1481,13	669,82	2031,95	853,02	2462,33	1094,59
Delhi	19689,71	7935,56	24387,95	10195,58	25272,26	12626,63
Arunachal Pradesh	34,66	7,18	53,31	8,32	64,25	10,57
Assam	1798,79	784,88	2152,87	896,48	2482,45	1025,73

1	2	3	4	5	6	7
Manipur	73,30	63,90	96,26	70,21	123,90	91,54
Meghalaya	243,98	41,79	301,74	48,85	342,81	47,10
Mizoram	21,56	3,82	22,73	4,20	32,45	5,75
Nagaland	108,20	38,47	128,07	41,11	163,34	41,90
Tripura	195,66	93,43	239,97	93,35	265,81	101,64
Bihar	7123,15	2325,05	8528,89	2534,96	10141,00	2928,18
Orissa	2101,21	1213,73	2601,72	1327,56	2955,01	1508,12
Sikkim	50,03	8,77	62,54	11,98	104,82	14,68
West Bengal	15552,50	7169,81	17275,04	8182,08	19144,11	9085,95
Andaman & Nicobar	41,91	7,68	53,90	10,96	68,21	13,06
Madhya Pradesh	5722,25	2832,50	7105,92	3312,58	8191,06	4088,13
Uttar Pradesh	18653,24	6646,98	22279,09	7383,18	25789,96	8272,42
Goa	1678,05	393,89	1986,31	504,40	2239,20	573,40
Gujarat	13892,62	5745,31	16366,25	7143,95	17669,95	8196,04
Maharashtra	37015,66	25262,21	41835,29	31113,44	44013,66	34384,20
Dadra & Nagar Haveli	25,62	5,97	40,90	6,69	41,98	9,22
Daman & Diu	31,87	4,06	40,31	3,82	47,53	10,59
Andhra Pradesh	8344,66	5518,22	9712,78	6915,80	10891,47	7788,91
Karnataka	8538,08	5569,31	10821,65	6622,71	12640,26	7661,88
Kerala	5493,85	2052,61	6468,53	2379,95	7132,05	2855,14
Tamil Nadu	12856,43	10008,44	14863,17	12384,93	17130,55	14570,72
Lakshadweep	15,30	1,43	20,23	2,00	24,78	2,37
Pondicherry	352,50	153,16	412,66	138,70	482,49	213,51

### CMPDIL Report

\*111. SHRI BASU DEB ACHARIA : Will the Minister of COAL be pleased to state :

(a) whether attention of the Government has been drawn towards the Report of Central Mines Planning and Designing Institute Ltd. of February, 1993 about rehabilitation and saving huge quantity of coal under Eastern Coalfields Ltd.;

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

(c) the action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c) According to information received from Eastern Coalfields Limited (ECL), the issue of stabilisation in Raniganj Coalfield was posed to the World Bank team for obtaining assistance. In order to appraise the World Bank team in respect of stabilisation, a draft preliminary report was prepared by CMPDIL, based on the available information and on certain assumptions. The World Bank team visited the sites in Raniganj coalfields. Since the World Bank team could not suggest any suitable method

for stabilisation of the old workings, no further action could be taken on the draft report. The salient features of the report are given in attached statement I and II respectively.

### Statement-I

#### List of 49 Unstable Localities

#### Areas where there is no apparent danger

1. Shankarur Village
2. Bahula Motibazar Area
3. Balsuk Ceramic
4. Santhal Basti (East Jemehari)
5. Reghunathbati Village
6. Belrui Village
7. Radhanagar Village
8. Seetalpur Village
9. Topsi Village
10. Sikarpur Village
11. Aldih Village

**Areas where Stabilisation/Rehabilitation Needed**

12. Haripur Village
13. Dhangarpati
14. Pai Asbon Village
15. Kuldanga Village
16. Kenda Village
17. Dhasal Village
18. Kumarbazar (Raniganj Town)
19. Porarbandh (Raniganj Town)
20. Pottary Area (Raniganj Town)
21. Arun Talkies (Raniganj Town)
22. Gowala Basti (Raniganj Town)
23. Hurmadanga Village
24. Old Egara Village
25. Sanihal Basti (Jemehari)
26. Nandi Village
27. Jamuria Bazar
28. Jamuria Village
29. Shibpur Village
30. Chattimdanga
31. Kumardiha Village
32. Bhutdoba
33. Balirambagan
34. H P G
35. Ushagram Village
36. Reckitt Colman
37. Borachak Village
38. Fetepur Village
39. Narsamuda Village
40. Bonbiddi Village
41. Aluthai/Bharatchak Village
42. Chottodhemo Village
43. Kendua Village
44. Pankiary
45. Sanotoria Village
46. Jonakpura Village
47. Falsadanga
48. Begunia Village
49. Barakar Town

**Statement-II****Summarised Data**

1. Area of the Raniganj coalfield	: 1530. sq. km.
2. Total Unstable Area	: 11.81 sq. km.
3. Area of Unstable Locations	: 4.83 sq. km.

4. Total No. of unstable area as identified till to-day	: 49
5. Stabilisation Action Taken	: 1
6. Estimated reserve blocked below unstable areas (in mt.)	: 443.23
7. Population likely to be affected	: 128219
8. Estimated capital requirement for void identification for areas suggested for stabilisation	
A. Rupee component (in Rs. million)	: 608.02
B. Foreign Exchange (In million US \$)	: 33.53
9. Thematic Mapping	
A. Rupee component (in million)	: 6.0
B. Foreign Exchange (in million US \$)	: 0.10
10. Evacuation and rehabilitation of total unsafe areas	
A. Estimated capital required	: Rs. 37809.86 million
B. Value of coal likely to be released	: Rs. 110800 million
11. Stabilising the densely populated unstable areas and evacuating the other unstable areas	
A. Estimated capital for stabilisation	: Rs. 5803 million
B. Estimated capital for rehabilitation	: Rs. 7450.30 million
C. Value of coal likely to be release	: Rs. 68186 million

**FERA Violation**

\*112. SHRI UTTAMSINGH PAWAR : Will the Minister of FINANCE be pleased to state :

(a) the details of the private sector companies against whom cases of FERA violation have been registered/detected since July, 1996 till date; and

(b) the amount involved in each case?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) The Enforcement Directorate have registered 198 cases against private sector companies since July, 1996. Names of some of the major cases are as under :

1. M/s. ITC Ltd.
2. M/s. Shaw Wallace & Co.
3. M/s. MVR Group of Companies
4. M/s. Dipper Investments Ltd.
5. M/s. Kiron Group of Companies.

Enforcement Directorate has undertaken investigations in these cases. Amount involved in each of the case cannot be assessed at this stage.

### Racket in Forged Drafts

\*113. SHRI JANG BAHADUR SINGH PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Racket in forged drafts unearthed" appearing in the *Hindustan Times* dated December 25, 1996;

(b) if so, the details thereof; and

(c) the action taken against the bank officials for not following the laid down rules and regulations?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c) Government have seen the news item referred to in the question. The fact as reported by Bank of Baroda (BOB) are as under :-

- (i) A demand draft for Rs. 50,000 was deposited in the newly opened current account in the name of M/s. Parveen Hide Company at Hapur Branch of BOB and Rs. 35,000 was withdrawn by Ms. Parveen on 13.12.1996. The Branch received a mail transfer dated 16.12.1996 purportedly issued by its Latouche Road, Kanpur Branch for Rs. 8.50 lakhs favouring the firm. Enquiry with Latouche Road Branch revealed that the draft and mail transfer were not issued by them. FIR was lodged with local police at Hapur on 21.12.1996. Police arrested Ms. Parveen, her two other accomplices and five other persons including the watchman and the clerk of Latouche Road Branch. The watchman and the clerk have been placed under suspension.
- (ii) An account in the name of M/s. B.R. Enterprises was opened in January, 1995 at Clock Tower, Ghaziabad Branch of BOB. On 20.10.1995, one mail transfer for Rs. 6.80 lakhs purported to have been issued by Sisamau, Kanpur Branch of BOB was credited to the account and several withdrawals aggregating Rs. 3.30 lakhs were allowed from this account. The fraud came to light when the Clock Tower, Ghaziabad Branch contacted Sisamau, Kanpur Branch and it was revealed that the mail transfer for Rs. 6.80 lakhs was a fake one. FIR was lodged with the police.
- (iii) During periodical inspection of Muzaffarnagar Branch of BOB in December, 1996, it was found that a draft book containing 50 demand drafts was missing. Instructions were issued to all the branches to exercise caution in making payments against stolen drafts. However, 12 demand drafts for Rs. 26.18 lakhs had already been paid by the Bulandshahar and Akbarpur Branches of

BOB in September-October, 1996. The enquiry carried out by the bank revealed certain lapses such as absence of joint control of security forms and periodical physical verification of stock of security forms at Muzaffarnagar Branch and non-observance of caution in high value transactions at Bulandshahar and Akbarpur Branches. The concerned Zonal Offices have been advised to issue specific instructions to all branches for physical verification of security forms. FIR has been lodged by Muzaffarnagar Branch in December, 1996. Akbarpur Branch has also lodged FIR with the police who have arrested one of the account holders. The accountant of Muzaffarnagar branch has been suspended.

[Translation]

### Decline in Export

\*114. SHRI KASHI RAM RANA :  
SHRI T. GOPAL KRISHNA :

Will the Minister of COMMERCE be pleased to state:

(a) the target fixed for growth rate of exports and imports during 1996-97;

(b) the actual growth rate of exports and imports achieved during 1996-97 in comparison to the corresponding period of the last two years;

(c) the reasons for decline in export growth rate and the areas in which the progress has been poor; and

(d) the steps taken to check the decline in exports and the export growth rate in comparison to increase in imports and its growth rate during 1996-97?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d) At the beginning of 1996-97, an export growth of 18 to 20% in dollar terms was envisaged for the current financial year. However as per the latest data available from DGCI&S, exports have registered a growth of 6.4% during April-December, 1996 as compared to a growth of 24.2% achieved during the corresponding period in 1995-96 and a growth of 16.9% achieved during April-December, 1994-95.

No targets are fixed for imports which are made as per the requirements of the economy. The imports registered a growth of 4.4% during April-December, 1996-97 as compared to a growth of 29.3% and 23.9% achieved during the corresponding period in 1995-96 and 1994-95 respectively.

Export growth is influenced by international market conditions, non-tariff barriers imposed by the importing countries, supporting infrastructural facilities available

for exports as well as the policy environment. As per the DGCI&S quick estimates for April-December, 1996-97, commodities like tea, coffee, rice, cashew, fruits and vegetables, gems and jewellery, leather manufactures, man-made yarn fabrics, etc., jute manufactures, Handicrafts and Plastic and Lineoleum Products have registered negative growth.

During April-December, 1996-97, the value of exports as well as imports have shown increase though the growth rates are at lower levels than during the previous year period. Measures for promoting exports are continuously being taken. These include changes in policies and procedures for providing an export friendly environment, interaction with trade and industry, consultations with the State Governments for involving States in export promotion, de-bottlenecking of crucial infrastructure facilities for exports, meeting of joint commissions and bilateral fora and dialogue with partner countries.

[English]

### Electoral Reforms

\*115. SHRI MUKHTAR ANIS : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the details of the proposals and suggestions for reforms in Electoral System and the laws relating thereto submitted by the Election Commission of India to the Union Government which are pending as on January 1, 1997;

(b) whether the Government propose to consult various political parties on these proposals and suggestions; and

(c) if so, by when the Government are likely to take a decision in the matter?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) A statement is laid on the Table of the House.

(b) Yes, Sir.

(c) Electoral Reforms being a continuous process, it is not feasible to indicate the exact time by which Government would take a decision in the matter. Government, however, is keen to finalise a comprehensive package on Electoral Reforms as early as possible.

### Statement

*Important Proposals of the Election Commission which are pending as on 1st January, 1997.*

1. The Election Commission should have an independent secretariat and the expenditure on the Commission should be 'charged'.

2. No candidate should be allowed to contest from more than one constituency.
3. Automatic disqualification of a person found guilty of corrupt practice.
4. Enhancement of required minimum number of valid votes polled to save security deposit from 'one-sixth' to 'one-fourth' thereof.
5. Compulsory maintenance of accounts by political parties and audit thereof.
6. The existing provision in section 29A of the Representation of the People Act, 1951, relating to registration of political parties, should not be deleted and there should be a specific provision to de-register a party if it violates the undertaking given under the section. The power to de-register should vest in the High Court.
7. Mobilisation of employees of Public Sector Undertakings, autonomous bodies, statutory and non-statutory bodies aided by the Government etc., for election duties as also to provide that employees of such bodies including local bodies could also be deployed for election duties outside their State.
8. Restoration of pre- 1974 position in respect of election expenses.
9. Increase in the ceiling on election expenses as laid in Rule 90 of the Conduct of Elections Rules, 1961.
10. The officer nominated or designated as Chief Electoral Officer should not be allowed to do any other work except with the approval of the Election Commission.
11. Statutory backing to provisions of Part VII of the Model Code of Conduct.
12. Empowering Election Commission to issue instructions and to make recommendations in connection with elections.

### Privatisation of Coal Sector

\*116. SHRI K.P. SINGH DEO :  
SHRI NAMDEO DIWATHE :

Will the Minister of COAL be pleased to state :

(a) whether the Government propose to privatise different areas in the coal sector;

(b) if so, the details of the plan and areas under different coal companies identified for the purpose;

(c) whether the power and steel companies of public sector have also been offered some blocks for coal mining and allied activities; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The Government propose to move a Bill to amend the Coal Mines (Nationalisation) Act, 1973 to permit any Indian company to mine coal.

(b) The details of areas for which leases could be offered to Indian companies to mine on the basis of competitive bidding will be worked out after the legislative changes are effected by the Parliament and competitive bidding rules are framed thereafter.

(c) and (d) At the time of nationalisation of coal mines in India in 1972-73 certain mines which were being operated by Damodar Valley Corporation were not nationalised. After the amendment in the Coal Mines (Nationalisation) Act, 1973 in 1993, captive mining blocks were offered to the following named State Power Utilities and public sector enterprises in the power and steel sector as per details below :

Sl No.	Name	End Use	Coalfields in which blocks identified/indicated are located	Geological reserves (MTs)
1.	Andhra Pradesh State Electricity Board	Power Generation	Talcher	420
2.	West Bengal State Electricity Board	Power Generation	Raniganj	80
3.	West Bengal Power Development Corporation Ltd.	Power Generation	Raniganj	130
4.	Steel Authority of India Ltd.	Steel	Jharia	2149

#### Difference in Interest Rates

\*117. SHRI BHUPINDER SINGH HOODA : Will the Minister of FINANCE be pleased to state :

(a) whether NABARD releases funds at 2 to 3 per cent rate of interest for grant of loans to farmers;

(b) whether the farmers got even short term crop loans at the interest rate of 12 to 14 per cent;

(c) if so, the reasons for the huge difference between the interest charged by the NABARD and the interest which the farmers have to pay for the loans; and

(d) the remedial steps being taken by the Government?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) National Bank for Agriculture and

Rural Development (NABARD) provides refinance assistance to the cooperative credit institutions and Regional Rural Banks (RRBs) for financing Seasonal Agricultural Operations (SAO) out of the General Line of Credit (GLC) provided by Reserve Bank of India (RBI).

The rates of interest on short term SAO credit limits to cooperative banks from NABARD, with effect from 1.7.1996, are given below :

Percentage of SCB's borrowing from NABARD to ST (SAO) loans outstanding against PACS	Rate of interest (% p.a.)
less than 35	5.0
35 & above but less than 40	5.5
40 & above but less than 45	6.0
45 & above but less than 50	6.5
50 & above but less than 55	7.0
55 & above	7.5

However, the interest rate on refinance for ST-SAO credit limits to all cooperative banks in North-Eastern Region and for refinance for limits under ST (SAO) - Development of Tribal Population is fixed at 5% p.a. irrespective of the level of borrowings. The rate of interest chargeable by NABARD on the ST (SAO) refinance to RRBs is 6.5% p.a.

(b) to (d) The rates of interest to be charged by cooperative credit institutions on loans to ultimate borrowers have been deregulated with effect from 2nd November, 1994, subject to a minimum of 12% p.a. for all loan slabs. The rate of interest to be charged by Regional Rural Banks (RRBs) has also been fully deregulated with effect from 26th August, 1996.

In the deregulated environment, the rate of interest charged on loans is normally contingent upon a number of factors including inter-alia, the average cost of mobilisation of resources, level of dependence on NABARD refinance assistance, efficiency of lending operations and the margins to be retained at various level in order to meet the administrative costs and servicing of loans. Refinance available from NABARD at lower rates helps the lending institutions in bringing down their average cost of resources. However, a substantial portion of crop loans advanced by rural credit institutions comes from resources mobilised by such institutions costs much higher than NABARD's refinance rates.

Keeping in view the risk cost associated with rural lending and the cost of carrying higher level of overdues, it appears necessary for the rural credit institutions to keep their interest rates at reasonable levels to ensure sustainable viability of operations.

### Foreign Banks

\*118. SHRI AYYANNA PATRUDU : Will the Minister of FINANCE be pleased to state :

(a) the names of the foreign banks allowed entry into India since the initiation of liberalisation of economy from mid-1991; and

(b) the total amount of profits earned by them and

repatriating in foreign exchange during each of the last three years?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) According to Reserve Bank of India (RBI) the following foreign banks have been allowed entry in India from mid 1991. The total amount of profit/loss earned by each of these banks is given below against their names. None of these banks has remitted profits in the last three years.

(Rs. in crores)

Sl. No.	Name of the Bank	Country	1994	1995	1996
1.	ING Bank NV	Netherlands	*	(-) 3.87	(-) 4.59
2.	Chase Manhattan Bank NA	U.S.A.	*	(-) 6.74	(-) 3.44
3.	State Bank of Mauritius Ltd.	Mauritius	*	(-) 0.34	+ 4.34
4.	Development Bank of Singapore Ltd.	Singapore	*	(-) 0.16	+ 0.96
5.	Dresdner Bank AG	Germany	*	*	(-) 9.57
6.	Bank of Ceylon	Sri Lanka	*	*	+ 0.33
7.	Commrez Bank A.G.	Germany	*	*	(-) 4.32
8.	Siam Commercial Bank PCL	Thailand	*	*	*
9.	Bank International Indonesia	Indonesia	*	*	*
10.	China Trust Commercial Bank	Taiwan	*	*	*
11.	Arab Bangladesh Bank Ltd.	Bangladesh	*	*	*
12.	Cho Hung Bank Ltd.	South Korea	*	*	*
13.	Fuzi Bank Ltd.	Japan	*	*	*
14.	Krung Thai Bank PCL	Thailand	*	*	*
15.	Overseas Chinese Banking Corporation Ltd.	Singapore	*	*	*

(\*) had not commenced operations during this period

(-) indicates losses

(+) indicates profits

### Financing Infrastructure Sector by Insurance

\*119. SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to open Insurance sector for financing infrastructure sector;

(b) if so, the details thereof; and

(c) the time by which financing of infrastructure is likely to be started?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) The policy of the present Government towards infrastructure financing and insurance has been laid down in the "Common Minimum Programme" (CMP) which says as follows :

"There is a strong link between infrastructure development and financial sector reforms. Infrastructure needs long terms finances. The

United Front Government will carry out further reforms of the financial sector so that the flow of both domestic and foreign funds to the infrastructure sector is enhanced substantially. There is room for public sector companies and private sector companies to co-exist and compete in the financial sector. We have gained considerable experience in the working of the banking sector. The said experience will be applied to the restructuring of the insurance industry but at the same time public sector companies like LIC, GIC etc. will be strengthened."

Under the existing law, both Life Insurance and General Insurance Business are exclusive privilege respectively of the Life Insurance Corporation of India and the General Insurance Corporation of India, together with its four subsidiaries. The insurance sector can be opened up only when the law is amended by Parliament.

(c) A substantial part of the long term funds generated by the nationalised Life Insurance Corporation goes to finance the infrastructure sector. The total loans advanced by LIC for this purpose upto 31.3.1996 were over Rs. 18,000 crore.

#### Profit/Losses by NTC Mills

\*120. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills under NTC, State-wise; and

(b) the profit/losses incurred by each NTC mill during each of the last three years?

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

(a) A statement-I is attached indicating the number of mills of NTC, State-wise.

(b) A statement-II is attached indicating the profit/loss of each of the NTC mills during each of the last three years, namely, 1993-94, 1994-95 and 1995-96.

#### Statement-I

##### Position of NTC Mills Statewise and Union Territory-wise

S.No.	Name of the State	Number of Mills
1.	Delhi	1
2.	Punjab	4
3.	Rajasthan	4
4.	Madhya Pradesh	7
5.	Uttar Pradesh	11
6.	Maharashtra	35
7.	Gujarat	11
8.	Andhra Pradesh	6
9.	Karnataka	4
10.	Kerala	5
11.	Pondicherry (UT)	3
12.	Tamilnadu	13
13.	Assam	1
14.	Bihar	2
15.	Orissa	1
16.	West Bengal	12
		120

#### Statement-II

(Rs. in crores)

SR.	Mill-Name	Location	1993-94	1994-95	1995-96
1	2	3	4	5	6
	<b>Delhi</b>				
1.	Ajudhia Mills	Delhi	-11.27	-3.68	-5.57
	<b>Punjab</b>				
2.	Dayalbagh Mills	Amritsar	-2.78	-2.19	-3.69
3.	Suraj Textiles	Malout	-0.83	-0.85	-3.11
4.	Kharar Text.	Kharar	-0.30	-1.13	-2.66
5.	Panipat Mills	Kharar	-3.96	-1.31	-2.84
	<b>Rajasthan</b>				
6.	Sri Bijay Mills	Bijaynagar	-1.95	-1.50	-1.94
7.	Udaipur Mills	Udaipur	-0.64	-1.47	-3.19
8.	Mahalaxmi Mills	Beawar	-4.20	-1.95	-2.24
9.	Edward Mills	Beawar	-4.40	-2.06	-2.59
	<b>Madhya Pradesh</b>				
10.	Hira Mills	Ujjain	-11.72	-5.76	-6.78
11.	Swadeshi Mills	Indore	-9.29	-4.55	-5.62
12.	New Bhopal Mills	Bhopal	-6.05	-4.98	-5.89
13.	Burhanpur Mills	Burhanpur	-3.70	-4.53	-5.71
14.	Bangal Nagpur	Rajnandgao	-9.77	-7.69	-9.53
15.	Indore Malwa	Indore	-14.93	-8.54	-10.09
16.	Kalyanpal Mills	Indore	-12.06	-7.22	-9.00

1	2	3	4	5	6
<b>Uttar Pradesh</b>					
17.	Sri Vikram Mill	Lucknow	-5.37	-1.58	-2.00
18.	Bijli Mills	Hathras	-5.74	-1.10	-1.85
19.	Swadeshi Mill	Mau. Bhanja	-1.68	-0.89	-2.94
20.	Raibareli Mills	Raebareli	-2.64	-1.39	-2.01
21.	Swadeshi Mills	Naini	-7.30	-6.46	-8.10
22.	Muir Mills	Kanpur	-17.54	-7.68	-9.88
23.	New Victoria	Kanpur	-21.36	-7.91	-11.41
24.	L Krishna Mills	Saharanpur	-10.04	-3.47	-4.10
25.	Swadeshi Mills	Kanpur	-21.48	-7.75	-12.99
26.	Laxmirattan	Kanpur	-	-7.40	-7.85
27.	Atherton Mills	Kanpur	-	-4.91	-4.73
<b>Maharashtra</b>					
28.	Barshi Mills	Barshi	0.01	0.47	-0.24
29.	Apollo Mills	Bombay	-6.03	-3.79	-5.08
30.	Bharat Textiles	Bombay	-6.29	-5.67	-5.68
31.	Digvijay Mills	Bombay	-7.34	-8.29	-10.61
32.	Jupiter Mills	Bombay	-13.72	-7.48	-8.43
33.	New Hind Mills	Bombay	-13.48	-7.96	-9.99
34.	Mumbai Mills	Bombay	-12.42	-6.84	-8.26
35.	Aurangabad	Aurangabad	-0.94	-1.09	-1.11
36.	Chalisingaon Text	Chalisingaon	0.21	-0.52	-0.80
37.	Dhula Text.	Dhuli	-3.67	-3.50	-4.11
38.	Nanded Text.	Nanded	-3.15	-3.13	-2.68
39.	Indu No. 1	Bombay	-14.29	-9.34	-11.30
40.	Indu No. 2	Bombay	-12.12	-6.12	-8.37
41.	Indu No. 3 & 4	Bombay	-15.71	-9.61	-12.32
& 42.					
43.	Indu No. 5	Bombay	-6.66	-5.31	-5.23
44.	Indu Dyes Works	Bombay	-4.98	-3.39	-5.81
45.	Model Mills	Nagpur	-12.39	-9.45	-9.90
46.	R.S.R.G. Mills	Akola	-4.71	-3.10	-3.35
47.	R.B.B.A. Mills	Hingairhat	-3.05	-3.00	-2.39
48.	Savatram Mills	Akola	-3.65	-2.04	-2.21
49.	Vidarbh Mills	Achalpur	-5.07	-3.27	-3.49
50.	Elphiston	Bombay	-	-7.01	-6.41
51.	Finlay Mills	Bombay	-	-7.74	-5.65
52.	Gold Mohur	Bombay	-	-5.31	-3.93
53.	Jam Manf. Mills	Bombay	-	6.15	-4.58
54.	Kohinoor 1,2,3	Bombay	-	-11.01	-6.32
to 56.					
57.	Sri Madhusudan	Bombay	-	-3.69	-3.81
58.	New City	Bombay	-	-5.20	-5.14
59.	Podar Mills	Bombay	-	5.48	-4.78
60.	Podar Processor	Bombay	-	-3.77	-4.37

1	2	3	4	5	6
61.	Shri Sitaram	Bombay	-	-7.41	-2.83
62.	Tata Mills	Bombay	-	-6.09	-6.85
<b>Gujarat</b>					
63.	Rajkot Mills	Rajkot	-3.35	-1.98	-2.35
64.	Mahalaxmi Mills	Bhavnagar	-8.26	-5.15	-6.21
65.	Pettlad Mills	Pitlali	-5.33	-2.20	-2.93
66.	Ahmedabad New	Ahmedabad	-9.92	-5.80	-7.51
67.	Ahmbd Jupiter	Ahmedabad	-13.51	-5.74	-7.35
68.	Jahangir Mills	Ahmedabad	-10.51	-8.06	-10.05
69.	Rajnagar 1&2	Ahmedabad	-12.53	-7.05	-8.30
& 70.					
71.	Vikramgang	Vikramgang	-6.66	-3.97	-4.96
72.	Newmaneck Chowk	Ahmedabad	-6.59	-5.26	-5.85
73.	Himadri Mills	Ahmedabad	-4.99	-4.26	-5.21
<b>Andhra Pradesh</b>					
74.	Netha	Secunderab	-1.27	-0.10	-2.12
75.	Natraj Mills	Nirmal	-2.31	-2.25	-3.44
76.	Anantpur Mills	Tadapatri	-1.03	-0.49	-2.31
77.	Tirupathi Mills	Renugunta	-0.99	-1.39	-3.04
78.	Adoni Mills	Loni	-0.51	-0.90	-2.08
79.	Azamjahi Mills	Warrangal	-6.24	-2.59	-3.41
<b>Karnataka</b>					
80.	Sree Yallama	Tolahunse	-1.52	-1.16	-3.53
81.	Mysore Mills	Bangalore	-7.75	-2.34	-3.74
82.	Minerva Mills	Bangalore	-10.85	-6.02	-7.48
83.	M.S.K. Mills	Gulbarga	-7.39	-3.94	-5.21
<b>Kerala</b>					
84.	Cannanore Can.	Cannannore	-0.56	0.42	-1.05
85.	Kerala Luxmi	Trichur	0.73	-0.66	-2.62
86.	Vijay Mohini	Trivandrum	-0.14	-0.37	-0.89
87.	Algappa Mills	Algappangr	0.72	-0.50	-3.00
88.	Parvati Mills	Quilon	-3.18	-2.63	-4.41
<b>Pondicherry</b>					
89.	Cannanore Mahe	Mahe	0.88	-0.02	-1.22
90.	Sri Bharti Mills	Pondicherry	-2.54	-1.72	-5.95
91.	Swadeshi Cotton	Pondicherry	-3.29	-3.85	-7.04
<b>Tamilnadu</b>					
92.	Omparasakthi	Coimbatore	1.26	0.52	-0.37
93.	Cambodia Mills	Coimbatore	1.29	0.47	-0.99
94.	Krishnaveni Mill	Coimbatore	0.28	-0.81	-2.00
95.	Sri Rangavilas	Coimbatore	0.94	-0.36	-2.91
96.	Pankaja	Coimbatore	1.61	0.40	-0.66
97.	Pioneer Mills	Kamudakadi	-1.00	-0.19	-0.91

1	2	3	4	5	6
98.	Balram Verma	Shencottah	0.48	-0.45	-1.25
99.	Kaleswarar B	Kalyanarko	0.76	-0.59	-1.80
100.	Coimb. Murgan	Coimbatore	-3.04	-3.83	-2.58
101.	Somasundrum Mill	Coimbatore	-0.39	-0.82	-1.28
102.	Kaleswarar A	Coimbatore	-3.17	-3.86	-4.93
103.	Coimb. S & W	Coimbatore	0.27	-2.23	-6.47
104.	Sri Sarda Mills	Podunur	-0.31	-0.83	-2.76
<b>Assam</b>					
105.	Associated	Chandrapur	-2.20	-2.27	-3.27
<b>Bihar</b>					
106.	Bihar Co-op	Kokamah	-1.52	-2.14	-2.11
107.	Gaya Cotton	Gaya	-2.53	-2.58	-3.36
<b>Orissa</b>					
108.	Orissa Cotton	Bhagatpur	-1.74	-2.09	-3.29
<b>West Bengal</b>					
109.	Bengal Textile	Cossimbazar	-2.66	-2.48	-3.28
110.	Luxmi Narayan	Rishra	-2.21	-2.91	-3.55
111.	Arati Cotton	Howrah	-2.10	-2.00	-2.12
112.	Bengal Fine-II	Kata Ganj	-1.25	-1.20	-1.92
113.	Sodepur	Sodepur	-1.22	-1.31	-1.46
114.	Central Cotton	Belur	-3.88	-3.02	-4.82
115.	Bengal Fine 1	Konnagar	-2.38	-3.40	-3.58
116.	Bengal Luxmi	Serampore	-3.36	-3.56	-4.27
117.	Shree Mahalaxmi	Palta	-3.65	-3.65	-4.67
118.	Rampooria	Serampore	-4.17	-4.77	-5.01
119.	Bangasri	Sukhchar	-1.78	-1.77	-2.27
120.	Jyoti Wvg. Fac.	Calcutta	-1.33	-1.27	-1.71

[English]

### Supply of Coal

1088. SHRI SANAT KUMAR MANDAL : Will the Minister of COAL be pleased to state :

(a) whether the Government propose to implement legal provisions to ensure quality and quantity of coal supply to thermal power stations; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b) Government has advised Coal India Limited (CIL) to negotiate and enter into legally enforceable contracts with the thermal power stations for supply of coal inter-alia covering the quantity and quality of coal. CIL is

continuously pursuing for finalising the agreement for coal supply with power utilities/State Electricity Boards.

### Special CBI Court in Madurai

1089. SHRI A.G.S. RAM BABU : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether there is any proposal with the Government for setting up of an additional "Special CBI Court" in Madurai, Tamil Nadu;

(b) if so, by when;

(c) whether there is any plan for improvement of infrastructure and sanction of more staff in Madurai CBI court keeping in view the huge backlog of cases; and

(d) if so, by when?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : The information is being collected and will be laid on the Table of the House.

#### Woollen Mills in Rajasthan

1090. SHRIMATI VASUNDHARA RAJE : Will the Minister of TEXTILES be pleased to state :

(a) the number of woollen mills in Rajasthan;

(b) whether the Government proposed to set up more woollen mills in the public/joint sector in that State; and

(c) if so, the details thereof?

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

(a) The total number of woollen Mills in Rajasthan is 62 (Sixty two).

(b) There is no proposal before the Central Government to set up woollen mills in the public/joint sector in the State of Rajasthan.

(c) Does not arise.

#### Rubber Park in Kerala

1091. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether Rubber Board has submitted a proposal to the Union Government for starting 'Rubber Park' in the country;

(b) if so, the details thereof and the stage at which the above proposal stands at present;

(c) whether land is available in Airapuram near Muvattupuzha in Kerala for this purpose; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d) The Rubber Board has prepared a scheme to set up a Rubber Park in Kerala in association with Kerala Industrial Infrastructure Development Corporation which will facilitate establishment of rubber and rubber wood based industries. The scheme envisages setting up the Rubber Park tentatively at Irapuram, Kerala, at an estimated investment of Rs. 36.61 crore. About 100 acres of land are proposed to be developed with adequate infrastructure facility for establishing about 60 industrial units. Inter Ministerial consultations for according investment approval to the proposal is in hand.

#### DGS&D Rate Contract Mandatory for all Ministries/Departments

1092. SHRI SANTOSH KUMAR GANGWAR : Will the Minister of COMMERCE be pleased to state :

(a) whether it is mandatory for all Central Government Ministries/Departments to operate rate contract concluded by DGS&D;

(b) if so, the details of notification thereof;

(c) if not, the reasons therefor and the purpose to form DGS&D;

(d) whether Air Headquarters has concluded its own rate contract for gases while the same contract has been concluded by DGS&D; and

(e) if so, the reasons for why it was concluded the rate contract at higher rates by Air Headquarters for the same items where DGS&D rate contract was concluded at cheaper rates?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c) As per allocation of Business Rules, 1961 (as amended from time to time) the Department of Supply in the Ministry of Commerce is the nodal Department for the purchase and the inspection of the stores required by the Ministries/Departments and Offices of the Central Government. The Central Purchase Organisation i.e. DGS&D concludes rate contracts with eligible firms for procurement of various items of common use required by Ministries/Departments & offices of Central Government. The Central Government Ministries/Departments are required to make purchase of items, covered by DGS&D rate contracts, against these rate contracts where the value of purchase exceeds their delegated powers of direct purchase which are presently Rs. 20,000/- at a time and Rs. 1 Lakh aggregate in a year.

(d) Air Headquarters have concluded contract for the gases which are specific to the requirement of their services i.e. Oxygen Gas for breathing purposes. DGS&D has not concluded any Rate Contract for the gas. R/C concluded by DGS&D are for industrial purposes.

(e) Comparison of prices does not arise as items available on rate contract with Air Hqrs. and DGS&D are different.

#### Bharat Leather Corporation Ltd.

1093. SHRI PRADIP BHATTACHARYA : Will the Minister of INDUSTRY be pleased to state :

(a) the details of sales turnover achieved by the Bharat Leather Corporation Ltd. during each of the last three years;

(b) the details of Package Assistance extended by the company during the said period to the artisans and results achieved with number of artisans so employed under this scheme;

(c) the details of employment generated by the company during the above period with percentage of employment of SC/ST communities people;

(d) whether the company has incurred the losses during the above period; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) The sales turnover achieved by Bharat Leather Corporation during 1993-94, 1994-95 and 1995-96 was Rs. 501.97 lakhs, Rs. 618.59 lakhs and Rs. 654.46 lakhs, respectively.

(b) Under the Package Assistance Scheme, the artisans were provided with necessary infrastructure facilities and raw materials for production of footwear. The goods produced by the artisans were purchased by the Corporation and marketed. Around 200 artisans were employed under the Scheme. The value of footwear produced by the artisans was Rs. 138.15 lakhs during 1993-94, Rs. 193.00 lakhs during 1994-95 and Rs. 212.20 lakhs during 1995-96.

(c) The employment generated by the Company during the Three-year period was around 350, out of which 200 were artisans (96% of them belonging to SC/ST) under the Package Assistance Scheme and the remaining around 150 (29% of them belonging to SC/ST) were regular employees.

(d) and (e) Yes, Sir. The net losses incurred were Rs. 124.68 lakhs during 1993-94, Rs. 152.31 lakhs during 1994-95, and Rs. 198.06 lakhs during 1995-96.

[Translation]

**"World Bank Loan for Co-operative Sector"**

1094. SHRI R.L.P. VERMA : Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank is providing financial assistance to cooperatives sector of the country;

(b) if so, the details thereof;

(c) the amount released for Bihar during the last three years; and

(d) the areas/sectors for which the World Bank provide financial assistance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) and (c) Do not arise.

(d) World Bank assistance is given to projects in various sectors like Agriculture, Forestry, Irrigation and

Water Supply, Power, Oil and Gas, Railways, Coal, Arban Development, Transport, Fertilizer, Industry etc.

**Monitoring the Working of Non-Banking Financial Institutions**

1095. SHRI N.J. RATHWA : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has opened any branch within any of its Banking Units to monitor the working of non-banking financial institutions in some States particularly in Gujarat during the last three years;

(b) if so, the details thereof;

(c) the number of complaints received by the said branches regarding the working of non-banking financial institutions so far; and

(d) the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have reported that a Financial Companies Wing (FCW) has been set up in Ahmedabad Regional Office of Department of Supervision with effect from 1st January, 97 for exercising effective supervision over the non-banking financial companies (NBFCs) in the State of Gujarat and Union Territories of Daman and Diu and Dadra and Nagar Haveli. The jurisdiction of the FCW at Ahmedabad has been carved out of the area under the jurisdiction of the FCW in Mumbai Regional Office. Prior to opening of the FCW at Ahmedabad, FCWs had been set up at the undernoted centres :

Sl. No.	Centre	Date of Opening	Area of Jurisdiction
1.	Chennai	1.10.1996	State of Tamil Nadu and Union Territory of Pondicherry.
2.	Thiruvananthapuram	1.10.1996	State of Kerala and Union Territory of Lakshadweep.

(c) and (d) Data with regard to number of complaints received so far by the Regional Offices of Department of Supervision regarding the working of NBFCs is not readily available with RBI. Prior to the promulgation of the Reserve Bank of India (Amendment) Ordinance, on 9th January, 1997, RBI did not have sufficient statutory powers to deal with the NBFCs against who complaints were received. RBI had been referring the complaints against NBFCs to the concerned companies for redressal of the grievances of the depositors.

Now under the provisions of RBI (Amendment) Ordinance, 1997 RBI have been empowered to file an application for winding up of an NBFC under the provisions of Companies Act, if the company is inter

alia, unable to pay its debts or because disqualified to carry on business. Further the Company Law Board, constituted under the Companies Act, has been empowered to adjudicate and pass orders in case of non-repayment of deposits/interest by the NBFCs.

[English]

### Smuggling of Opium

1096. SHRI SULTAN SALAHUDDIN OWAISI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have announced recently new opium policy;

(b) whether the decision to lower the minimum qualifying yield requirement for opium cultivators is expected to flood the market with opium;

(c) whether excess production is likely to be diverted to the black market; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir. The Government's Opium Policy for the crop year 1996-97 was announced on 4th October, 1996.

(b) The Minimum Qualifying Yield for opium licence was raised from 46 kgs. per hectare to 48 kgs. per hectare for the states of Madhya Pradesh and Rajasthan and it was fixed at 40 kgs. per hectare for Uttar Pradesh as the latter has a relatively lower average yield. The relaxation in the Minimum Qualifying Yield was only in respect of a small percentage of cultivators who could not achieve the above target but undertook to fulfil it during the current crop year.

The above decision to retain the traditional poppy cultivators is not likely to encourage diversion of opium into illicit channel since the cultivators would stand to lose their licences permanently in that event.

(c) No Sir, under the provisions of the N.D.P.S. Act/ Rules, 1985, cultivators are required to tender their entire opium produce to the Govt. Failure to do so invites severe punishment under the Act, besides the liability of the cultivator to lose opium licence permanently.

(d) To ensure that opium is not diverted into illicit channel, an elaborate system of control is exercised over poppy growing areas which includes 100% measurement of poppy fields, test measurement by senior officials, constant monitoring of crop conditions and daily weighing of produce of each cultivator during the period of opium cultivation. The enforcement set up of the Central Bureau of Narcotics has also been strengthened by improving transport and communication net-work and setting up preventive intelligence cells in and around poppy growing areas. Enforcement operations and general vigil are intensified during the lancing period and collection of opium. In addition to

departmental officers, other enforcement agencies and paramilitary forces are often engaged for the above purpose.

### Illegal Assets of Jewellers

1097. SHRI MANGAL RAM PREMI : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item captioned "Illegal assets worth Rs. 10 crore seized from jewellers" appearing in the 'Times of India' dated October 16, 1996;

(b) if so, the facts thereof;

(c) the quantity and value of illegal assets seized; and

(d) the action taken by the Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Yes sir. The Income-tax Department carried out searches at the premises of the following jewellers' group in October, 1996 :-

Name	Seizure (Rs. in lacs)
M/s. P.P. Jewellers	736.49
M/s. Sakun Chain Group	9.26
M/s. Rohtak Chains Company Group of Cases	2.90

(d) Necessary action as per provision of the Direct Tax Laws has been taken.

### Spinning Mills

1098. DR. T. SUBBARAMI REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether the World Bank funded spinning mills located at Peddor village in Sri Saila Division of Karimnagar District have become sick;

(b) if so, the reasons for their sickness; and

(c) the steps taken by the Government to revive these mills?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) No, Sir.

(b) and (c) Do not arise.

[Translation]

### Export to Agriculture

1099. SHRI PAWAN DIWAN :  
SHRI MAHESH KUMAR M. KANODIA :

Will the Minister of COMMERCE be pleased to state:

(a) the share of the country in export of agricultural

products in the world during each of the last three years;

(b) whether the total quantum of agricultural exports is still very less;

(c) if so, the reasons therefor and details of the items exported; and

(d) the steps taken to promote agricultural exports?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) India's share in the world trade in agricultural products during the last three years was as under :-

Year	Percentage Share
1992	0.83
1993	1.00
1994	0.85

(Source : FAO Year Book, 1994)

The details for the year 1995 and 1996 are not available.

(b) and (c) India's share in the world trade of agricultural products, except for in the traditional items exported, has been low due to lack of export orientation in domestic production. The domestic production is not fully tuned to the market abroad in terms of quality and packaging. Further, as a policy, exports of items of mass consumption are only permitted in a manner which does not compromise the food security of the country. The agricultural products exported from India include tea, coffee, raw cotton, rice (basmati and non-basmati), wheat, coarse grains, tobacco, spices, cashew, sesame and niger seeds, oil meal extractions, sugar, horticulture and floriculture products, fresh fruits and vegetables, processed fruits and juices and meat and meat preparations.

(d) Steps taken to enhance export of agricultural and allied products include simplification of inspection procedures, removal of minimum export price and quantity restrictions on selected items, provision of concessional credit, product development to meet international needs, extension of benefits available under the scheme of EOUs/EPZs to agriculture sector and permitting 50% sale in the domestic tariff area, assistance to exporters for improved packaging, strengthening of quality control, air freight subsidy on export of selected horticultural, floricultural products and fresh vegetables to identified destinations, promoting export of identified products through brand promotion campaigns, arranging buyer-seller meets and participation in international fairs/exhibitions.

[English]

#### **Bharat Leather Corporation Ltd.**

1100. SHRI AJAY CHAKRABORTY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have since rejected

the proposal for expansion of a project in respect of Bharat Leather Corporation Limited, Agra; and

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

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

(b) Does not arise.

#### **Development Scheme for Coir Workers**

1101. SHRI N.K. PREMCHANDRAN : Will the Minister of INDUSTRY be pleased to state the development schemes proposed to be undertaken by the Government for ensuring the welfare of coir workers, State-wise?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : The Coir Board has been implementing various welfare programmes for the benefit of the workers in coir producing States namely : (i) Model Coir Village Scheme; and (ii) Assistance for implementing Coir Workers' Welfare Fund, (A scheme formulated and implemented by Government of Kerala exclusively for Kerala).

Welfare measures under the Model Coir Village Scheme include construction of houses for SC/ST workers, electrification of houses of SC workers, provision of sanitary laterines, smokeless choolas and drinking water, provision of beating sheds and ratt sheds etc.

Government of Kerala is implementing a scheme through the Kerala Coir Workers Welfare Fund Board which provides assistance towards payment of pension, family pension, financial assistance for permanent or temporary disability, maternity benefit, medical facilities etc. The Government of India has released an amount of Rs. 160 lakhs to the Coir Board from 1991-92 to 1995-96 under the head "Welfare Scheme". The Coir Board has provided financial assistance under the Model Coir Village Scheme to Karnataka, Orissa, Tamil Nadu, West Bengal and Andhra Pradesh to the extent of Rs. 20.06 lakhs from 1992-93 to 1995-96.

#### **Economic Reforms**

1102. SHRI NARAYAN ATHAWALAY : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the news-item captioned, "States left out to reform process" appearing in the Financial Express dated January 31, 1997;

(b) if so, the details of the important observations/shortcomings pointed out in the report and reaction of the Government thereto;

(c) the details of action plan worked out/proposed to cover up deficiencies; and

(d) the details of recommendations made in the report and action proposed to be taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) A news item entitled "States Left out of Reforms Process" appeared in the Financial Express dated January 31, 1997. The news-item indicates some of the findings of a report by Indira Gandhi Institute of Development Research, Bombay. As per the report, "the Centre has failed to involve State Governments in the process of economic reforms. The reforms process needs to explicitly involve and co-opt the state Governments. The Government must make a commitment to reduce revenue deficits and expand public investment in infrastructure".

(c) and (d) As contrary to the observation made in the report referred above, most of the State Governments have undertaken significant procedural and policy reforms in line with the liberalisation undertaken by the Centre. The States have been encouraging private investment for development of basic infrastructure and management of industrial houses by awarding various fiscal concessions and other facilities. While the incentive package varies from one State to another, depending upon its investment priorities, the package generally includes a investment subsidy, exemption from payment of excise duty by new undertakings, tax concessions to units in small scale and tiny sectors, supply of industrial land under easy conditions, waivers or concessional rates for electricity duty, subsidies on purchase of machinery and other fixed assets, special incentives to industries involved in modernisation, technological upgradation and quality control, upgrading the facilities available at the District Industries Centres (DICs), opening of single window type information dissemination centres and several other measures. In order to support on-going reforms at the State level, Asian Development Bank has extended a loan assistance of US \$ 250 million for the Gujarat Public Sector Resource Management Programme.

#### Patent of Neem and Turmeric by USA

1103. CAPT. JAGATVIR SINGH DRONA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that globalisation of Intellectual Property Rights (IPR) framework through GATT/TRIPs has not gone hand in hand with the globalisation of screening for prior knowledge;

(b) if so, the details thereof;

(c) whether the USA has exported its IPR regims world-wide but has failed to import full knowledge of the state of art in bio-diversity utilisation in different countries, but grants patent based on existing uses of plant based products such as Neem biopesticide and turmeric for healing wounds; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Novelty with respect to information published in India or elsewhere has been the criterion for grant of patents under the Patents Act, 1970. For the purpose of ascertaining novelty of the invention, patent offices are adequately equipped.

(c) and (d) The grant of patent in USA is also based on similar criterion. However, cases where patents have been granted by patent offices due to lack of information, it is possible to seek re-examination/revocation as has been done by the government recently.

#### Khadi and Village Industries

1104. SHRI NITISH BHARDWAJ : Will the Minister of INDUSTRY be pleased to state :

(a) the State-wise details of the number of Khadi and village industries Board existing in the country at present;

(b) whether the Government intends to establish a large number of Khadi and Village Industries in the country particularly in Bihar;

(c) whether any review of the existing Khadi and Village Industries has ever been done; and

(d) if so, the results thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) State-wise details of the Khadi and Village Industries Boards existing in the country at present are given in the attached statement.

(b) It is the endeavour of the Khadi and Village Industries Commission (KVIC) to promote as many viable Khadi and Village Industries (KVI) units as possible all over the country including the State of Bihar. As per the recommendations of the High Power Committee to generate employment of 5.6 million persons in KVI sector by the end of 202 AD, KVIC jointly with Khadi and Village Industries Board (KVIB), Institutions and Federation of Institutions, is extending the network of support services in terms of raw materials supplies, marketing support, training programmes, technology improvement, establishment of industrial estate etc. In addition to its normal programme, KVIC has also launched special programmes such as 125 Block Development Programme, District Special Employment Programme and National Programmes in Beekeeping, Handmade Paper and Leather. In Bihar, under the 125 Blocks programme, 11 blocks have been selected and under District Special Employment Programme, 4 districts have been selected for implementation of KVI schemes.

(c) and (d) The KVI programme is reviewed every year during the time of budget discussions with the directly aided institutions as well as State KVI Boards

in which the progress is reviewed and allocation is made on the basis of achievement during the previous year. The District Special Employment Programme and 125 Block Development Programme, etc. are also reviewed from time to time. Appropriate corrective measures are taken wherever necessary.

### Statement

#### List of Khadi and Village Industries Boards

S.No.	States
1.	Andhra Pradesh
2.	Arunachal Pradesh
3.	Assam
4.	Bihar
5.	Goa
6.	Gujarat
7.	Haryana
8.	Himachal Pradesh
9.	Jammu and Kashmir
10.	Karnataka
11.	Kerala
12.	Madhya Pradesh
13.	Maharashtra
14.	Manipur
15.	Meghalaya
16.	Mizoram
17.	Nagaland
18.	Orissa
19.	Punjab
20.	Rajasthan
21.	Sikkim
22.	Tamil Nadu
23.	Tripura
24.	Uttar Pradesh
25.	West Bengal
26.	Delhi
<b>Union Territories</b>	
27.	Andaman and Nicobar Islands
28.	Chandigarh
29.	Lakshdweep
30.	Pondicherry

### Cement Corporation of India

1105. SHRI ANAND RATNA MAURYA : Will the Minister of INDUSTRY be pleased to state :

(a) the details of the criteria for filling up of the

vacancies of class III and IV employees of Cement Corporation of India;

(b) whether proper roaster has been maintained for recruitment of SC/ST candidates;

(c) if not, the reasons therefor; and

(d) the remedial steps taken in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Vacancies of Group 'C' and Group 'D' posts (Class III and IV) in various units of CCI are notified to the local employment exchanges and in case suitable candidates are not available, these are advertised in local/regional newspapers.

(b) Yes, Sir.

(c) and (d) Does not arise.

[Translation]

### Smuggling of Heroin

1106. SHRI NAND KUMAR SAI : Will the Minister of FINANCE be pleased to state :

(a) whether a large quantity of Heroin smuggled from Pakistan has been seized;

(b) if so, the details thereof during the last one year;

(c) the estimated value of such heroin in the international market;

(d) whether some persons have been apprehended in this regard; and

(e) if so, the action taken against the persons apprehended?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (e) Directorate of Revenue Intelligence have seized 70 Kg. of Heroin suspected to be of Pakistan origin on 1.2.1997. Four persons have been arrested in this regard.

During 1996-97 (upto 31.12.96) 576 Kg. of Heroin suspected to be smuggled from Pakistan has been seized in the country. Trade in Heroin is illegal. Hence, its international value cannot be estimated. Persons arrested for smuggling of Heroin are prosecuted under NDPS Act, 1985 and in grave cases detained under PITNDPS Act, 1988.

[English]

### 5th Pay Commission

1107. SHRI MANIKRAO HODLYA GAVIT :

SHRI PARASRAM BHARDWAJ :

SHRI BUDHSEN PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether the recommendation of the Fifth Pay Commission to abolish 3.5 lakh jobs which have not

been filled up so far is likely to hit the chances of Scheduled Castes and Scheduled Tribes candidates because most of the vacancies that lie unfilled are those reserved for Scheduled Castes and Scheduled Tribes; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The information on total number of posts/vacancies reserved for the Scheduled Castes/Scheduled Tribes in various Ministries/Departments is not centrally maintained. However, according to the information available, the 'backlog' of vacancies in respect of SCs was 5171 and that in respect of STs was 6662. Of this, recruitment had been made in 1254 SC vacancies and 853 ST vacancies.

(b) The Government has constituted an Empowered Committee of Secretaries to process the recommendations of the Pay Commission. Appropriate decisions would be arrived at, keeping in view, inter-alia, the policy on reservation of posts for SCs and STs.

#### Electoral Rolls

1108. SHRIMATI JAYAWANTI NAVEENCHANDRA MEHTA : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Government propose to review its policy of revising electoral rolls every alternate year; and

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

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b) The Election Commission has informed that it is reviewing its existing policy introduced in 1993 of intensive revision of electoral rolls every alternate year, as the experience gained by it has shown that increasing the frequency and reducing the interval for intensive revision do not achieve the purpose of having more accurate and up-to-date rolls.

#### Smuggling of Narcotics

1109. SHRI KESHAB MAHANTA : Will the Minister of FINANCE be pleased to state :

(a) the number of persons arrested and convicted for smuggling of Narcotics in the North-Eastern States during each of the last three years; and

(b) the action taken by the Government against the guilty persons?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) As per information available, details of number of persons arrested and convicted for smuggling of narcotics in

North-Eastern States during the last three years are given below :-

Year	No. of Persons	
	Arrested	Convicted
1994	1420	3
1995	611	3
1996 (Prov.)	427	12

(b) Action against the offenders is initiated in accordance with the provisions of NDPS Act, 1985.

[Translation]

#### Agro based Industries

1110. SHRI PANKAJ CHOWDHARY : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have any plan for expansion of the agro-based industries in the country;

(b) if so, the details thereof; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) Agro-based industries are being promoted by the KVIC which has taken various steps to develop them. The KVIC provides financial assistance by way of grant and loans to its registered Institutions, Cooperative Societies, State KVIBs and individual entrepreneurs on the basis of viable Projects submitted by them. KVIC also provides technical assistance, makes arrangements for supply of improved tools and implements and assists in training and marketing of the products produced by the rural artisans. The major Agro-based activities promoted by the KVIC are bee-keeping, ghani oil, honey, cane gur and khandsari, palm gur, processing of cereals and pulses, fruits and vegetables, fibres, forest plants and fruits for medicinal purposes, etc. KVIC has also launched a National Programme on bee-keeping to boost the production of honey and to provide gainful employment to rural artisans. The development of agro-based industries under the purview of KVIC is a continuous process.

#### Increase in Prices of Vehicles

1111. SHRIMATI BHAVNABEN DEVRAJ BHAI CHIKHALIA : Will the Minister of INDUSTRY be pleased to state :

(a) whether automobile manufacturing companies are consistently increasing the prices of their vehicles inspite of the relaxation in excise duty by the Government;

(b) if so, the reasons therefor; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Although, there has been an increase in the price of vehicles during the last two years, such increases have generally been only to the extent of about 6%. The increase in automobile prices is less than the general price increase in the country. This increase is mainly due to increase in the cost of inputs such as raw materials, components, capital, power, etc.

(b) and (c) Do not arise.

[Translation]

#### Setting up of Industries with Foreign Investment

1112. SHRI RAVINDRA KUMAR PANDEY :

SHRIMATI SHEELA GAUTAM :

SHRI R.L.P. VERMA :

Will the Minister of INDUSTRY be pleased to state:

(a) whether some proposals have been received from abroad for setting up of industries in India;

(b) if so, the details thereof as on December 31, 1996, State-wise alongwith names of the countries;

(c) the total investment proposed to be made therein; and

(d) the details of survey report regarding generation of employment opportunities as a result thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) A total number of 2303 proposals (Financial and Technical) involving foreign direct investment of Rs. 36146.80 Crores have been approved during the period from 1.1.96 to 31.12.96.

The details of such proposals viz., name and country of foreign collaborator, equity investment involved, item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

(d) Details of employment generation with specific linkage to foreign direct investment is not centrally maintained. It is relevant that when the foreign investment is made in the Industry, it would result in generation of employment opportunities.

#### Additional Central Assistance to M.P.

1113. SHRI VISHVESHWAR BHAGAT : Will the Minister of FINANCE be pleased to state :

(a) whether the Tenth Finance Commission has not recommended for providing planning revenue deficit grant to Madhya Pradesh;

(b) if so, whether the State will face difficulty in mobilising revenue expenditure for planning and lesser resources will be available for planning; and

(c) if so, whether the Government will propose to reconsider to provide additional central assistance to

the State for financing of the planning and special problems of the State to supplement the resource crunch arising out of not providing the above grant?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The Tenth Finance Commission (TFC) has not recommended plan revenue deficit grant to States.

(b) and (c) The total devolution to Madhya Pradesh as per the award of Tenth Finance Commission for the period 1995-2000 is estimated to be Rs. 16094 crores as compared to Rs. 7843 crores recommended by the Ninth Finance Commission over the preceding quinquennium 1990-95. There is adequate increase in the total devolution to State as recommended by Tenth Finance Commission.

The requirement of resources for funding the plan is assessed by Planning Commission in consultation with States. The Annual Plan of Madhya Pradesh for 1996-97 as finalised by Planning Commission is fully funded. There is no proposal under consideration of the Government to give additional Central assistance to the State in addition to what has been allocated by Planning Commission.

[English]

#### National Infrastructure Development Corporation

1114. SHRI N. DENNIS : Will the Minister of FINANCE be pleased to state :

(a) whether the National Infrastructure Development Corporation have examined the details of infrastructure improvements to invite foreign finance for developing Indian economy; and

(b) if so, the details in this regard alongwith the areas of research made by the above Corporation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Infrastructure Development Finance Company announced in the Budget speech for the year 1996-97 has been incorporated as a non-Government company on 30.1.97. As per the Memorandum of Association of the company, the objects of the company inter-alia include mobilising capital from domestic and foreign investors, providing financial assistance, guarantees and other form of credit enhancement to companies engaged in developing or financing of infrastructure projects in the country. The company is currently in the process of preparing a detailed business plan.

#### Fifth Pay Commission

1115. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether the Fifth Pay Commission has recommended recast of Ministries;

- (b) if so, the details thereof;  
 (c) the reaction of the Government thereto; and  
 (d) the details of action taken/proposed thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) With a view to restructuring the Central Government, aimed at optimising the size of the governmental machinery, the Fifth Central Pay Commission have, inter alia, recommended abolition of the Deptt. of Programme Implementation, reduction in the size of the Planning Commission and realignment/merger of a number of existing Deptts. A list of Departments recommended for realignment/merger is given in the attached statement.

The Government have constituted an Empowered Committee of Secretaries to process the recommendations of the Commission. Appropriate decisions on various recommendations would be arrived at having regard to all relevant factors.

#### Statement

Sl. No.	Department(s) to be Merged	Ministry/Department in which to be Merged
1	2	3
1.	Department of Administrative Reforms	Cabinet Secretariat
2.	Department of Animal Husbandry and Fisheries	Department of Agriculture and Cooperation (to be renamed as Department of Agriculture)
3.	Department of Jammu and Kashmir Affairs, Official Languages and Inter-State Council	Ministry of Home Affairs
4.	Department of Consumer Affairs	Department of Civil Supplies and Public Distribution
5.	Department of Fertilizers	Department of Chemicals and Petrochemicals
6.	Departments of Family Welfare, Indian System of Medicine and Homeopathy	Department of Health
7.	Departments of Industrial Policy and Promotin, Industrial Development, Public Enterprises Heavy Industry, Small Scale Industries, Agro and Rural Industries and Ministry of Textiles.	To be merged into a new single department called Department of Industrial Development

1	2	3
8.	Department of Culture, Youth Affairs and Sports, Women and Child Development	Department of Education
9.	Department of Food Procurement and Distribution, Food Processing Industries	Department of Food
10.	Ministry of Non-Conventional Energy Resources	Ministry of Power
11.	Department of Rural Employment and Poverty Alleviation, Department of Wasteland Development	Department of Rural Development
12.	Department of Urban Employment and Poverty Alleviation	Department of Urban Development
13.	Department of Statistics	Department of Planning
14.	Anti-corruption wing of the CBI	Central Vigilance Commission

[Translation]

#### Development of Rural Industries

1116. SHRI RAJENDRA AGNIHOTRI : Will the Minister of INDUSTRY be pleased to state :

(a) the amount allocated by the Union Government for the development of rural industries during the last three years;

(b) whether the said amount was adequate for the said purpose; and

(c) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Following amounts have been released to Khadi and Village Industries Commission (KVIC) for development of Khadi and Village Industries units during the last three years :

Year	(Rs. in crores)
1993-94	208.00
1994-95	216.00
1995-96	337.00

(b) and (c) These amounts have been released to KVIC on the basis of various Khadi and Village industries programmes finalised by the Commission.

[English]

### H.M.T.

1117. SHRI S.D.N.R. WADIYAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether Hindustan Machine Tools Limited is manufacturing Kannada numbers digital watches for gents;

(b) if so, how many such watches proposed to be manufactured during 1996-97;

(c) whether Kannada numbers digital watches for ladies are not being manufactured;

(d) if so, whether the Government propose to manufacture Kannada numbers ladies watches also; and

(e) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) No, Sir. But numbered gents quartz analog watches are being manufactured by HMT in Kannada, Gurumukhi and Malayalam languages so far. About 500 such watches are planned during 1996-97.

(c) to (e) HMT has not manufactured any quartz digital watches for ladies. However, quartz analog ladies watches with numerals in the languages mentioned above are planned by HMT during 1997-98.

### Goswami Report on PSUs

1118. SHRI B.L. SHANKAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government propose to implement the recommendations of the Goswami Report which has recommended inter-alia that the Government's equity in Public Sector Undertakings reduced to 24 percent;

(b) if so, the details thereof alongwith the main recommendations of the report;

(c) the time by which the Government are likely to take action on these recommendations; and

(d) to what extent it is likely to help in revamping the Public Sector Undertakings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) There is no such proposal before the Government.

(b) The Goswami Report was commissioned by the Confederation of Indian Industry (CII), and therefore Government do not have any information on the details of the recommendations.

(c) and (d) Does not arise.

### Benami Accounts in Banks

1119. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred question No. 432 dated 22nd November, 1996 regarding "benami accounts in banks" and state :

(a) whether the information asked for has since been collected;

(b) if so, the details thereof; and

(c) if not, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Some information has been received from the concerned banks and RBI. Additional information has been sought in this connection.

### European Commission Aid

1120. SHRI ANANT GUDHE : Will the Minister of FINANCE be pleased to state :

(a) whether the European Commission (EC) has stopped extending aid to India for the last few months;

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

(c) the remedial measures proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) and (c) Do not arise.

### Balance of Trade with UK

1121. SHRI K.H. MUNIYAPPA : Will the Minister of COMMERCE be pleased to state :

(a) whether trade between India and United Kingdom had doubled during the last few years;

(b) if so, the details thereof; and

(c) further steps taken by the Government to increase the trade with UK?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) The details of Indo UK bilateral trade during the last few years is as follows :-

Year	Indo UK biateral Trade in Rs/crores
1993-94	9143.79
1994-95	10200.57
1995-96	13149.53
1996-97 (April-Nov., 1996)	9594.63

(Source : DGCI&S, Calcutta)

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

#### Khadi and Village Industries Commission

1122. SHRI SATYA DEO SINGH :  
SHRIMATI KETAKI DEVI SINGH :  
PROF. OMPAL SINGH 'Nidar' :  
KUMARI UMA BHARATI :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government propose to open showrooms of the products manufactured by the Khadi and Village Industries Commission in foreign countries keeping in view the increased demand of its products; and

(b) if so, the details thereof alongwith names of the countries where such showrooms are being opened?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Government has not decided to open showrooms of the products manufactured by the Khadi and Village Industries Commission in foreign countries.

(b) Does not arise.

#### Devolution of Resources to States

1123. SHRI SONTOSH MOHAN DEV : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned, "Ministry Supports finance panel's views" appearing in the 'Times of India' dated January 2, 1997;

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

(c) whether his ministry has fully recommended the Tenth Finance Commission's alternative schemes for devolution of resources to States;

(d) the views expressed by the State Governments in this regard;

(e) the total recommendations made by the Tenth Finance Commission; and

(f) the details of recommendations out of them accepted by the Government so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) to (f) As a follow up action on Finance Minister's Budget Speech on 22nd July, 1996, a Discussion Paper or the Alternative Scheme of Devolution recommended by the Tenth Finance Commission was brought out and laid on the table of both the Houses of Parliament on 20th December, 1996 and copies were circulated to the Hon'ble Members of the Parliament. The matter was placed before the Inter-State Council on 15-1-1997 and is under their consideration.

#### Investment by PSUs in UTI

1124. SHRI B.L. SHANKAR : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government propose to lift ban on Public Sector Undertakings for investing their funds into UTI Schemes;

(b) if so, the details thereof alongwith modalities of investment;

(c) to what extent it is likely to be helpful;

(d) the time by which it is likely to be implemented; and

(e) the details of the PSUs which have been identified for the said investment?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (e) The Government have removed on 14.2.97, the restrictions on investment of funds by all PSUs in the units/schemes of UTI. This would enable UTI to manage surplus funds of PSUs in a relatively safe manner with an attractive yield. The UTI units are recognised as eligible securities under Indian Trust Act 1882 and the regulatory frame work of SEBI.

#### External Commercial Borrowings Loan

1125. SHRI N.S.V. CHITTHAN : Will the Minister of FINANCE be pleased to state :

(a) the total amount of External Commercial Borrowings loans sanctioned by the Government so far;

(b) which sector has got the maximum amount sanctioned;

(c) the names of the Companies alongwith their respective interests in which they have received approvals;

(d) the number of applications received by the Government for External Commercial Borrowings loans during the last three years; and

(e) the criteria adopted and time taken to clear these applications?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Proposals aggregating to USD 8333.392 million have been sanctioned by the Government during the current financial year upto 21st February, 1997.

(b) Manufacturing sector (including 100% EOUs).

(c) ECBs are being permitted by the Government as a source of finance for Indian corporates for expansion of existing capacity as well as for fresh investment.

Name of the Companies who have received ECB approvals during the current financial year is given in attached statement.

(d)	Year*	No. of proposals received by Govt. for ECB
	1994	492
	1995	623
	1996	960

\*calendar year.

(e) The proposals which are found in conformity with the guidelines, as announced by the Government from time to time, are cleared subject to the availability of ECB cap, consistent with prudent debt management.

#### Statement

List of ECB cases approved during the Financial Year 1996-97 (As on February, 21 1997)

S.No.	Name of the Company
1	2
1.	Jindal Iron & Steel Co. Ltd
2.	Cheema Spintex Ltd.
3.	Ganapati Electronics Ltd.
4.	Heberlein Machine Works (I) Ltd.
5.	Exim Bank of India
6.	Industrial Recon Bank of India
7.	AMP Tools (India) Ltd.
8.	Fidelity Textiles (P) Ltd.
9.	Karumya Educational Trust
10.	Klockner Supreme Penplast Ltd.
11.	Mulder (India) Pvt. Ltd.
12.	Overseas Finelease Ltd.
13.	Overseas Textiles Ltd.
14.	Parasrampuriah Textfabs Ltd.
15.	Peirce Leslie India Ltd.
16.	Prakash Rice Exports Pvt. Ltd.
17.	Precot Mills
18.	Raymond Calitri Denim Ltd.
19.	Reliance Ind. Ltd.
20.	SAFA Marine Ind. Ltd.
21.	Sajawat India Ltd.
22.	Saurashtra Cement Ltd.

1	2
23.	Sushant Capitals Ltd.
24.	TISCO
25.	UGI Gujaratgas India Ltd.
26.	Unikiller India Ltd.
27.	Bhushan Steel & Strips Ltd.
28.	CESC Ltd.
29.	Easter India
30.	Greenview Power Projects Ltd.
31.	Nippon Denro
32.	Nippon Denro
33.	Orissa Hydro Power Corp. Ltd.
34.	Search Chem Ind. Ltd.
35.	Sterlite Ind. Ltd.
36.	Century Textiles
37.	Ganapati Commerce Ltd.
38.	Inditalia Refcon Ltd.
39.	Shree Warana Agril. Goods Proc. Coop. Society Ltd.
40.	SKF Bearings India Ltd.
41.	BPL Ltd.
42.	Hitech Drilling Services Ltd.
43.	Huma International
44.	Jindal Praxair Oxygen Co. Ltd.
45.	Moser-Baer India Ltd.
46.	O.P. Aquaculture (I) Ltd.
47.	Pank Finance (Pvt.) Ltd.
48.	Hardia Chemicals
49.	Terra Agro Technologies Ltd.
50.	Audco India Ltd.
51.	Guala India Ltd.
52.	Indo Swiss Jewels Ltd.
53.	South Asia Tyres Ltd.
54.	Mahaveer Spinning
55.	Bharat Earth Movers Ltd.
56.	Indian Furniture Products Ltd.
57.	Rana Polycot Ltd.
58.	Woolworth India Ltd.
59.	A.G. Foods Ltd.
60.	Ashok Leyland Information Technology Ltd.
61.	Associated Nippon Tech Serv. Ltd.
62.	Bharindwal Ispat Vanijya (P) Ltd.
63.	Bhupendra Corpn. Ltd.
64.	Bhupendra Ind. Ltd.
65.	Biomed Hitech Ind. Ltd.
66.	Central Roadlines Corpn. Ltd.

1	2
67.	CRC Bhupendra Cements Ltd.
68.	CRC International Freight Serv. Ltd.
69.	Durga Exports Ltd.
70.	Essen Neal Star Ind. Ltd.
71.	Europlast India Ltd.
72.	Exide Ind. Ltd.
73.	Gillette Diversified Operations Pvt. Ltd.
74.	Gillette India Pvt. Ltd.
75.	INCOWAX Ltd.
76.	Indo Schottle Auto Parts Pvt. Ltd.
77.	Ispat Alloys Ltd.
78.	ITC Bhadrachalam Paperboards Ltd.
79.	Jenson & Nicholson
80.	Kalyani Sharp India Ltd.
81.	Kalyanpur Cements Ltd.
82.	Kap Steel Ltd.
83.	Kitran Foods Pvt. Ltd.
84.	Lakshmi Machine Works Ltd.
85.	Logaer Machines (I) Ltd.
86.	National Fert. Ltd.
87.	Neelachal Ispat Nigam Ltd.
88.	Omni Matrix Private Ltd.
89.	Premier Mills Ltd.
90.	Protech Intrade Ltd.
91.	Raha Poly Products Ltd.
92.	Raha Poly Products Ltd.
93.	Ravish Infusions Ltd.
94.	Saboo-Berlac Lab Ltd.
95.	Sarvamangalam Synthetics Ltd.
96.	South East Electronic Components Pvt. Ltd.
97.	Southern LPG Ltd.
98.	Stanley Ind. (I) Ltd.
99.	Suprati Plastics Ltd.
100.	Ti-Gold Coatings Pvt. Ltd.
101.	Titan Industries Ltd.
102.	UNISPIN India Ltd.
103.	UTI Bank Ltd. (Line of Credit)
104.	Vetrotech India Ltd.
105.	Vista Processed Foods Pvt. Ltd.
106.	Wilkinson Sword India Pvt. Ltd.
107.	Jindal Vijaynagar Steel Ltd.
108.	Exim Bank of India
109.	IFCI
110.	Coats Viyella
111.	Marnite Polycast Ltd.

1	2
112.	Wipro Finance Ltd.
113.	JVG Airways
114.	IDBI
115.	Academy of Carver Aviation
116.	Gontermann Peipere (I) Ltd.
117.	Hero Skyline
118.	Hi-Lins Pens (P) Ltd.
119.	India Foils
120.	Lasercoda Printografic System
121.	Luxor Writing
122.	Rhone-Poulance
123.	RPG-BTP (I) Ltd.
124.	FAG Precision Bearings
125.	Hitech Medical Products
126.	Patel Flora Ltd.
127.	IDBI
128.	Alpic Finance
129.	Andaman Timber
130.	ATL (I) Ltd.
131.	AVT McCormick
132.	Big Dutchman Garsons
133.	Elecon Engg.
134.	Hero Honda
135.	IPCL
136.	JK Corp
137.	Malhotra Shaving
138.	Mc Cann Ericson
139.	Premier Polyweaves
140.	Saccede Engg.
141.	Ballarpur Ind.
142.	TELCO
143.	Air India
144.	IDBI
145.	SCICI
146.	ICICI
147.	Nippon Denro Ispat
148.	Chakan Agro Ind. Ltd.
149.	Classic Agrifoods Ltd.
150.	Nagarjuna Fert. & Chem. Ltd.
151.	Naturesoft Creative Software Solutions Pvt. Ltd.
152.	Valplus Biotech Ltd.
153.	Duracell India
154.	Escorts Ltd.
155.	Eupharma Lab. Ltd.

1	2	1	2
156.	Girnar Plastics Pvt. Ltd.	199.	Shree Ganesh Forgings Ltd.
157.	Hutti Gold Mines Co. Ltd.	200.	Sky Ind. Ltd.
158.	India Comnet International Ltd.	201.	Solus Pharmaceuticals Ltd.
159.	Indo-Swiss Embroidery (I) Ltd.	202.	Wuerth India Pvt. Ltd.
160.	JCT Ltd.	203.	SAS Breweries (P) Ltd.
161.	JK Ind. Ltd.	204.	Maharaja International Ltd.
162.	Jord Engg. India Ltd.	205.	Vidhyut Metallics
163.	Multi-tech Computers Pvt. Ltd.	206.	Semcon Devices (P)
164.	Munjaj Showa Ltd.	207.	Dabur
165.	Orchid Chem & Pharm. Ltd.	208.	Ucal Fuel Systems
166.	Royal Cushion Vinyl Products Ltd.	209.	Vat India Pvt. Ltd.
167.	Sarvaraya Textiles Ltd.	210.	Archana Airways
168.	Sir Kikabhai Premchand Trust Settlement No. XI	211.	Flex Ind. Ltd.
169.	South Asia Tyres Ltd.	212.	India Cements
170.	TISCO	213.	Surya Lakshmi Cotton
171.	Usha Ispat Ltd.	214.	The Paper Products
172.	Videocon International Ltd.	215.	Welspun Stahron
173.	VMT Spinning Co. Ltd.	216.	Amer Ship Management
174.	Reliance Petroleum	217.	Phentafour Software
175.	Magnum Power Generation Ltd.	218.	AEC Ssangyong Ltd.
176.	Chemplast Sanmar Ltd.	219.	AEC Ssangyong Ltd.
177.	Great Eastern Shipping Co. Ltd.	220.	Arvind Intex
178.	ACC Ltd.	221.	Binani Zinc Ltd.
179.	Exim Bank of India	222.	Core Healthcare Ltd.
180.	Exim Bank of India	223.	Essar Steel Plant
181.	Coats Viyella India Ltd.	224.	Shin Ho Petrochemicals
182.	Intron Ltd.	225.	Shin Ho Petrochemicals
183.	Sai International Electrical Ltd.	226.	AP Gas Power Corpn.
184.	Arvind Mills Ltd.	227.	Graphite India Ltd.
185.	Asahi Fibres Ltd.	228.	L & T
186.	Alembic Chemical Works Co. Ltd.	229.	Great Eastern Shipping
187.	Comsat Max Pvt. Ltd.	230.	20th Century Fin. Corpn. Ltd.
188.	Dabur India Ltd.	231.	Abhishak Spin Fab
189.	Goa Fruit Specilities Ltd.	232.	Ceat Financial Services
190.	Hero Honda Motors Ltd.	233.	Cohr Master Plan (I) Pvt.
191.	Indo National Ltd.	234.	ITC Classic Fin. Ltd.
192.	Kiti Steels Ltd.	235.	Jain Irrigation Sys.
193.	Kone Elevator India Ltd.	236.	Rosi Southern Silks
194.	Lakshmi Synthetics Machinery Manufactures Ltd.	237.	ITC Bhadrachalam
195.	Oscar Pharmaceuticals Pvt. Ltd.	238.	Sigma Blooms (P) Ltd.
196.	Parasrampur Textfabs Ltd.	239.	Asia Pacific Exports Ltd.
197.	Punjab Maize Products Ltd.	240.	Integrated Steels Ltd.
198.	Royal Embroderies Pvt. Ltd.	241.	Silicon Graphics Ltd.
		242.	JMT Plasp Pvt. Ltd.
		243.	Kalyani Steels Ltd.

1	2
244.	Positive Packaging Ind. Ltd.
245.	Saurashtra Cements Ltd.
246.	Shri Ahimsa Mines & Minerals Ltd.
247.	Stovac Ind. Ltd.
248.	Abacus Distribution Systems (Bombay) Pvt. Ltd.
249.	Chaitra Leo Burnett Pvt. Ltd.
250.	Indo Schottle Auto Parts Pvt. Ltd.
251.	JCT Electronics Ltd.
252.	KEC International Ltd.
253.	Mitsui Ind. Ltd.
254.	Owens-Bilt Ltd.
255.	Perfect Circle Victor Ltd.
256.	Purolator india Ltd.
257.	Ranbaxy Lab.
258.	Spicer India Ltd.
259.	Tamil Nadu Petrochemicals Ltd.
260.	Wandel & Goltermann Pvt. Ltd.
261.	Western Bio Systems Ltd.
262.	Hitech Capsules Pvt. Ltd.
263.	DCM Daewoo Motors Ltd.
264.	Alcozin Alloy Castings Ltd.
265.	S.S. Industries
266.	Vardhman Spinning & General Mills Ltd.
267.	Mahavir Spinning Mills Ltd.
268.	Vardhman Polytex Ltd.
269.	Zen International Ltd.
270.	Kalmatia Sangam Travels Pvt. Ltd.
271.	Konkan Railways Corporation Ltd.
272.	DCW Ltd.
273.	Costsilk International
274.	Pittie Cement & Ind. Ltd.
275.	Sonatala Milan Sangha
276.	Ballarpur Ind. Ltd.
277.	Bondex India Ltd.
278.	BPL Mobile Communications Ltd.
279.	BPL Sanyo Technologies Ltd.
280.	Dabur India Ltd.
281.	Grasim Ind.
282.	Grasim Ind.
283.	Gujarat Ambuja Cements Ltd.
284.	Hero Honda Motors Ltd.
285.	Hero Honda Motors Ltd.
286.	Hindalco Ind. Ltd.
287.	Indian Additives Ltd.

1	2
288.	L & T Ltd.
289.	SAIL
290.	Sanghi Ind. Ltd.
291.	Tata Tea Ltd.
292.	The Morarjee Goculdas Spinning & Weaving Co. Ltd.
293.	The Supreme Ind. Ltd.
294.	VeriFone India Pvt. Ltd.
295.	The Shipping Corpn. of India Ltd.
296.	Indigra Exports Pvt. Ltd.
297.	Navnitlal Pvt. Ltd.
298.	Woolworth (India) Ltd.
299.	Bharat Forge Ltd.
300.	Chambal Fert & Chem. Ltd.
301.	Chambal Fert & Chem. Ltd.
302.	Cheminor Drugs Ltd.
303.	Coats Viyella India Ltd.
304.	Secals Ltd.
305.	Sree Rayalaseema Alkalies & Allied Chem. Ltd.
306.	Tamil Nadu Petro Products Ltd.
307.	TISCO
308.	Sree Rayalaseema Alkalies
309.	IDBI
310.	IFCI
311.	Pearl Engg. Polymers Ltd.
312.	Bharat Forge Ltd.
313.	Gabriel India
314.	Supreme Oriented
315.	Supreme Petroleum
316.	Videocon International
317.	Voltas Ltd.
318.	Century Textiles
319.	Exide Ind.
320.	Hindalco Ind. Ltd.
321.	Kothari Sugar & Chem.
322.	KWH Heliplashes
323.	Lucky Laboratories
324.	Modipon Fibres Ltd.
325.	Orient Papers Ind. Ltd.
326.	Polaroid India Ltd.
327.	TDT Copper
328.	Jindal Tractebal
329.	Jindal Tractebal
330.	ACC Machinery

1	2
331.	Arihant Petrochemicals
332.	Eveready Ind.
333.	Gadence Design
334.	India Piston Ltd.
335.	Mirc Electronics Ltd.
336.	Nestle India Ltd.
337.	Precision Gears Pvt. Ltd.
338.	SKF bearings
339.	Soft Touch Co.
340.	Sona Sonic Lompo
341.	Ti-Diamond
342.	Trina Quebec Gears
343.	Tube Investment India
344.	W.S. Ind.
345.	Wringley India Pvt. Ltd.
346.	CESC Ltd.
347.	Sprint RPG India
348.	Sterlite Communications
349.	Bishnauth Tea Co.
350.	Heubach Color
351.	K.G. Denim Ltd.
352.	Madras Aluminium
353.	Microsynth Fabric
354.	Punjab Wireless System
355.	Searele (I) Ltd.
356.	Hindustan Max - GB Ltd.
357.	Hindustan Max - GB Ltd.
358.	Abacus Distribution System (B) Pty. Ltd.
359.	Flex Ind. Ltd.
360.	L & T Fin Ltd.
361.	L & T Ltd.
362.	Modi Xerox
363.	ACO Nitron Castings Ltd.
364.	Advani Oerlinton Ltd.
365.	Ballarpur Ind. Ltd.
366.	Godrej Soaps Ltd.
367.	Haggkunds Hydraulic Drives (I) Pvt. Ltd.
368.	India Castor Ltd.
369.	Narmada Cement Co. Ltd.
370.	Nath Pulp & Paper Mills Ltd.
371.	Nath Seeds Ltd.
372.	Reed Elsevies India (Pvt.) Ltd.
373.	S.S. Ind. & Enterprises Ltd.
374.	Sandvik Asia Ltd.
375.	Tailormade India (P) Ltd.

1	2
376.	GESCO
377.	ACE Laboratories Ltd.
378.	Asia Marine & Harvests Ltd.
379.	Bhilwara Telenet Services Ltd.
380.	Cholamandalam Inv. & Fin. Co. Ltd.
381.	Intron Ltd.
382.	Maharaja International Ltd.
383.	Patodia Glass Ind. Ltd.
384.	Quickcalls (P) Ltd.
385.	Siltap Chem. Ltd.
386.	Smartalk (P) Ltd.
387.	Titan India Ltd.
388.	Minal Oil Agro. Ind. Ltd.
389.	Anand Nishikawa Co. Ltd.
390.	Bhartiya Semruddhi Inv. & Consulting Serv. Ltd.
391.	Crystal Lace (I) Ltd.
392.	Dr. Reddy's Lab. Ltd.
393.	Henkel Spic India Ltd.
394.	J.K. Corp. Ltd.
395.	Mangalam Cement Ltd.
396.	Phil Corporation Ltd.
397.	Venion Polyester Film Ltd.
398.	Albaraka Finance House Ltd.
399.	Gowtham Granites Ltd.
300.	Kale Tex India Ltd.
401.	Kerala Ayurveda Pharmacy Ltd.
402.	Supreme Petrochem Ltd.
403.	Arjandas Brijlal & Co.
404.	Global Boards Ltd.
405.	Hydraulics Ltd.
406.	Warnerhambert India (P) Ltd.
407.	Continental Pet India (P) Ltd.
408.	Covelong Beach Hotels (I) Ltd.
409.	Escorts Yamaha Motors Ltd.
410.	Indian Resorts Hotels Ltd.
411.	Philips India Ltd.
412.	Dwarikadhish Spinners
413.	IFB Ind. Ltd.
414.	S. Kumar Syfabs Ltd.
415.	IDBI
416.	APR Ltd.
417.	APR Ltd.
418.	Ashok Leyland Ltd.
419.	Ashok Leyland Ltd.

1	2
420.	Bhupendra Ind. Ltd.
421.	Bishnauth Tea Co. Ltd.
422.	Century Textiles & Ind. Ltd.
423.	Dalmia Cements (Bharat) Ltd.
424.	Escorts Ltd.
425.	Escorts Ltd.
426.	Escorts Yamaha Motors
427.	Finolex Ind. Ltd.
428.	Finolex Ind. Ltd.
429.	George Williamson (Assam) Ltd.
430.	George Williamson (Assam) Ltd.
431.	Hero Cycles Ltd.
432.	Hero Cycles Ltd.
433.	Indian Aluminium Co. Ltd.
434.	Indian Aluminium Co. Ltd.
435.	ITC Ltd.
436.	Kalyani Brakes
437.	Kalyani Brakes
438.	Kesoram Ind. Ltd.
439.	Kesoram Ind. Ltd.
440.	L G Hotline CPT Ltd.
441.	L G Hotline CPT Ltd.
442.	McLeod Russels (I) Ltd.
443.	McLeod Russels (I) Ltd.
444.	Motor Ind. Ltd.
445.	Nicholas Piramal India Ltd.
446.	Nicholas Piramal India Ltd.
447.	Orient Paper & Ind. Ltd.
448.	Raymonds Ltd.
449.	Raymonds Ltd.
450.	REPL Engg.
451.	Rhone-Poulence Agrochems (I) Ltd.
452.	S. Kumar Syfabs Ltd.
453.	Tata Sons Ltd.
454.	Tata Sons Ltd.
455.	TISCO
456.	TISCO
457.	United Phosphorus Ltd.
458.	Welspun India Ltd.
459.	Welspun India Ltd.
460.	Essar Oil Ltd.
461.	Gujarat Alkalies & Chem. Ltd.
462.	Hindalco Ind. Ltd.
463.	Jain Irrigation Systems Ltd.
464.	Jain Irrigation Systems Ltd.

1	2
465.	Jain Plastics & Chem. Ltd.
466.	jain Plastics & Chem. Ltd.
467.	Garuda Carriers & Shipping Pvt. Ltd.
468.	Greaves Ltd.
469.	Greaves Ltd.
470.	Arvind Mills
471.	Asian Paints Ind.
472.	Orient Paper Ind.
473.	Oswal Spinning & Weaving
474.	Oswal Spinning & Weaving
475.	Century Enka Ltd.
476.	Piem Hotels Ltd.
477.	Rewefa Tooling (P) Ltd.
478.	Rewefa Tooling (P) Ltd.
479.	SBJ-VON Compounder
480.	Sterlite Ind.
481.	WIMCO Ltd.
482.	Arunoday Mills Ltd.
483.	ATI Textiles Ltd.
484.	Balaji Ind. Co.
485.	Eleven Star Properties
486.	Indian Hotel Co.
487.	Karur Srinidhi Yarn
488.	Lakshmi Automatic Looms Works Ltd.
489.	Modi Federal Ltd.
490.	Gloster Telecom Ltd.
491.	Gloster Telecom Ltd.
492.	Birla VXL Ltd.
493.	DGP Hinodoy Ind.
494.	ECE Ind. Ltd.
495.	PRO-AGRO Seeds Co. Ltd.
496.	Aldrich Pharmaceuticals
497.	Central Pulp Mills
498.	ITC Ltd.
499.	Krebsoga Excel Ltd.
500.	Lital Fabrication
501.	Karnataka Power Corpn.
502.	Nathpa Jhakri Power
503.	Nathpa Jhakri Power
504.	Nathpa Jhakri Power
505.	Nathpa Jhakri Power
506.	Reliance Patalganga
507.	Bell Granite Ceramics Ltd.
508.	DE NOCIL Crop. Prot.
509.	NRB Bearings Ltd.

1	2
510.	Renewable Energy Sys.
511.	National Housing Bank Ltd.
512.	Shuttle Tech Res. (P) Ltd.
513.	IL & FS
514.	Torrent Pharmaceuticals Ltd.
515.	Viasaka Ind. Ltd.
516.	Arihant Ind. Ltd.
517.	Boechnriorga Mannheim India
518.	JCT Ltd.
519.	Mafatlal Micro Mech.
520.	United Riceland Ltd.
521.	Vitara Chem.
522.	Mayur Ind & Marketing Ltd.
523.	MR & Petro Chem
524.	DGP Windsor
525.	United Phosphorus
526.	Alok Textiles Ind.
527.	Blue Star Co. Ltd.
528.	Cheminor Drugs
529.	Deepak Nitrite Ltd.
530.	DK Beck & Co. (I)
531.	Max Atotech Pvt. Ltd.
532.	Precot Mills Co. Ltd.
533.	Rane Brake Lining
534.	Surya Roshini Ltd.
535.	Thiagarsar Mills
536.	Blow Plast Ltd.
537.	IDL Ind. Ltd.
538.	LG Hotline Corpn. Pvt. Ltd.
539.	Marico Ind.
540.	MWP Migma Ltd.
541.	Prakash Ind. Ltd.
542.	Rama Pulp & Paper
543.	UB - Delta Chem. Ltd.
544.	Bayer Indian Syntans Ltd.
545.	Brico Goetze (I) Ltd.
546.	Koeleman India Pvt. Ltd.
547.	Suretex Prophylactics (I) Ltd.
548.	Circar Paper Mills Ltd.
549.	Jindal Strips Ltd.
550.	Lloyds Metals & Engg. Ltd.
551.	Arihant Threads Ltd.
552.	Cepharm Milk Specialities Ltd.
553.	Courtaulds Packaging (I) Pvt. Ltd.

1	2
554.	Dharamsila Cancer Foundation & Research Centre
555.	Diamalt Pharmaceutical Pvt. Ltd.
556.	Liquid Controls India Pvt. Ltd.
557.	Mayo (I) Ltd.
558.	Piramal Healthcare Ltd.
559.	Premier Housing & Ind. Enterprises Ltd.
560.	Speciality Gas Co. Ltd.
561.	The Dhampur Sugar Mills Ltd.
562.	AMB Computer Integrated Engg. Ltd.
563.	Computervision Research & Dev. (I) Pvt. Ltd.
564.	Jay Shree Tea & Ind Ltd.
565.	Lords Shoes Makers P. Ltd.
566.	Merind Ltd.
567.	Nath Ind. Chem. Ltd.
568.	Indiamalt Pvt. Ltd.
569.	Lupin Lab Ltd.
570.	Marketing & Research Group Pvt. Ltd.
571.	Ballaji Distilleries Ltd.
572.	Chambal Fert & Chem Ltd.
573.	Firenze Shoes (P) Ltd.
574.	Fortune Bio-tech Ltd.
575.	Groz-Beckert Asia Ltd.
576.	Lloyds Steels Ind. Ltd.
577.	Mohan Breweries & Distilleries Ltd.
578.	S. Kumars Synfabs Ltd.
579.	Birla ATN Communications*
580.	Bharat Gears Ltd.
581.	Blue Dart Express Ltd.
582.	Electronic Hitech Components Pvt. Ltd.
583.	Electronic Hitech Components Pvt. Ltd.
584.	Kopran Ltd.
585.	L.K. Pace Pvt. Ltd.
586.	Mode Attire Pvt. Ltd.
587.	Seagram Mfg. Pvt. Ltd.
588.	Seal Fisheries Ltd.
589.	Whirlpool India Ltd.
590.	Bharat Forge Ltd.
591.	Jindal Strips Ltd.
592.	Mafatlal Fin. Co. Ltd.
593.	Nicholas Piramal India Ltd.
594.	Vintage Foods & Ind. Ltd.
595.	VIP Ind. Ltd.
596.	Wipro Ltd.
597.	Sanghi Ind. Ltd.

1	2
598.	Crompton Greaves Ltd.
599.	Crompton Greaves Ltd.
600.	Crompton Greaves Ltd.
601.	SRF Ltd.
602.	SRF Ltd.
603.	VIP Ind. Ltd.
604.	Kothari Sugars & Chem. Ltd.
605.	Saurashta Cement Ltd.
606.	Bennet Coleman & Co. Ltd.
607.	Colour Chem Ltd.
608.	Colour Chem Ltd.
609.	Flex Ind. Ltd.
610.	Flex Ind. Ltd.
611.	Groz-Beckert Asia Ltd.
612.	Ispat Ind Ltd.
613.	Lupin Lab. Ltd.
614.	Oriental Hotels Ltd.
615.	Seraikella Glass Works Ltd.
616.	Whirlpool India Ltd.
617.	Whirlpool India Ltd.
618.	IBIL Energy Systems Ltd.
619.	Mohan Breweries & Distilleries Ltd.
620.	Adani Exports Ltd.
621.	Jeje Circuits Ltd.
622.	Shrenuj & Co. Ltd.
623.	Wheels India Ltd.
624.	DSS Mobile Comm. Ltd.
625.	HDFC Bank Ltd.
626.	Global Trust Bank Ltd.
627.	Global Trust Bank Ltd.
628.	Owens-Corning (India) Pvt. Ltd.
629.	Owens-Corning (India) Pvt. Ltd.
630.	IOC
631.	PFC
632.	Cosmos Leather Exports Ltd.
633.	Himatsingka Seide Ltd.
634.	Himatsingka Seide Ltd.
635.	NIIT
636.	NIIT
637.	GMR Vasavi Power Corpn. Ltd.
638.	Ahmednagar Forgings Ltd.
639.	Arihant Cotsyn Ltd.
640.	Autolec Ind. Ltd.
641.	Brakes India Ltd.
642.	C & M Farming Ltd.

1	2
643.	C & M Hatcheries Ltd.
644.	Carbo Everflow Ltd.
645.	Lloyds Fin. Ltd.
646.	Lloyds International Ltd.
647.	Nasik Breeding Research Farms Ltd.
648.	Sanmar International Ltd.
649.	Sanmar Specilities Chem. Ltd.
650.	SICOM
651.	Binani Ind.
652.	CGG Pan India
653.	Choksi Tube Co.
654.	Floatglass India Ltd.
655.	Garware Wall Ropes
656.	Indo Count Ind.
657.	Mukand Ltd.
658.	Servall Ind.
659.	VST Ind. Ltd.
660.	Asia Indl. Tech.
661.	Duracell (I) Ltd.
662.	Hinduja Consultancy
663.	Hinduja Properties
664.	Indusind Meadia/Comm.
665.	Pidilite Ind. Ltd.
666.	Siddarth Textile Pvt. Ltd.
667.	Sware Pearl Ind.
668.	Sware Pearl Ind.
669.	ICICI
670.	AIC Watson Consultants Ltd.
671.	Bennet Coleman & Co. Ltd.
672.	Bronx Process Engg. (P) Ltd.
673.	Business India Television Intl. Ltd.
674.	Chemplast Sanmar Ltd.
675.	Chevro Leather Mfg.
676.	Indian Shaving Products Ltd.
677.	L.G. Balakrishnan & Bros. Ltd.
678.	National Standard Duncan Ltd.
679.	Roop Telsonic Ultrasonix Ltd.
680.	Scott Wilson Kirkpatnick India Pvt. Ltd.
681.	Vintage Foods & Ind. Ltd.
682.	Wilkinson Sword India Ltd.
683.	Hightemp Furnaces Ltd.
684.	Oriental Hotels Ltd.
685.	Ruchi Soya Ind. Ltd.
686.	SPIC Jet Engg. Construction Ltd.
687.	Alleregan India Ltd.

1	2
688.	Bharat Earth Movers Ltd.
689.	Cooperative Dev. Foundation
690.	Escorts Claas Ltd.
691.	Galbare (I) Ltd.
692.	GEC Alstham India Ltd.
693.	Hotel Leela Venture Ltd.
694.	Peirce Leslie Cashews & Coffee Ltd.
695.	Relco Rawmat Electronics Associates Ltd.
696.	Reliance Ind. Ltd. (Bonds)
697.	Reliance Ind. Ltd. (Bonds)
698.	Skyways Properties Ltd.
699.	Somani Swiss Ind. Ltd.
700.	Star Housing & Properties Ltd.
701.	Tata Petrodyne Ltd.
702.	Gillette Diversified Operation Pvt. Ltd.
703.	Meridian Indl. Ltd.
704.	Moral Overseas Ltd.
705.	Premier Mills Ltd.
706.	Premier Polytronics Ltd.
707.	Premier Polytronics Ltd.
708.	Super Spinning Mills Ltd.
709.	Visaka Ind. Ltd.
710.	Business India Information Technology Ltd.
711.	Indo Holland Agri-Tech Ltd.
712.	Metafilms (I) Ltd.
713.	Modi-GSC Limited
714.	Radha Nutrients Ltd.
715.	Shree Lakanayaki Textile Ltd.
716.	Birla - GTM - Enterpose Ltd.
717.	Floatglass India Ltd.
718.	Khimline Pumps Ltd.
719.	Ruchi Soya Ind. Ltd.
720.	Gokulam Wonderland Ltd.
721.	NVS Holland agrotec Ltd.
722.	Orient Vegetexpo Ltd.
723.	Southern Greenfields Ltd.
724.	Wipro Ltd.
725.	Besk Bilt Leather Ltd.
726.	Gujarat State Fert & Chem. Ltd.
727.	Seraikella Glass Works Ltd.
728.	SRF Ltd.
729.	Thomas Cook (I) Ltd.
730.	Wheels India Ltd.
731.	Amborege Ind. Ltd.
732.	Finolux Cables Ltd.

1	2
733.	Indian Airlines Ltd.
734.	Sir's Ltd.
735.	Chmakee Agro & Spices Ltd.
736.	Indian Hospitalities Ltd.
737.	East India Minerals Ltd.
738.	Zeenat Exports Ltd.
739.	Ispat Ind. Ltd.
740.	Mangalore Refinery & Petrochem Ltd.
741.	PL Agro Technology
742.	IDBI
743.	IRFC
744.	Information Technology Pvt.
745.	Indo-Netherland Agro-foods
746.	Jumbo's JoyPark Ltd.
747.	Bahl Paper Mills Ltd.
748.	Cheema Sintex
749.	Haro Paliwal Pvt. Ltd.
750.	Satyam Computers
751.	Ansal Properties
752.	ICICI (FRN)
753.	MR & Petro-chem

[Translation]

#### Credit Deposit Ratio

1126. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the State Government of Bihar has submitted a memorandum to the Reserve Bank of India for enhancing the credit-deposit ratio;

(b) if so, the details thereof and the reaction of the R.B.I./Government thereto;

(c) whether the Government are also aware that the deposits received by the bank in Bihar are being utilised outside the State; and

(d) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have reported that they have received a representation from the Hon'ble Minister of Water Resources, Government of Bihar in which a number of issues have been raised covering inter alia, credit inflow through institutional finance in Bihar, regional rural banks, branch expansion, reorganisation of lead bank responsibilities, and target and achievement under annual credit plan in Bihar. The matter is being looked into by RBI.

(c) and (d) RBI have further reported that banks being commercial organisations, have limitations for extending credit on account of the lending and prudential norms. RBI have also reported that the proposal for deployment of funds in the same area from where it was collected presupposes, inter alia, availability of ingredients like adequate infrastructural facilities, credit absorption capacity, conducive atmosphere for investment and adequate recovery of bank loans.

RBI had constituted a Task Force in the year 1993 to suggest ways and means for improving credit deposit ratio in Bihar. The Task Force had made several recommendations which are implemented on an ongoing basis under the aegis of the State Level Bankers' Committee for Bihar.

[English]

### Infrastructure Development

1127. SHRI PRABHU DAYAL KATHERIA :  
SHRI MAHENDER SINGH BHATI :  
SHRI BHAKTA CHARAN DAS :

Will the Minister of FINANCE be pleased to state:

(a) whether an expert group constituted by the Union Government on infrastructure development has submitted its report;

(b) if so, the details thereof alongwith the main recommendations made by the expert group; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) In October, 1994 the Ministry of Finance constituted an Expert Group on the Commercialisation of Infrastructure Projects under the Chairmanship of Dr. Rakesh Mohan, the then Economic Adviser to the Government of India, Ministry of Industry. The Expert Group has submitted its report to the Finance Minister on 22nd June, 1996.

(b) The report provides directions for policy reforms which can help in greater commercialisation of infrastructure alongwith the promotion of public-private partnership. The main recommendations made by the Expert Group are as follows :

- \* The Government must ensure that project risks are clearly demarcated and allocated to different stakeholders and ensure transport framework for easy implementation of Build Own Transfer type projects.
- \* Equity investments in long gestation infrastructure projects to be granted tax reliefs and dividends to be made tax free to the individual shareholder upto reasonable level on the equity investment.

- \* Pension, Provident and Insurance Funds may be liberalised so that these funds are also available for the development of private infrastructure projects.
- \* Investments from foreign infrastructure funds to be placed on a preferred footing.
- \* An infrastructure Finance Development Corporation be set up to promote infrastructure investment.
- \* Foreign Investment Institutions (FIIs) be allowed to participate in debt market and private sector infrastructure companies be permitted to issue tax free bonds.
- \* An autonomous regulatory body be set up for each infrastructure sector on the lines of Securities and Exchange Board of India (SEBI).
- \* An infrastructure Coordination Committee be constituted on the same lines as the Foreign Investment Promotion Board (FIPB) for clearing projects on a national level.
- \* Public-private Partnership be adopted for development of urban infrastructure.
- \* A State level Nodal Infrastructure Financing Corporation be set up to channalise funds to smaller municipalities.
- \* Cost-based pricing for each consumer segment in a phased manner.
- \* To set up a Central Electricity Regulatory Commission outside the Government's operative control.
- \* Urgent restructuring of State Electricity Board into compact, viable and corporatised units.
- \* Department of Telecommunication to be corporatised as India Telecom.
- \* Steps to be taken to encourage development of major telecom equipment manufacturing capabilities.
- \* All telecom license fees to be transferred to an infrastructure funds for providing debt and equity to infrastructure projects.
- \* Supranational Highways, by-passes and spot investments to be taken up through private initiatives.
- \* A highway Development Policy to be prepared and adopted by the Government.
- \* The Government to announce a comprehensive legal policy for industrial parks.
- \* The major Port Trust Act, 1963 to be amended to permit expansion projects to be taken up on a Build Operate Transfer basis.

(c) The Government's development strategy attaches high priority to the development of efficient infrastructure and towards creating an enabling environment for private participation in the infrastructure sector. A variety of options available for public-private partnership can also encourage better risk sharing, accountability, cost recovery and management of infrastructure. Continuing its emphasis on the development of infrastructure, the Budget for 1996-97 announced several proposals to promote infrastructure which are as follows :

- \* To provide long-term finance for the infrastructure sector the Budget announced establishment of an Infrastructure Development Finance Company (IDFC) with an authorised share capital of Rs. 5000 crore. A budgetary provision of Rs. 500 crore has been made for the current year. The IDFC has since been incorporated under the Companies Act on 30.1.97 with an authorised share capital of Rs. 5000 crore.
- \* 5 year tax holiday available to companies developing, maintaining and operating infrastructure facilities such as roads, bridges, new airports, ports and railway projects, was extended to cover water supply, sanitation and sewerage projects.
- \* Income tax exemption on dividend, interest or long-term capital gains earned by funds or companies set up to develop, maintain and operate an infrastructure facility.
- \* The corpus of the National Highways Authority of India (NHAI) increased by Rs. 200 crore to enable to it leverage funds from the market, domestic as well as international.
- \* Enhancement of tax rebate limits to help channelise domestic savings into debentures and shares offered by infrastructure companies in specified sectors. For this purpose such investments in public offerings would be eligible for the tax rebate.

[Translation]

#### Foreign Loans

1128. SHRI KACHARU BHAU RAUT : Will the Minister of FINANCE be pleased to state :

(a) the names of the countries from whom we have taken loans and the total amount of it; and

(b) the total amount we have to repay annually for it?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) A statement is attached.

(b) Repayments upto 31.3.96 are given in the enclosed statement. Details regarding annual

repayments are given in the External Assistance Brochure 1994-95 published by Ministry of Finance. A copy of the Brochure is available in the Library of the House.

#### Statement

#### Donor-wise Total Receipts and Repayments upto 31st March, 1996.

(Donor Currency in Million)

S. No.	Name of the Country/ Institution	Currency	Receipt	Repayments
1	2	3	4	5
<b>Multilateral</b>				
1.	ADB	US \$	1607.580	76.706
2.	IBRD	US \$	11459.923	4705.868
3.	IDA	US \$	8157.069	1368.460
4.	IDA	SDR	7246.754	135.619
5.	IFAD	SDR	163.769	18.567
6.	OPEC	US \$	172.429	120.795
<b>Bilateral</b>				
7.	Abu Dhabi	UAE Dirham	68.000	67.999
8.	Austria	Austrian Schilling	1672.826	1072.312
9.	Belgium	Belgium Franc	4958.446	2183.750
10.	Canada	Canadian Dollar	924.846	357.286
11.	Rep of Czech and Slovak	Indian Rupees	1569.861	1183.935
12.	Denmark	Danish Kroner	1148.753	286.460
13.	EEC	UK Pound	30.332	1.887
14.	Germany	Deutsche Mark	11242.881	5741.884
15.	France	French Franc	10842.179	4920.486
16.	IMF Trust Fund	SDR	529.009	529.009
17.	Iran	US \$	496.944	496.944
18.	Iran	SDR	438.539	438.539
19.	Italy	Deutsche Mark	144.200	0.000
20.	Italy	US \$	161.187	38.756
21.	Italy	Italian Lira	33125.000	33125.000
22.	Poland	Indian Rupees	366.355	366.355
23.	Qatar	UK Pound	7.158	7.158
24.	Japan	Japanese Yen	1064723.064	295276.397
25.	Kuwait Fund	Kuwait Dinar	78.981	45.303
26.	Netherlands	Dutch Guilder	2555.347	1023.833
27.	Saudi Fund	Saudi Riyal	581.830	465.688
28.	Spain	US \$	46.000	0.000
29.	Sweden	Swedish Kroner	1093.642	0.000
30.	Sweden	S. France	157.000	0.000

1	2	3	4	5
31. Yugoslavia	Indian Rupees	267.008	267.008	
32. Switzerland	Swiss Franc	283.888	211.544	
33. UAE	US \$	70.000	70.000	
34. UK	UK Pound	744.086	708.987	
35. USA	US \$	5063.630	3115.189	
36. USSR	Indian Rupees	28402.024	3903.704	
37. Australia	US \$	11.131	0.000	
38. Hungary	Indian Rupees	122.647	122.647	
39. Iraq	US \$	182.746	182.746	
40. ISO	US \$	5.708	0.000	
41. Bahrain	UK Pound	5.891	5.891	
42. Romania	Indian Rupees	53.260	53.260	

[English]

### Over Financing of Companies by Banks

1129. SHRI V. PRADEEP DEV : Will the Minister of FINANCE be pleased to state :

(a) the details of the excess amount financed by the public sector banks over the permissible bank finance limit during the last one year, company-wise; and

(b) the guidelines issued by the RBI on this account?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The data reporting system of the Reserve Bank of India (RBI) does not generate such information in the manner asked for.

(b) RBI has issued guidelines to banks for assessing the maximum working capital finance (i.e. Maximum permissible Bank Finance) which could be sanctioned to borrowers on the basis of business projections made by them. These guidelines are applicable to borrowers enjoying fund-based credit facilities of Rs. 1 crore and above from the banking system. The norms prescribed under these guidelines indicate the manner in which the assets and liabilities are to be classified and computation of net working capital (i.e. excess of long-term sources over long-term uses) for arriving at the permissible bank finance is to be done. The banks are also required to ensure that 25 per cent of the current assets financed is brought by the borrower from long-term sources. Further, indicative norms regarding level of inventory, receivables etc. to be financed are also prescribed by RBI in this regard.

### New Economic Reforms

1130. SHRI BRIJ BHUSHAN TIWARI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to bringout a

white paper on the advantages and disadvantages revealed during the last six years in respect of the new economic reforms; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The economic reforms undertaken over the last few years have put the Indian economy on a higher growth path. Growth of real gross domestic product at factor cost, which had fallen to a mere 0.8 percent in the crisis year of 1991-92, accelerated to an average growth of around 7 per cent over the last three years (1994-95 to 1996-97). The Economic Survey 1996-97 tabled in both houses of Parliament on February 25, 1997 provides a comprehensive review of the ongoing economic reforms in different sectors and the current state of the Indian economy.

[Translation]

### Fire in Coal Mines

1131. SHRI RATILAL KALIDAS VARMA :  
DR. G.R. SARODE :

Will the Minister of COAL be pleased to state :

(a) the number of coal reserves in the country caught fire during the last three years;

(b) the financial loss in rupees incurred by the Government due to the incidents of fire in coal reserves;

(c) whether the Government propose to set up a Fire Control Cell for the coal companies;

(d) if so, the details thereof; and

(e) the other effective steps taken by the Government to prevent such incidents?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No coal reserves in any mine of Coal India Limited (CIL)/Singareni Collieries Company Limited (SCCL) caught fire during the last three years.

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

(c) and (d) In all the subsidiary companies of CIL and SCCL except the Bharat Coking Coal Limited (BCCL), the existing Safety Department is responsible for all matters relating to safety including control/monitor of fire. In BCCL, in view of existence of large number of fires a separate Fire Control Cell headed by an officer of the rank of General Manager and assisted by other officers, is functioning.

(e) Coal Mine Regulations, 1957 stipulate prevention and control measures of fire in mines, which, inter alia, are :

(i) Sectionalisation of underground working;

(ii) Extraction of thick seams in conjunction with hydraulic stowing;

- (iii) Keeping immediate vicinity of workings in underground mine wet with water spraying and cleaning and stone dusting of old workings;
- (iv) Installation of gas monitoring system in fire-prone underground mines;
- (v) Provision of fire fighting equipment;
- (vi) Frequent inspection of workings; and
- (vii) Blanketting of surface to fill up cracks in case of surface subsidence.

[English]

### Vacant Posts of Judges

1132. SHRI KRISHAN LAL SHARMA :  
DR. MURLI MANOHAR JOSHI :

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

(a) the number of appointments made in Supreme Court and various High Courts during the last two years;

(b) whether the Government are aware that inspite of these appointments, the posts of judges are lying vacant in Supreme Court and High Courts resulting in delay in the judicial process;

(c) if so, the number of vacancies still unfilled court-wise;

(d) the reasons for not filling the vacant posts of judges in courts; and

(e) the steps taken by the Government to fill up the vacant posts immediately?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (c) A Statement showing the number of appointments of Judges of the Supreme Court and the High Courts made during 1995 and 1996 and the number of vacancies on 1.1.1997, is attached.

(d) and (e) The procedure for such appointments involves consultations among several constitutional authorities. However, every effort is being made to fill existing vacancies at the earliest.

### Statement

Sl.No.	High Court	Appointments made in		Vacancies of Judges/ Addl. Judges as on 1.1.1997
		1995	1996	
1	2	3	4	5
1.	Allahabad	8	5	9
2.	Andhra Pradesh	11	4	1

1	2	3	4	5
3.	Bombay	4	12	11
4.	Calcutta	10	-	10
5.	Delhi	4	2	3
6.	Gauhati	-	4	1
7.	Gujarat	7	-	3
8.	Himachal Pradesh	3	-	-
9.	Jammu and Kashmir	4	-	2
10.	Karnataka	9	3	5
11.	Kerala	1	9	5
12.	Madhya Pradesh	4	4	7
13.	Madras	-	14	-
14.	Orissa	1	4	1
15.	Patna	-	5	4
16.	Punjab and Haryana	-	7	4
17.	Rajasthan	5	8	-
18.	Sikkim	-	-	2
Total		71	81	68
II Supreme Court		5	2	4

[Translation]

### Sale of Coal

1133. PROF. RITA VERMA : Will the Minister of COAL be pleased to state :

(a) when the sale of coal from the coal depot of BCCL was started;

(b) the rate of dump charge per tonne taken at that time;

(c) the distance between these centralised dumps and collieries for which they were set up;

(d) the number of times the dump charge increased so far; and

(e) the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b) Coal sales from the coal depot (Satelite dump) of Bharat Coking Coal Limited was started from 29.7.1983 and the dump charges fixed at that time was Rs. 20/- per tonne.

(c) The distance between centralised dumps and collieries vary from dump to dump. The average distance between dumps and collieries ranges between 3 to 5 Kms.

(d) and (e) The dump charges were increased in 1987, 1991, 1992 and 1996. Revision of dump charges were necessitated on account of operational cost of the dumps.

### Durgavati Project

1134. SHRI BRIJ MOHAN RAM : Will the Minister of COAL be pleased to state :

(a) whether any proposal for starting the Durgavati Project in Patan block of Plamu District of Bihar is under consideration of the Government;

(b) if so, whether C.C.L. has acquired the land for the said project;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) No, Sir. There is no proposal under consideration of the Government for starting Durgavati Project in Patan block in Palamu district of Bihar.

(b) to (d) Does not arise, in view of reply at (a) above.

[English]

### SIDBI's Scheme

1135. SHRI HARIVANSH SAHAI : Will the Minister of FINANCE be pleased to state :

(a) whether a number of schemes have been prepared by Small Industries Development Bank of India for setting up rural industries; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Small Industries Development Bank of India (SIDBI) has reported that it has been implementing four special schemes viz., Rural Industries Programme (RIP), Micro Credit Scheme (MCS), Mahila Vikas Nidhi (MVN) Scheme and Rural Entrepreneurship Development Programme (REDP) in the rural areas of the country, apart from providing assistance to units in small scale industries/tiny sector located in rural and semi-urban areas for their term loan/working capital and seed capital requirements under SIDBI's composite loan scheme (CLS), Single Window Scheme (SWS) and National Equity Fund Scheme (NEF). The salient features of the four special schemes mentioned above are as follows :

(i) The objective of RIP is to promote viable enterprises leading to employment generation in rural areas by identifying and motivating rural entrepreneurs in setting up industrial ventures. RIP aims at better commercial exploitation of local resources. The scheme is currently in operation in 11 States having the largest concentration of rural poor.

(ii) The objective of MCS is to meet perceptible gap in financing genuine credit needs of the

poor in rural areas. Under the Scheme, assistance upto a maximum of Rs. 10,000/- per borrower is extended at concessional rate. At the end of November, 1996, 57 voluntary organisations/non-Governmental organisations have been supported under MCS in 16 States with an aggregate assistance of Rs. 636 lakhs.

(iii) The objective of MVN is to bring about economic empowerment of women especially the rural poor by providing them avenues for training and employment opportunities by facilitating creation of infrastructural facilities. As at the end of November, 1996, 104 non-Governmental organisations have been assisted in 23 States with an aggregate assistance of Rs. 417 lakhs.

(iv) The objective of REDP is to train various target groups in entrepreneurial traits so that they obtain adequate information, motivation and guidance in setting up of their own enterprises. As on November 30, 1996, 269 programmes were conducted in different regions of the country.

[Translation]

### Foreign Exchange to MPs

1136. SHRIMATI SHEELA GAUTAM :  
SHRI SHIVRAJ SINGH :

Will the Minister of FINANCE be pleased to state :

(a) the amount of foreign exchange presently provided to the Members of Parliament for study tours;

(b) whether the Government propose to enhance this amount to facilitate the MPs to have optimum use of their study-tours;

(c) if so, the details thereof;

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) A Member of Parliament is entitled to a Study Tour Quota of Rs. 1,00,000/- during his tenure as an MP.

(b) No, Sir.

(c) and (d) Question does not arise, as there is no proposal under consideration for increasing the Quota.

### Welfare of Coal Workers

1137. SHRI SUKH LAL KUSHWAHA :  
SHRI BUDHSEN PATEL :

Will the Minister of COAL be pleased to state :

(a) the total production of coal undertaken by coal mines in Madhya Pradesh during 1996-97;

(b) whether the Government have formulated any scheme for the insurance cover and welfare of the coal workers; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Total production of raw coal in coal mines of Coal India Limited (CIL) in Madhya Pradesh during 1996-97 (upto January, 1997) was 66.442 million tonnes (provisional).

(b) and (c) Government had already formulated an Insurance Scheme viz. Coal Mines Deposits Linked Insurance Scheme, 1976. In addition to this, it has been decided to introduce a retirement-cum-family pension scheme in place of the existing Coal Mines Family Pension Scheme, 1971 for the coal workers.

As regards welfare of coal workers, several welfare measures have been taken by the coal companies for housing, education, water supply, community development, medical facilities etc. Annual allocation of fund is made by the Coal India Limited (CIL) to its subsidiary companies for educational grants and welfare measures.

### Smuggling of Sandalwood

1138. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

(a) whether smuggling of Sandalwood is still going on in the country;

(b) if so, the details thereof; and

(c) the steps taken by the Government to prevent the smuggling of Sandalwood?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Information is being collected and will be laid on the Table of the House.

[English]

### Textile Exports

1139. SHRI K.S. RAYADU : Will the Minister of TEXTILES be pleased to state :

(a) the overall growth in textile items export during 1996-97 so far, especially in cotton yarn and woollen clothes; and

(b) the action proposed to improve quality in fabric production and restructuring technology especially for garment sector?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) According to provisional figures available with the Ministry of Textiles, in dollar terms, the overall growth in the exports of textile items during 1996-97 (upto December 1997) was approximately 10.5%. The growth

in respect of cotton yarn and woollen clothes exports during this period was around 48.3% and 22% respectively.

(b) The Government have already been taking a number of measures for technological and quality upgradation in the fabric and garment sectors such as strengthening of laboratory testing infrastructure; publicity campaigns for propogating quality consciousness among exporters; reduction in import duty on weaving, processing and garment making machinery items; development of human resource through institutions like the National Institute of Fashion Technology and the Apparel Training and Design Centres; special arrangement for duty free import of raw material for export production etc.

[Translation]

### Investment in Public Sector Undertakings

1140. SHRI RAJKESHAR SINGH :  
SHRI PANKAJ CHOWDHARY :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have a proposal which emphasises for the adoption of such a transparent and acceptable system of investment in Public Sector Undertakings which safeguards the interests of investors as well as Public Sector Undertakings;

(b) if so, the salient features of the said proposal;

(c) the time by which final decision is likely to be taken in this regard; and

(d) the date from which the said proposal is proposed to be implemented?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d) No Sir. While it is expected and efforts made by the concerned authorities to ensure that the system for investment in the capital market are fair and transparent, the actual investment decisions are guided by the perception of the investors regarding the performance and prospects of the enterprise, including in the public sector. Government do not interfere in such matters.

[Translation]

### Coal Handling Plants

1141. SHRI VIRENDRA KUMAR SINGH : Will the Minister of COAL be pleased to state :

(a) the total expenditure incurred by different subsidiaries of Coal India Limited on coal handling plants during the last three years;

(b) whether the Government have reviewed the performances of coal handling plants; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) The total expenditure incurred by each subsidiary of Coal India Limited (CIL) on coal handling plants (CHPs) during last three years i.e. from 1993-94 to 1995-96 is as under :

	(Rs. Crores)
ECL	44.99
BCCL	23.90
CCL	8.77
NCL	0.49
WCL	13.27
SECL	18.51
MCL	10.98
<u>CIL</u>	<u>120.91</u>

(b) and (c) Performance of Coal Handling Plants is regularly reviewed by CIL and the Ministry of Coal. As a result of close monitoring of the performance of CHPs, the installed capacity of CHPs (including washeries) operating in CIL was 232.51 million tonnes per annum at the end of 1995-96, which is adequate to handle almost the total present level of production of CIL. Further a capacity of 8.24 m.t.p.a. has been added during 1996-97 (upto December, 1996).

[English]

#### Removal of PSUs from the Purview of Companies Act, 1956

1142. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to drop the concept of "Government Companies" from the Companies Act, 1956;

(b) if so, the reasons therefor;

(c) whether such a step is going to affect the Public Sector Undertakings;

(d) if so, the details thereof; and

(e) the steps proposed to be taken to ensure the Public Sector Undertakings may not be handed over in the hands of private sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir. There is no such proposal.

(b) to (e) Do not arise.

#### Loss of Revenue to Power Sector due to Use of Power by EOUs

1143. DR. M. JAGANNATH : Will the Minister of COMMERCE be pleased to state :

(a) whether his ministry has offered any incentives

to Export Oriented Units or provide subsidised power for producing commodities for export purposes:

(b) if so, the details thereof;

(c) whether these units have exported sufficiently large volumes to justify the loss of revenue to the power sector;

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

(e) the criteria adopted by the Government to meet the purpose?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) Tax concessions have been provided to the Export Oriented Units as per provisions of Export-Import Policy. Besides the Ministry of Power has also decided to supply power at NTPC tariff plus wheeling charges to Export Oriented Ferro Alloy Units or units with furnaces totally earmarked for export purposes.

(c) to (e) The export performance of Export Oriented Units has been by and large satisfactory. NTPC concessional power is being supplied only to those Export Oriented Ferro Alloy Units or units with furnaces totally earmarked for export where electricity bill accounts for 35% or more of their cost of production to enable them to compete in the international market. The arrangement is subject to a six monthly review. The units have been asked to furnish detailed information of their production and export during the period July to December 1996 with documentary evidence.

#### Manufacture of Alcoholic Beverages

1144. PROF. P.J. KURIEN : Will the Minister of INDUSTRY be pleased to state :

(a) whether Foreign Investment Promotion Board has given approvals for the manufacture of alcoholic beverages from non-molasses;

(b) if so, details thereof;

(c) whether subsequently units have been permitted to use cheap molasses alcohol as raw material against the declared policy of the Government; and

(d) if so, details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) Yes, Sir. The approval given for manufacture of alcoholic products are subject to the condition that no fresh capacity for manufacture of potable liquor shall be allowed and that the licensed capacity of the joint venture company will be limited to the licensed capacity of the Indian partner, i.e., the proposed joint venture shall use the existing valid licence of the Indian partner (s) for the manufacture of the proposed products.

(b) The details of such proposals viz., name and country of foreign collaborator, equity investment

involved, item of manufacture/activity are published by the Indian Investment Centre as a supplement to the Monthly Newsletter and copies of these are regularly supplied to the Parliament Library.

(c) and (d) The Government has upto now allowed 4 proposals involving use of molasses for manufacture of alcoholic products with the aforesaid conditions.

### Smuggling of Heroin

1145. SHRI CHUN CHUN PRASAD YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of certain routes in the North-East through which heroin from the golden triangle is being smuggled into the country;

(b) if so, the details thereof;

(c) the estimated value of heroin smuggled into the country through these routes monthly; and

(d) the steps taken by the Government to plug these heroin smuggling routes in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Although all the North Eastern States are sensitive to drug trafficking owing to proximity to the illicit opiate producing area of the South East Asia, popularly known as Golden Triangle and difficult terrain, some routes have come to notice more prominently. These routes are given in the attached Statement.

(c) No precise valuation of drugs, which are often of indeterminate strength and composition and are liable for destruction, can be made. Hence the value of heroin smuggled into the country through these routes cannot be estimated.

(d) Government of India has taken the following steps to plug heroin smuggling routes in the North-East :

(i) Instructions have been issued to all the enforcement agencies to maintain the utmost vigil and step up enforcement efforts under the stringent provisions contained in NDPS Act.

(ii) Training is being imparted to officers to improve their effectiveness. Vehicles and communication equipments have been provided.

(iii) Border Security Force has been vested with powers under the Customs Act to interdict narcotic drugs on the border in addition to the several Central and State Government enforcement agencies empowered under the NDPS Act.

(iv) Reward scheme for informers and enforcement officers is being implemented zealously.

(v) Quarterly coordination meetings chaired by DG, NCB are held regularly in New Delhi which are attended by all Enforcement agencies involved in fighting against drug trafficking, at the highest level.

(vi) A comprehensive bilateral agreement has been entered into by the Government of India and the Government of Union of Myanmar for reducing demand and preventing illicit trafficking in narcotic drugs.

(vii) The Government of India has provided two drug sniffer dogs and also trained dog-handlers to Myanmar for detection of drugs.

### Statement

1. Tamu-Moreh Imphal
2. Mandalay - Tiddim - Behiang - Singhat - Churhandpur - Imphal.
3. Mandalay - Tiddim - Champhai - Aizawl - Silchar - Gauhati - Calcutta.
4. Layshi - Meluri (Nagaland) - Jessami - Kohima.
5. Singkaling Hkamti/Homalin/Tamanthi - Noklak - Tuensang - Mokochung - Dimapur.
6. Kalemio - Champhai - Aizawl.
7. Paletwa - Alikadam (Bangladesh) - Cox's Bazar/Chittagong.
8. Pamsat (Myanmar) - Tusom Christian - Tusumkhullen - Kharasom - Ukhrul/Jessami - Kohima - Tuensang - Makoching - Jorhat.
9. Kultuk (Myanmar) - Chassad - Kamjong - Jessami - Dimapur via Kohima.
10. Kultuk (Myanmar) - Chassed - Kamjong - Imphal - Silchar/Dimapur.
11. Kalemio (Myanmar) - Malcham - Joupi - Chakpikarong - Sengnu - Kakching - Imphal.
12. Kalemio - Jangdung - Sajiktampak - Singhew - Chakpikarong - Sengna - Imphal/Churhandpur.

### Non-Fulfilment of Export Target by EOUs

1146. SHRI HARIN PATHAK : Will the Minister of COMMERCE be pleased to state :

(a) the export target fixed with value in foreign exchange by the Government for the Export Oriented Units in the country during 1995 and 1996;

(b) the percentage of the export with value in foreign exchange has been met by these units during the above period;

(c) the reasons for not achieving the export targets; and

(d) the steps being contemplated by the Government in regard to non-fulfilment of the export target?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) There is no annual fixation of targets by the Government for Export Oriented Units. However, the total value of exports made by these units during the last two years is as under :

Year	Rs. in crores	US \$ (in million)
1994-95	4709.59	1499.96
1995-96	6992.46 (P)	2090.60 (P) Provisional

(c) and (d) Do not arise.

#### Instrumentation Limited

1147. SHRI PARASRAM MEGHWAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether Instrumentation Limited Undertaking has become sick; and

(b) the steps propose to be taken by the Government for revival of the company and protection of the workers?

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

(b) The revival of the Company is under consideration of Government and BIFR. Pending finalisation of the revival plan, Government has been extending budgetary support to the company.

#### World Bank Loan for Sardar Sarovar Project

1148. SHRI SHANTILAL PARSOTAMDAS PATEL :  
SHRI SANAT MEHTA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have approached the World Bank to finance the procurement of some reversible units to be used in river bad power house of the Sardar Sarovar project;

(b) if so, whether the World Bank has not agreed to finance the procurement of these units; and

(c) if so, the details of the efforts made by the Government to procure the loan from other agencies in the World Bank for procurement of these units?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c) The initial expenditure on the purchase of Turbo Generating (TG) sets for the River Bed Power House of the Sardar Sarovar Project had been met by utilizing an OECF (Japan) loan of Yen 2.85 billion. The understanding was that OECF assistance will be available to cover the entire costs on procurement and installation of the TG sets which had been contracted to M/s. Sumitomo Corporation Ltd. of Japan in August, 1987 for an amount of Yen 24.64 billion plus Rs. 35.5 crores. However, after the closure of the 1st tranche of OECF loan on 25.11.90, further OECF loans have not been agreed to by Government of Japan.

#### Reward to Informers

1149. SHRI P.S. GADHAVI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government provide rewards to the informers who give information of smuggled goods;

(b) if so, the details thereof; and

(c) the number of cases are pending as on December 31, 1996 for payment of such rewards to the informers who gave information of smuggled goods in Saurashtra and Kutch regions of Gujarat States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Informers providing clue to smuggled goods are eligible to payment of Reward upto 20% of the value of goods seized. In case of gold, silver and narcotics, specific rates of reward related to weight and purity of goods seized, have been prescribed as follows :

(i) Gold	Rs. 500/- per 10 grams
(ii) Silver	Rs. 1000/- per Kg.
(iii) Opium	Rs. 220/- per Kg.
(iv) Morphine	Rs. 8000/- per Kg.
(v) Heroin	Rs. 20,000/- per Kg.
(vi) Cocaine	Rs. 40,000/- per Kg.
(vii) Hashish	Rs. 400/- per Kg.
(viii) Ganja	Rs. 80/- per Kg.

Eight cases of reward are pending as on 31.12.96 for payment to informer who gave information of smuggled goods in Saurashtra and Kutch regions of Gujarat. Out of these eight cases, advance reward in seven cases has been disbursed.

#### Note Printing Press, Salboni

1150. SHRI AJAY MUKHOPADHYAY :  
SHRI BASU DEB ACHARIA :

Will the Minister of FINANCE be pleased to state :

(a) whether the production have already been started at the Note Printing Press at Salboni, West Bengal;

(b) if so, the details thereof;

(c) whether the Government have decided to print only Rs. 10/- note at this press;

(d) whether the press is capable to print other denomination notes also; and

(e) if so, the steps taken by the Government to print all denomination notes there?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) The Salboni Press (Phase I) has commenced production from 11-12-96 and so far, it has produced and supplied 30 million notes of Rs. 10 denomination.

(c) No, Sir.

(d) Yes, Sir.

(e) Building for phase-II of the Press is getting ready. Machinery for printing all denominations have already been ordered.

#### **ADB Loan for Purchasing Long Term Bonds**

1151. SHRI VIJAY PATEL :

SHRI SANAT MEHTA :

Will the Minister of FINANCE be pleased to state :

(a) whether the Asian Development Bank has offered to provide about 300 million dollars for purchasing of long term bonds from private sector infrastructure fund in the country;

(b) if so, whether the Government have received any such offer from the ADB; and

(c) if so, the details thereof and the area in which the proposed amount is likely to be invested by way of bonds in the country Statewise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Asian Development Bank have approved a loan on 7 November, 1996 for Private Sector Infrastructure Facility (PSIF) Project, totalling US \$ 300 million to three Participating Financial Institutions viz., Industrial Credit and Investment Corporation of India Ltd., (\$ 150 m), Industrial Finance Corporation of India Ltd., (\$ 100m) and SCICI Ltd., (\$ 50m) for onlending to private sector - sponsored infrastructure projects in four sub sectors, viz. power, telecommunications, roads and ports.

The PSIF can be used only to finance debentures or long-term debt securities for the securitized debt issued by infrastructure sub-projects. There is no specific state-wise allocation provided in the loan agreements. The ADB loan has a maturity period of 20 years inclusive of grace period of 5 years.

#### **Indo-Russian Joint Working Group Meeting of Commerce Secretary-Level at Moscow**

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

(a) whether India and Russia have agreed for a package of trade boosting measure before the Moscow visit of Prime Minister to that country;

(b) whether all the issues related to trade between the two countries have been fully considered and agreed upon;

(c) if so, the details thereof;

(d) whether any plan has been finalised during the recent Commerce Secretary-level meeting of the Indo-Russian Joint Working Group in Moscow;

(e) if so, the details thereof;

(f) whether India had agreed to allow exports of high-technology products; and

(g) if so, the details thereof and to extent upto which India will be benefited?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e) During the Third Session of the Indo-Russian Working Group on Trade and Economic Cooperation held at Moscow from January 23-27, 1997, led by Commerce Secretary from Indian side, the following important steps/decisions were, inter-alia, taken by the two sides for promotion of bilateral trade :

(i) to broadbase the basket of goods traded between the two countries.

(ii) preparing a scheme for consignment exports to Russia under the debt repayment track for ensuring quick and regular availability of Indian goods in Russia;

(iii) allocation of rupee funds to the experienced Russian organisations in a timely manner;

(iv) Cooperation between insurance agencies of the two countries;

(v) to recommend establishment of a Sub-Group on Financial and Banking Matters under the aegis of the Working Group on Trade and Economic Cooperation; and

(vi) to cooperate in facilitating the establishment of joint ventures in both the countries.

In addition, an agreement was finalised for operation of Joint Shipping Services between the two countries. Accordingly, the Agreement was signed between 'Novoship' and the Shipping Corporation of India on 11.2.97.

(f) and (g) Government of India has reduced the value addition norms from 100% to 75% on export of

certain hitech items from India into Russia using debt repayment funds from 1st January, 1997 with a view to accelerate the bilateral trade in general and hitech items in particular.

#### Sitting up a Centre in Andhra Pradesh by Spices Board

1153. SHRIMATI SARADA TADIPARTHI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Spices Board proposes to set up a centre for the development of spices in Andhra Pradesh;

(b) if so, the details thereof; and

(c) the steps taken to impart training to farmers to prevent over usages of pesticides to boost chilly export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) Spices Board has a regional office at Hyderabad which is headed by an officer of the rank of Deputy Director. This office, in close coordination with Department of Horticulture, Andhra Pradesh is undertaking activities for the quality improvement, improvement of post harvest practices and development of Spices in Andhra Pradesh.

(c) Some of the steps taken/proposed to be taken to prevent over usage of pesticides to boost chilly exports include :

(i) Introduction of integrated pest management programme in collaboration with Regional Agricultural Research Station (PARS), "LAM, Guntur" to reduce pesticide residue in chilly.

(ii) Conducting programmes in Guntur, Khammam, Warrangal, Karimnagar and Prakasam districts for creation of awareness amongst the chilly growers on quality management and improved post-harvest handling of chillies with emphasis on need based application of pesticides.

(iii) Supply of HDPE sheets at subsidised rates to chilly growers to overcome problem of fungal infestation, resulting in the occurrence of aflatoxing in chillies.

#### Export Growth and Bank's Credit to Exporters

1154. SHRI P.R. DASMUNSI : Will the Minister of COMMERCE be pleased to state :

(a) the details of export and import growth including Balance of Payment position during Sixth and Seventh Plan period;

(b) the position in view of part (a) above upto December 31, 1996 of the Eighth Plan period;

(c) whether economic liberalisation policy and rupee devaluation time to time during the above period had

helped to stabilise India's Balance of Payment position in terms of dollar;

(d) if so, the details thereof;

(e) whether the exporters are facing any problem in view of increase the volume of trade due to Bank's credit restriction, more competition in liberal economy and some other problems; and

(f) if so, the steps taken by the Government to meet the challenge?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) As per DGCI and S, data, the average annual rate of growth of exports and imports valued in US dollars during the 6th Plan (1980-85), 7th Plan (1985-90) and 8th Plan (1992 to April-Dec. 1996) are as follows :

Plans	Growth Rates (In % age)	
	Export	Import
VI Plan	4.7	6.5
VII Plan	11.6	8.2
VIII Plan (Upto Dec., 1996)	13.9	14.9

As per RBI data, the average level of current account deficit as percentage of GDP is placed at 1.3% for Sixth Plan, 2.2% for Seventh Plan, and at about 1.3% for Eighth Plan.

(c) and (d) The economic liberalisation policies including trade liberalisation and exchange rate policies have helped strengthening India's export base and maintaining export competitiveness abroad besides strengthening balance of payments position.

(e) and (f) Responding to the need for adequate export credit, efforts have been made to provide export credit in rupees and in foreign currency at interest rates linked to LIBOR at pre and post shipment stages. Commercial Banks are required to lend a minimum of 12% of net bank credit to the export sector. Flow of credit to the export sector is being monitored by RBI. The Government is constantly interacting with the RBI to ensure adequate availability of credit to the exporters both in foreign currency and rupee terms at competitive rates.

#### Incentive to Export Sectors

1155. DR. G.R. SARODE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government propose to announce any incentives to boost export;

(b) if so, the time by which these are likely to be announced; and

(c) the sectors that are likely to be given priority for the export?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) The Government has been closely monitoring export performance and taking measures from time to time to boost exports. In this context, the Export and Import Policy, 1992-97 has provided a stable and dynamic policy framework for the operation of the various export promotion schemes therein, which are aimed at facilitating easy access to production inputs at competitive prices to augment productivity, modernisation and sustained growth of industry, agriculture and services so that exports could be further accelerated.

The new long term Exim Policy 1997-2002 which will come into effect from 1st April, 1997, will consolidate the achievements made possible through the 1992-97 Exim Policy.

(c) The thrust of the Export-Import Policy is on promoting exports from all sectors. However, such sectors which are high net foreign exchange earners would be given additional thrust.

#### Corruption in Issuing of Advance Licence

1156. SHRI G.A. CHARAN REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether the attention of the Government has been drawn to the news-item appeared in "Hindustan Times", dated December 30, 1996 under captioned "Corruption alleged in advance licence";

(b) if so, whether the Government have simplified the procedure for submitting the application forms for issuing the licences;

(c) if so, the details thereof;

(d) the reasons for delay in issuing licences to the exporters; and

(e) the action taken by the Government to check the malpractices in DGFT and expedite these cases relating to issuing the advance licences to the exporters within the time-limit framed by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Yes, Sir. Based on this news-report, the DGFT had sought clarification from the FIEO and the FIEO clarified on 10.1.1997 that they had carried out the study on procedural simplification based on a sample study. No such conclusion, as reported in the news-item, was drawn by them.

(b) and (c) Simplification of the procedure is an ongoing process and the procedural matters are kept under constant review. In the new EXIM Policy, which will come into effect from 1st April, 1997, the aspect of streamlining the procedure under the Advance Licensing Scheme is being given extra attention.

(d) Normally, Advance Licences are issued in time. Instances of occasional delays do occur in few cases for want of expert opinion of technical authorities and deficiency in filling of applications.

(e) Specific instances of delays are normally brought up in Open Houses and are dealt with on the spot. Further, there are Grievance Committees headed by DGFT at Hqrs. and by Zonal Heads in the four zones to deal with such cases. Counter Assistance cells have also been functioning in the various offices for the purpose of export facilitation.

#### Infrastructure Development Finance Company

1157. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government scaled down its equity in the proposed infrastructure development finance company on allowing large participation from various institutional investors;

(b) if so, the reasons therefor;

(c) whether Infrastructure Development Finance Company would be set up a non-government company with an independent Board of Directors; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) As a follow-up to the announcement made in the budget speech for 1996-97, an Infrastructure Development Finance Company (IDFC) with an authorised share capital of Rs. 5,000 crores has been incorporated on 30.01.1997 as a non-Government company. Out of the budgetary provision of Rs. 500 crores made in the current financial year as the contribution of the Central Government to the IDFC, Rs. 200 crores would be towards equity contribution and Rs. 300 crores will be provided as a long-term subordinated debt keeping in view the approved ownership pattern of the company.

#### Export of Fake Basmati Rice to Gulf

1158. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem captioned "Bid to curb sale of fake basmati in Gulf" appearing in the "Hindustan Times" dated January 21, 1997;

(b) if so, the number of complaints from the rice exporters received by the Government so far; and

(c) the steps taken by the Government to curb such practices used by the various countries including Saudi Arabia?

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

(b) and (c) All India Rice Exporters' Association in their representations had alleged that some unscrupulous traders in the Middle East were selling low priced and inferior quality quality rice from other destinations in Indian Gunny bags so as to pass the goods off as high priced Indian basmati rice. Public Notice No. 390 (PN)/92-97 dated 1.1.1997, has been issued restricting exports of empty printed gunny bags with markings indicating the product being Indian Basmati Rice.

[Translation]

### Training Centres

1159. SHRI D.P. YADAV : Will the Minister of INDUSTRY be pleased to state :

(a) the details of training centres presently functioning in the country under the Self Employment Scheme and the nature of assistance provided to the trainees in these training centres, State-wise;

(b) whether the Government propose to set up such centres in near future; and

(c) if so, the details thereof, State-wise?

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

### Coal Reserves

1160. SHRI SHIVRAJ SINGH :  
SHRI S.D.N.R. WADIYAR :

Will the Minister of COAL be pleased to state :

(a) whether the Geological Survey of India (GSI) has recently located new Coal reserves in the country;

(b) if so, the States where survey has been undertaken by GSI during 1996-97; and

(c) the details of the coal reserves located in these States?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c) The Geological Survey of India (GSI) has located 1889.31 million tonnes of new coal reserves upto now during the year 1996-97. Details of State-wise location of new coal reserves are as under :

State	Reserves (m.t.)
Andhra Pradesh	36.73
Madhya Pradesh	250.81
Orissa	1168.17
West Bengal	433.60

### Accidents in Textile Mills

1161. SHRI NIHAL CHAND CHAUHAN : Will the Minister of TEXTILES be pleased to state :

(a) the number of accidents took place in textile mills of the country during the last three years;

(b) if so, when and where these accidents took place the details thereof;

(c) whether full compensation was given for the workers killed in these accidents; and

(d) if not, the reasons therefor and by when it is likely to be given?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (d) The textile mills in the country are not required to report accidents/mishaps in the textile mills. Thus the M/o Textiles do not maintain information on the number of accidents that have taken place and other related details.

[English]

### Permanent Panel for Corruption Cases

1162. SHRI PRAMOD MAHAJAN : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the attention of the Government has been drawn to the newsitem published in the "Observer of Business and Politics", New Delhi, dated the January 29, 1997 captioned "CBI seeks permanent panel for increasing number of corruption cases";

(b) if so, the present number of corruption cases pending in each court;

(c) since when these cases are pending;

(d) the steps the Government propose to take to expedite the disposal of these cases; and

(e) by when the Government propose to set up new courts for CBI cases?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) to (e) The information is being collected and will be laid on the Table of the House.

### Income-tax Free Bonds

1163. DR. MURLI MANOHAR JOSHI : Will the Minister of FINANCE be pleased to state :

(a) the details of income-tax free bonds/deposits/schemes approved or administered by the Central Government and Reserve Bank;

(b) the rate of interest/dividend paid each year; and

(c) the total amount deposited under each of the above schemes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) The details of bonds/deposits/schemes in which the interest earned is free of income-tax are as under :

(Rs. in Crore)

	Rate of interest per annum	Total outstanding at the end of 1995-96
1. Relief Bonds	9% - 10% (currently 10% Relief 1995 Bonds are on tap for subscription)	2135.00
2. Special deposits scheme, 1975 for Non-Govt. Provident/ Superannuation/ Gratuity Fund	12%	68944.00
3. Public Provident Fund Scheme, 1968	12%	11825.00
4. Deposit Scheme for Retiring Government Employees, 1989 and Deposit Scheme for Retiring employees of Public Sector companies, 1991	10%	102.17
5. Post Office Savings Account	5.5%	19756.00
6. State Provident Funds	12%	17707.00

[Translation]

#### Vacant Posts of SC/ST

1164. SHRI K.D. SULTANPURI : Will the Minister of FINANCE be pleased to state :

(a) the number of posts reserved for SC/STs filled in during the last one year and the number of posts still lying vacant in his Ministry; and

(b) the time-bound programme chalked out by the Government to fill up such posts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The information is being collected and will be laid on the Table of the House.

[English]

#### Electronic Data Interchange

1165 SHRI GORDHANBHAI JAVIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are planning to open up more Electronic Data Interchange (EDI);

(b) if so, the details thereof along with the names of the Ports and Airports being benefited; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) The Government of India have implemented EDI at Delhi Custom House through NICNET, a satellite based computer communication network of the National Informatics Centre. It is proposed to open EDI in all Custom Houses throughout the country during the year 1997-98.

[Translation]

#### Katihar Jute Mills

1166. SHRI RAJESH RANJAN ALIAS PAPPU YADAV : Will the Minister of TEXTILES be pleased to state :

(a) whether the old jute mill located at Katihar has been lying closed since long time;

(b) if so, whether the Government have any proposal to revive the above jute mills; and

(c) if so, the details thereof and by when?

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

(b) and (c) There is no proposal before the Government to revive the closed mill at Katihar.

[English]

#### Trade Relation with Germany

1167. SHRI RAMASHRAYA PRASAD SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have signed a bilateral trade relation agreement with Germany;

(b) if so, the details thereof;

(c) whether the Government have received any complaints about these bilateral relations;

(d) if so, the details thereof; and

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

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

(b) Government of India has signed two bilateral trade agreements with the Government of the Federal Republic of Germany on 19.3.1952 and 31.3.1995. These agreements aim at promotion of trade relations between the two countries and for cooperation in other areas like industry, ports, shipping etc.

(c) No, Sir.

(d) and (e) Do not arise.

### Foreign Assistance for Integrated Development of Hampi, Karnataka

1168. SHRI K.C. KONDAIAH : Will the Minister of FINANCE be pleased to state :

(a) whether the proposal to obtain foreign assistance of Rs. 3,962.31 million for the Integrated Development of Hampi, is under consideration of the Government; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) Does not arise.

### Privatisations of Insurance Business

1169. DR. Y.S. RAJA SEKHARA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have taken a final decision to privatise insurance business;

(b) if so, the details thereof;

(c) whether Insurance Regulations Authority has been set up to evolve a scheme and lay down modalities and guidelines in this regard; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The policy of the present Government towards insurance sector has been laid down in the Common Minimum Programme (CMP) which says that :

"We have gained considerable experience in the working of the banking sector. The said experience will be applied to the restructuring of the insurance industry but at the same time public sector companies like LIC, GIC etc. will be strengthened."

(c) and (d) By a Resolution dated 23.1.1996, the Government had set up an Insurance Regulatory Authority to, *Inter alia*, deal with all matters relating to promotion and orderly growth of insurance market; and to propose a comprehensive legislation for this purpose, bearing in mind the possibility of privatisation of insurance industry, wholly or partially and make appropriate recommendations regarding the role and powers which will need to be exercised by the IRA in such a scenario.

### Conference of Regional Heads of GIC

1170. SHRI SOUMYA RANJAN : Will the Minister of FINANCE be pleased to state :

(a) whether the General Insurance Corporation

(GIC) has recently held any Conference of Regional Heads of its four subsidiary companies at Bangalore;

(b) if so, the details thereof;

(c) whether any decision has been taken regarding the functioning of GIC and its subsidiary companies; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) A Conference of Regional Heads of subsidiaries of GIC was held from January 30 to February 2, 1997 at Bangalore to consider certain internal operational issues given in the enclosed statement, aimed at strengthening the existing set up of the general insurance industry. The reports and recommendations made in the Conference was discussed at length with the managements of the GIC and its four subsidiaries who took note of them for appropriate follow up action.

### Statement

#### *Internal Operational Issues discussed at the Conference :*

- (1) Review of organisational structure to make it more effective;
- (2) Review of system of intermediaries Development Officers, Agents and Brokers.
- (3) Marketing Strategy - Retail and Corporate Clients;
- (4) Management of Motor Claims - own damage and Third Party;
- (5) Computerisation in the industry; and
- (6) Effective utilisation of manpower with reference to speedier decision-making.

### Open Market Service Extension Centre

1171. SHRI SARAT PATTANAYAK : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government are considering to open market service extension centre for handicrafts at Balangir in Orissa;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) to (c) No, Sir. At present there are 47 Marketing and Service Extension Centres functioning in various parts of the country including two centres in Orissa at Bhubaneshwar and Sambalpur. The craftsmen of Balangir district are getting marketing support and extension facilities from the centre located at Sambalpur.

[Translation]

### Fifth Pay Commission

1172. DR. LAXMINARAYAN PANDEY : Will the Minister of FINANCE be pleased to state :

(a) the financial burden likely to be borne by the Centre if it accepts the recommendations of Fifth Pay Commission;

(b) whether difficulties is being faced by the Centre in implementing the recommendations due to limited financial resources of State Governments; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The implementation of all the recommendations of the Fifth Central Pay Commission is likely to involve additional financial implications of Rs. 8800 crores per annum. However, if the age of superannuation is increased to 60 years, the net implication will be Rs. 7300 crores per annum.

(b) and (c) The recommendations of the Fifth Central Pay Commission are applicable to the Central Government Employees and to All-India Service officers.

### ADB Loan to Gujarat

1173. SHRI JAYSINH CHAUHAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Asian Development Bank have sanctioned assistance of Rupees 875 crores to Gujarat;

(b) if so, the details thereof;

(c) the condition on which the above amount has been sanctioned; and

(d) the field in which it will be utilized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) A US \$ 250 million loan agreement between Government of India and Asian Development Bank was signed on 18th December, 1996 for Gujarat Public Sector Resource Management Programme. The main objective of the programme is to support Government of Gujarat in augmenting domestic resource mobilisation, improving allocation and efficiency of the public sector and reducing Government of Gujarat's role in commercial activities while promoting market-oriented policies to enhance private sector participation in the Infrastructure sectors. The external assistance would flow to Government of India from the Bank's Ordinary Capital Resource (OCR) on the standard OCR terms and conditions with the amortization period of 15 years including grace period of three years. This external assistance will be transferred by Government of India to Government of Gujarat, in Rupees, in the form of Additional Central Assistance (ACA), as Loans and

Grants, in the ratio of 70:30 as per set practice. The counterpart funds will finance the cost of (i) structural adjustment of SOE reforms including debt restructuring and labour rationalisation, (ii) short term revenue losses resulting from tax reforms, and (iii) project development and feasibility studies sponsored by the Gujarat Infrastructure Development Board in key infrastructure sectors.

[English]

### Agreement with SAIL

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

(a) whether Coal India Limited has finalised any agreement with Steel Authority of India Ltd., under which the latter has been handed over the Tasra Coal Mines in Madhya Pradesh for captive use;

(b) if so, the main provisions of this agreement; and

(c) the other mining blocks identified and mining deals finalised with other public sector and private sector units for captive mining?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) and (b) Tasra block in the Jharia Coalfields in Bihar was allotted in April, 1996 to M/s. Steel Authority of India Ltd. for captive mining. No agreement with Coal India Limited is necessary for the allotment.

(c) 69 mining blocks have been identified for allotment for captive use. 28 blocks/sub-blocks have been allotted to 20 public/private sector units by the Screening Committee of Ministry of Coal, so far.

### Scooter India Limited

1175. SHRI AJAY CHAKRABORTY : Will the Minister of INDUSTRY be pleased to state :

(a) the details of production and sale of three-wheelers and two wheelers scooters during each of the last three years by the Scooters India Limited, Lucknow;

(b) the details of efforts made by the company during the above period to reach these vehicles to far-flung rural segments of the country to improve the communication system;

(c) whether any action has been taken of such vehicles to reduce both sound and smoke pollution; and

(d) if so, the details thereof?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) A statement is attached.

(b) SIL has appointed dealers in rural segments in the States of Assam, Meghalaya, Manipur, Bihar, Uttar Pradesh, West Bengal etc. The rural market has been identified as the thrust area by the company.

(c) and (d) SIL has sponsored a project to Automotive Research Association of India for bringing

down the sound and emission levels, which is presently under progress.

*The details of production and sale of three-wheelers and two-wheelers for the last three years, for Scooters India Ltd., is given below :*

Description	1993-94		1994-95		1995-96		1996-97	
	Prod.	Sales	Prod.	Sales	Prod.	Sales	Prod.	Sales (April to Jan.)
3-Wheelers	4222	4356	7863	7276	11095	11509	12667	12635
2-Wheelers	403	789	110	272	233	159	181	195
Turnover (Rs. in Crores)	27.98		49.03		84.44		98.47	

### UNIDO

1176. SHRI SANAT KUMAR MANDAL : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have studied the United Nations Industrial Development Organisation's (UNIDO) Global Report on Industrial Development;

(b) if so, the reaction of the Government thereto particularly on the policy shifts in globalised milieu so far as India is concerned; and

(c) the manner in which India has benefited from the globalisation process in the spheres of technical and investment co-operation?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) The Government has received a copy of the UNIDO's Global Report 1996 on Industrial Development which highlights the opportunities and challenges which globalization presents to both developing countries and the economies in transition, particularly in terms of human resource development (HRD), technological capabilities, sustainable industrial development and international cooperation.

UNIDO has played a catalytic role in the spheres of technical and investment cooperation. It has provided technical assistance support to organise Investment and Technology Market in India with a view to fostering both inward and outward flows of investment and technology.

### Electronic Voting Machines

1177. SHRI MUKHTAR ANIS : Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the present position regarding the introduction of electronic voting machines for elections; and

(b) the number of such machines purchased and the expenditure made thereon?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) The Election Commission proposes to

discuss the issue of introduction of electronic voting machine with political parties during a meeting scheduled for March 1997.

(b) 1.5 lakh electronic voting machines had been purchased in 1989 at a cost of around Rs. 75 crores.

[Translation]

### Loan for Upgrading Technology of Coal Washing

1178. DR. RAMESH CHAND TOMAR :  
SHRI DEVI BUX SINGH :

Will the Minister of COAL be pleased to state :

(a) whether Import Export Bank of America has offered to give loan to India for upgrading the technology of coal washing;

(b) if so, the details thereof; and

(c) the names of the plants for which the proposed loan is likely to be given?

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

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

[English]

### Economic Reforms

1179. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have set up a working group on the right to information and to promote openness and transparency in the implementation of economic-reforms and liberalisation in economy; and

(b) if so, the composition and terms of reference and which are the areas beyond the scrutiny of the group?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Government have set up a Working Group on Right to Information and Promotion of open and transparent

Government. A copy of the Ministry of Personnel, Public Grievances G.M. No. 34011/1 (S)/97-Estt. (B) dated 2nd January, 1997 indicating the composition and terms of reference of the Group was laid on the Table of the House in reply to Unstarred Question No. 773 on 26th February, 1997 in Lok Sabha.

#### Status Paper on Wages in PSUs

1180. SHRI SANDIPAN THORAT : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have finalised a status paper on wages and statutory dues to the workers of the Central Public Sector Undertakings (CPSUs);

(b) if so, the details thereof; and

(c) the details of representations received from Trade Unions in this regard and action taken/proposed to be taken thereon?

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

[Translation]

#### White Paper on PSUs

1181. PROF. PREM SINGH CHANDUMAJRA :  
SHRI SURENDRA YADAV :

Will the Minister of INDUSTRY be pleased to state:

(a) whether attention of the Government has been drawn to the news-item captioned "Scope urges U.F. to present White Paper of PSUs" appearing in "Statesman dated December 14, 1996;

(b) if so, whether the Government have decided to issue a White paper on Public Sector Undertakings;

(c) if so, the details thereof alongwith the time by when the White paper is likely to be released; and

(d) if not, the reasons thereof?

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

(b) There is no proposal to bring out any separate policy paper on the PSUs at present since the broad policy parameters have been spelt out in the Common Minimum Programme.

(c) and (d) Do not arise.

[English]

#### Textile Mills in West Bengal

1182. SHRI BIR SINGH MAHATO : Will the Minister for TEXTILES be pleased to state :

(a) the number of textile mills in West Bengal alongwith the production capacity;

(b) the number of workers engaged in these mills alongwith the number of workers rendered jobless due to closure of textile mills during the last three years; and

(c) the steps taken by the Government to revive sick textile mills of the State and rehabilitate the workers who have lost their jobs due to closure?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):  
(a) There were 39 cotton/man-made fibre textile mills in the State of West Bengal, as on 31.12.96, having an installed capacity of 1142 thousand spindles, 3 thousand rotors and 7 thousand looms.

(b) There were 53 thousand workers on the rolls of these 39 cotton/man-made fibre textile mills in West Bengal, as on 31.12.96. The number of workers on the rolls of the closed textile mills in West Bengal at the end of the last three calendar years, is as under :

Calender year end	No. of mills closed	No. of workers on the roll of such closed mills
1994	6	12,950
1995	7	17,987
1996	6	15,922

(c) The steps taken by the Central Government in the past, to revive sick textile mills include the setting up of a 'Nodal Agency' as per the Textile Policy of June 1985, creation of the Textile Modernisation Fund Scheme (TMFS) to take care of the modernisation needs of the textile industry and the enactment of the Sick Industrial Companies (Special Provisions) Act (SICA) 1985 and establishment of the Board for Industrial and Financial Reconstruction (BIFR), with a view to arranging the timely detection of sick and potentially sick companies and for speedy determination by a board of experts (BIFR) of the preventive, ameliorative, remedial and other measures which need to be taken with respect to such companies. As on 31.1.97 there were 7 cotton/man-made fibre textile mills of West Bengal, registered with the BIFR.

In order to give relief to the workers affected by the closure of the textile mills, the Government established the Textile Workers Rehabilitation Fund Scheme (TWRFS). So far, an amount of Rs. 84.61 crore was disbursed to 42,461 workers of 28 mills in India (position till 31.1.97). However, none of the closed mills in West Bengal was found eligible for relief under the textile TWRFS, so far.

#### Bank Lending

1183. SHRI GEORGE FERNANDES : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have directed that 50% of bank lending, including by the new private banks, should go to priority sectors.

(b) if so, the details thereof;

(c) whether foreign banks are exempted from such lending;

(d) how many banks have defaulted in meeting the conditions of such priority lending; and

(e) the action taken by the Government to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have reported that at present, domestic banks both in public sector and private sector (including new private sector banks) are required to lend 40 per cent of their net bank credit (NBC) to priority sector.

(c) Foreign banks operating in India are required to lend 32 per cent of their net bank credit to the priority sector.

(d) As at the end of March 1996, 11 public sector banks, 24 private sector banks and five foreign banks had not achieved the target in respect of total priority sector advances.

(e) RBI have further reported that the following steps have been taken in case banks do not achieve the target for lending to priority sector :

(i) *Public Sector Banks*

1. Public sector banks which fails to achieve agricultural lending target of 18 per cent of NBC at the end of September 1994 were asked to contribute, on a prorata basis, to the Rs. 2,000 crore "Rural Infrastructural Development Fund-I (RIDF-I)" with National Bank for Agriculture and Rural Development (NABARD).

Those public sector banks which were falling short of the priority sector target of 40 per cent even after taking into account their contribution to RIDF were asked to participate in a Rs. 1,000 crore consortium lending to Khadi and Village Industry Commission (KVIC).

2. Public sector banks which did not achieve the overall target of 40 per cent of priority sector lending target at the end of March 1996, were asked to contribute to the Rs. 2,500 crore RIDF-II with NABARD.

(ii) *Private Sector Banks*

1. Old Private Sector banks (prior to 22.01.93) which failed to achieve the agricultural lending target of 18 per cent at the end of March 1994 were asked to contribute to RIDF-I.

2. Those private sector banks which have not achieved the overall target of 40 per cent of

NBC at the end of March 1996 have been asked to deposit 50 per cent of the shortfall with NABARD or SIDBI.

(iii) *Foreign Banks*

Foreign banks are required to deposit with SIDBI at the end of March every year the entire shortfall in their priority sector lending for a period of one year.

**Revival of TCIL**

1184. SHRI BASU DEB ACHARIA :

SHRIMATI GEETA MUKHERJEE :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the revival plan of Tyre Corporation of India Limited is pending for a quite long time;

(b) if so, the details thereof alongwith the steps taken by the Government in this regard; and

(c) the present status of the revival plan?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) BIFR sanctioned a revival scheme for TCIL on 15.2.96. The scheme assumed the consent of Government of India based on the draft revival scheme circulated in December, 1994 which was different in many respects from the scheme which was eventually sanctioned. An appeal was therefore filed before the Appellate Authority (AAIFR) under the provisions of Sick Industries Companies Act (SICA).

(c) In its hearing held on 7.2.97, AAIFR has accepted the appeal filed by Government and remanded the matter to BIFR for fresh consideration.

**Fake Account Holders**

1185. SHRI JANG BAHADUR SINGH PATEL :

SHRI JAI PRAKASH (Hardoi) :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government have issued the instruction to banks to observe the formalities while opening of bank account;

(b) if so, the details thereof;

(c) whether the instructions issued are being flouted;

(d) if so, the number of such cases which have come to the notice of the Government and the action taken thereon;

(e) whether the banks have provided the necessary inputs to the RBI about the instructions issued in May, 1995 to introduce a system for closely monitoring cash deposits and withdrawal of Rs. 101 lakhs and above; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have issued instructions from time to time regarding the steps to be taken by Banks while opening deposit accounts. Such instruction, inter-alia, provide for obtaining satisfactory introduction while opening of deposit accounts as well as obtaining photographs of depositors for all new accounts except in some specific cases.

(c) and (d) The data reporting system of RBI does not generate information in the manner asked for. Some cases involving fictitious accounts used for fraudulent transactions have come to RBI's notice. In such cases where flouting of instructions in opening of accounts is suspected, banks have initiated action, including suspension against the concerned Officers/Staff. Banks have also been instructed by the RBI to report cases of fraud to the Police/CBI.

(e) and (f) RBI has reported that all banks have confirmed having introduced a system to closely monitor each deposit/withdrawal of above Rs. 10/- lacs.

[Translation]

#### Fifth Pay Commission

1186. SHRI KASHIRAM RANA :  
SHRI RAM TAHAL CHAUDHARY :  
SHRI K.P. SINGH DEO :  
SHRI NAND KUMAR SAI :  
SHRI JAI PRAKASH (Hardoi) :  
SHRI I.D. SWAMI :  
SHRI RAMCHANDRA VEERAPPA :  
SHRI VIJAY GOEL :  
SHRI RAMSAGAR :

Will the Minister of FINANCE be pleased to state :

(a) the main recommendations made by the Fifth Pay Commission;

(b) the time by which these recommendations are likely to be finalised by the Government for implementation;

(c) the views expressed by Chiefs of Services, various political parties and employees Unions regarding the recommendations made by the Pay Commission; and

(d) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The Pay Commission has made wide ranging recommendations covering all aspects of service conditions of the Central Government employees, including the Armed Forces personnel. Some Associations/Unions of the Central Government Employees and other sectors, including the Armed Forces have expressed some reservations against certain recommendations of the Commission. The Government have set up an Empowered Committee to process the recommendations of the Commission. The views of the employees will be ascertained through the National Council of the Joint Consultative Machinery and those of the Armed Forces personnel through Secretary, Ministry of Defence, who is also a Member of the Empowered Committee, and these will be kept in view before taking appropriate decisions.

[English]

#### Women Legislators

1187. SHRIMATI GEETA MUKHERJEE : Will the Minister of LAW AND JUSTICE be pleased to state the total number of Legislators in each of the State Legislatures/Councils and out of which how many are women members?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : Statement-I and II containing the requisite information are enclosed.

#### Statement-I

##### Legislative Assembly

S.No.	Name of State/U.T.	No. of total seats	Total No. of M.L.As. at present	Total No. of Women M.L.As.	Seat(s) vacant
1	2	3	4	5	6
1.	Andhra Pradesh	294	294	10	-
2.	Arunachal Pradesh	60	60	1	-
3.	Assam	126	126	6	-
4.	Bihar	324	323	10	1
5.	Goa	40	40	4	-
6.	Gujarat	182	181	2	1

1	2	3	4	5	6
7.	Haryana	90	90	5	-
8.	Himachal Pradesh	68	68	4	-
9.	Jammu & Kashmir	87	87	1	-
10.	Karnataka	224	223	7	1
11.	Kerala	140	140	13	-
12.	Madhya Pradesh	320	318	17	2
13.	Manipur	60	56	-	4
14.	Maharashtra	288	288	12	-
15.	Meghalaya	60	60	1	-
16.	Mizoram	40	40	-	-
17.	Nagaland	60	60	-	-
18.	Orissa	147	147	10	-
19.	Punjab	117	117	7	-
20.	Rajasthan	200	200	10	-
21.	Sikkim	-	32	1	-
22.	Tamil Nadu	234	234	11	-
23.	Tripura	60	60	1	-
24.	Uttar Pradesh	425	424	18	1
25.	West Bengal	294	294	20	-
26.	National Capital Territory of Delhi	70	70	3	-
27.	Pondicherry	30	30	1	-
Total		4072	4062	175	10

### Statement-II

#### Legislative Council

S.	Name of State	Total No. of Seats		Total No. of M.L.Cs. at present		Total No. of Women M.L.Cs.		Seats vacant	
		Elected	Nominated	Elected	Nominated	Elected	Nominated	Elected	Nominated
1.	Bihar	84	12	50	3	4	-	34	9
2.	Jammu & Kashmir	28	8	-	7	-	-	28	1
3.	Karnataka	64	11	39	11	4	1	25	-
4.	Maharashtra	66	12	66	12	7	3	-	-
5.	Uttar Pradesh	96	12	57	12	3	-	39	-

### Recommendations of Committee on Handlooms

1188. SHRI NAMDEO DIWATHE : Will the Minister of TEXTILES be pleased to state :

(a) whether Expert High Powered Committee on Handloom sector has submitted its report to the Government;

(b) if so, the details of the recommendations made therein; and

(c) the action taken or proposed to be taken by the Government thereon?

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

(b) A *statement* is attached.

(c) The recommendations of the Committee have been received very recently.

### Statement

#### Details of Main Recommendations of Expert High Powered Committee on Handloom Sector

1. All major handloom concentrated States may set up a separate Departments of Handlooms. State Handloom Corporations and Apex Societies should be revitalised by providing suitable rehabilitation package.
2. A National Handloom Credit Fund with a Corpus of atleast of Rs. 500 crores may be set up for providing credit to the weavers outside the cooperative fold.
3. NABARD may consider waiving the provisions with regard to the guarantee cover in respect of limits sanctioned. Loss Guarantee Scheme may be introduced to protect the interest of the Banks. The Credit for trading in yarn may also be refinanced at 9½% interest rate.
4. All State Governments may exempt Hank Yarn and Handloom products from any tax, including Sales tax, Entry tax and Octroi.
5. Wide spread availability of testing facilities, particularly in the handloom concentrate areas may be ensured and a scheme may be introduced to make the Handloom Corporations/Apex Societies achieved and other BIS-14000/ISO-9000 standards.
6. A National Handloom Centre may be set up to maintain handloom collection of contemporary excellence, to document the information of handlooms and to undertake research on handlooms.
7. Marketing complexes including handloom haats and permanent exhibition sites at Village, sub-division, district and town level in large numbers may be set up by the Central/ State Governments or their agencies.
8. A comprehensive project package for development of exportable products should be developed.
9. A Calamity Relief Scheme may be introduced to provide support for purchase of handlooms and other accessories, subsidy on purchase of Hank Yarn under Hank Yarn Subsidy Scheme, enhanced availability of credit, ensured buy-back of production and to provide immediate relief under various ongoing Schemes of the State Governments.
10. Welfare Schemes may include all handloom workers and not just weavers. Coverage of Handloom workers under the Welfare Schemes of the Handlooms should be substantially stepped up both in cooperative and outside the cooperative fold.

11. Special thrust under ongoing Schemes handlooms sector may be given for overall development of North-Eastern States, by providing additional financial input, where required.

### UK Investment

1189. SHRIMATI JAYWANTI NAVINCHANDRA MEHTA : Will the Minister of INDUSTRY be pleased to state :

(a) whether the attention of the Government has been drawn to the news item captioned "£ 3 billion UK Investment are in pipeline" appearing in the 'Times of India' dated January 12, 1997; and

(b) if so, the areas identified for this investment and the measures being taken in this regard?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) During the years 1991-96, the Government of India has approved investment proposals from UK firms to the tune of Rs. 52.4 billion.

(b) During the meeting of the Indo-British Partnership Initiative held in January, 1997, potential areas of cooperation identified 'by the both sides are : infrastructure, financial services, education and training, mining, tourism and manufacturing. Government of India has instituted simple, transparent, automatic and rational system for attracting foreign direct investment into India including from UK.

### Production of Rubber

1190. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government provide training to farmers for the production of best quality of natural rubber;

(b) if so, the details thereof;

(c) the number of small and marginal rubber growers in the country particularly in the State of Kerala;

(d) whether any financial or other assistance is being given to them to improve the quality of their produce;

(e) if so, the details thereof;

(f) whether any institutions or industries for purification of rubber sheets produced by farmers are functioning in the country;

(g) if so, the details thereof; and

(h) the steps taken to ensure production of best quality of natural rubber in the country?

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

(b) The Rubber Board organises training programmes for small rubber growers to help improve quality of natural rubber production. The details of programmes organised in the current financial year are:

S. No.	Name of course	Duration	No. of batches	No. of participants
1.	Short-term course on rubber culture and estate management.	18 days	1	24
2.	Short-term course for small holders on rubber cultivation and crop processing.	5 days	3	36
3.	Rubber Processing	5 days	2	32
4.	Grading of Sheet Rubber	1 day	6	17
				109

In addition to these programmes, 935 small growers have also participated in one-day visits organised by the Rubber Board for familiarisation of various aspects of Rubber cultivation and Processing.

(c) Small holdings in the country are estimated at 9.11 lakh of which 8,37,400 (Small holdings - 8,23,035 and Marginal holdings 14, 365) are estimated to be in Kerala.

(d) and (e) Yes, Sir. The Rubber Board is giving financial assistance for establishing smoke houses (at the rate of Rs. 3000/= per smoke house), for procuring rubber sheeting rollers (at the rate of Rs. 1000/- for a Sheeting Roller) and also for essential utensils for rubber processing to the small growers.

(f) and (g) Yes, Sir. Rubber Producing Societies (RPS) are establishing community smoke houses for cleaning/improving the grade of rubber sheets produced by the members. Washing and cleaning operations of rubber sheets are undertaken by the Private smoke houses as well.

(h) Steps to ensure production of best quality of rubber include imparting training to the growers, organising mass contact companies and group meetings. The Rubber Board is also extending financial and technical assistance for development of infrastructural facilities and supplying plantation equipments at concessional rates to small growers.

#### Inspection of Exporting Firms

1191. SHRIMATI BHAVNA BENDEVRAJ BHAI  
CHIKHALIA :  
SHRI SHIVRAJ SINGH :

Will the Minister of COMMERCE be pleased to state:

(a) the number of exporting firms against whom

complaints have been received by the Government during each of the last three years;

(b) the number of such exporting firms inspected by the Government during the above period;

(c) whether the Government propose to take action against those firms which have been found guilty; and

(d) if so, the details thereof and the name of agency by whom action/inspection has been taken against these firms?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d) Complaints against exporters may be received by various offices of the Government with whom exporting firms have an interface. It is therefore, difficult to quantify the exact number of such firms against whom complaints have been received by the Government, particularly, in the absence of any details regarding the specific nature of the complaints. As per present Policy, exporting firms are not subjected to routine inspection by Government authorities unless there are prima facie reasons to inspect them. In the DGFT set-up, such inspections are generally carried out either by Enforcement-cum-Adjudication Division of the Headquarter's office, or by the Enforcement Wings of its regional offices. In cases where the exporting firms are found guilty, appropriate penal action is taken against such firms under the Foreign Trade (Development and Regulation) Act, 1992, and the Rules made thereunder.

#### Mushrooming of Non-Banking Financial Companies

1192. SHRI SULTAN SALAHUDDIN OWAISI :  
SHRI V. PRADEEP DEV :  
SHRI BHAKTA CHARAN DAS :  
SHRI MANIBHAI RAMJIBHAI CHAUDHARI :

Will the Minister of FINANCE be pleased to state :

(a) whether non-banking financial companies are mushrooming in India;

(b) if so, whether some of the financial companies have violated statutory requirements of the RBI Act:

(c) if so, the details thereof;

(d) whether RBI has issued any warning to such companies; and

(e) if so, the details thereof and action taken by the Government against such financial companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Reserve Bank of India (RBI) have reported that at present there are about 41000 non-banking financial companies (NBFCs) on the mailing list of RBI's Regional Offices.

(b) and (d) Yes, Sir.

(c) and (e) According to RBI, a large number of companies do not submit to RBI their annual balance sheets, profit and loss account and annual returns and also the other returns specified by the Bank. Some of the companies have also been found to have violated the provisions of the Directions Guidelines issued by RBI in regard to acceptance of deposits, rate of interest on deposit, maintenance of liquid asset etc. In view of this it was considered necessary by RBI to take stringent action, including issue of prohibitory orders, against such of the companies, which persistingly default in complying with statutory obligations. A press release has been issued in this regard by RBI through their Regional Offices, cautioning NBFCs.

The Reserve Bank of India Act, 1934 has been amended by issuing a Ordinance on 9.1.97. The Ordinance empowers RBI to more effectively deal with NBFCs which default in complying with directions/guidelines issued to them.

#### Survey for Disbursement of Loan under Prime Minister's Rozgar Yojana

1193. SHRI I.D. SWAMI :

SHRI SRIBALLAV PANIGRAHI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has decided to undertake a sample survey of the disbursement of loan under Prime Minister's Rozgar Yojana;

(b) if so, the details of the States likely to be covered under the survey;

(c) whether the Government are aware that applications cleared by district industrial centres for loan under the PMRY are still pending for disposal in concerned banks;

(d) if so, the details of such applications bank-wise and State-wise; and

(e) the steps, the Government propose to take to get the loans released?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) have reported they have conducted four sample field studies in the last two years in all the States on the performance of Prime Minister's Rozgar Yojana (PMRY). These studies have identified bottlenecks which, inter-alia, include sponsoring of inadequate number of viable proposals by Task Force Committees, activities financed not generating expected income thus affecting recovery adversely and inadequate training facilities.

(c) to (e) The statements I and II indicating bank-wise and State-wise position of performance on PMRY as at the end of November, 1996 respectively are enclosed.

The RBI have reported that the main reasons of pendency of applications at the branch level, inter-alia, were :

- (i) Non-compliance of requirements by borrowers like undergoing training, obtaining approvals from local bodies, obtaining power connections, etc.
- (ii) Branches had already reached the target set for the year and applications were pending scrutiny at branch level.

The guidelines already provide that the District PMRY Committee should assist the borrower in getting speedy clearance as necessary from the authorities concerned.

#### Statement-I

*Bank-wise progress under Prime Minister's Rozgar Yojana (PMRY) during the year 1996-97 (upto 30th November, 1996) indicating the Number of Applications received, Applications sanctioned and Applications pending.*

S. No.	Name of the Bank	Applica- tions Received	Applica- tions Sanct- ioned	Applica- tions Pending
	1	2	3	4
<b>Public Sector Banks</b>				
1.	State Bank of India	61494	19718	23500
2.	State Bank of Bikaner and Jaipur	4747	1372	2861
3.	State Bank of Hyderabad	5768	2893	4504
4.	State Bank of Indore	3669	1367	2001
5.	State Bank of Mysore	3574	888	2666
6.	State Bank of Patiala	3848	1346	-
7.	State Bank of Saurashtra	1142	655	109
8.	State Bank of Travancore	4317	1656	1515
9.	Allahabad Bank	10489	2021	4506
10.	Andhra Bank	6467	2660	2357
11.	Bank of Baroda	15894	6729	-
12.	Bank of India	17564	6713	8034
13.	Bank of Maharashtra	7078	3065	2847
14.	Canara Bank	16156	6929	5213
15.	Central Bank of India	22513	5727	11192
16.	Corporation Bank	2982	1312	763
17.	Dena Bank	7972	2520	3332
18.	Indian Bank	9945	2453	-
19.	Indian Overseas Bank	9309	2954	3718
20.	Oriental Bank of Commerce	3971	1215	1481
21.	Punjab National Bank	24536	6721	10086

1	2	3	4
22. Punjab and Sind Bank	3457	489	2307
23. Syndicate Bank	8536	2635	3552
24. Union Bank of India	9913	3976	3768
25. United Bank of India	8740	1547	3846
26. UCO Bank	6579	1057	4368
27. Vijay Bank	5644	1894	2572
Total of Public Sector Bank	280304	92512	111098
Total of Private Sector Banks	12003	4167	3147
Total of All Banks	298307	96679	114245

### Statement-II

*State/Union Territory-wise progress under Prime Minister's Rozgar Yojana (PMRY) during the year 1996-97 (upto 30th November, 1996) - Latest available - indicating the number of applications received, sanctioned and pending.*

S. No.	Name of the Bank	Applica- tions Received	Applica- tions Sanctioned	Applica- tions Pending
1		2	3	4
1.	Andhra Pradesh	23826	11264	9266
2.	Arunachal Pradesh	50	20	28
3.	Assam	3279	1067	1304
4.	Bihar	24753	6542	11474
5.	NCT of Delhi	3731	440	1380
6.	Goa	471	247	71
7.	Gujarat	10460	5000	1463
8.	Haryana	8507	3132	1849
9.	Himachal Pradesh	2138	1068	479
10.	Jammu and Kashmir	950	309	312
11.	Karnataka	18863	5992	9591
12.	Kerala	12609	4691	4435
13.	Madhya Pradesh	37183	8828	19719
14.	Maharashtra	38269	15097	13887
15.	Manipur	2200	517	1433
16.	Meghalaya	264	75	120
17.	Mizoram	57	12	24
18.	Nagaland	121	56	49
19.	Orissa	2787	626	1666
20.	Punjab	11051	3126	3929
21.	Rajasthan	15357	4762	5013
22.	Sikkim	145	50	67
23.	Tamil Nadu	17501	5560	4178

1	2	3	4
24. Tripura	1628	146	826
25. Uttar Pradesh	42263	13308	12200
26. West Bengal	13848	2615	7231
27. Andaman and Nicobar Islands	64	20	21
28. Chandigarh	119	55	28
29. Dadra and Nagar Haveli	114	48	41
30. Daman and Diu	27	14	9
31. Pondicherry	525	34	154
32. Lakshdweep	35	7	24
Not Specified	5112	1901	1974
All India	298307	96679	114245

### High Rate of Interest by Financial Institutions

1194. SHRI T. GOPAL KRISHNA : Will the Minister of FINANCE be pleased to state :

(a) whether the banks and the financial institutions are flushed with funds which can be lent to commercial sector;

(b) whether the credit to the commercial sector has been sluggish inspite of its acute liquidity problem due to high rates of interest from these institutions;

(c) whether the Government are aware that a distortion has been created between the commercial banks and the financial institutions with respect to these funds on account of costlier credit of the financial institutions due to higher rates of fund collections than banks; and

(d) if so, the steps taken by the Government to ensure that the financial institutions do not get loaded with unused funds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Reserve Bank of India (RBI) has reported that during the financial year 1996-97 (upto January 31,1997), aggregate deposits of scheduled commercial banks showed a growth of Rs. 49,519 crores (11.4 per cent ) a compared with an increase of Rs. 24,767 crores (6.4 per cent) during the corresponding period of previous year. Apart from the larger deposit accretion, banks have comfortable liquidity due to release of resources through successive reduction in the CRR by the Reserve Bank of India since November 1995 amounting to Rs. 7,525 crore during 1995-96 and Rs. 17,850 crore during 1996-97 upto January 1997. The lendable resources of banks have, therefore, increased during the current year. As regards financial institutions, RBI have reported that IDBI and IFCI are not flushed with funds and that ICICI has indicated that they have adequate funds to meet their borrowers' requirements.

(b) With regard to the interest rates in the banking system in the monetary policy announced by RBI on October 19, 1996, banks have been advised to pass on atleast part of their gains on account of CRR reductions to borrowers by reducing the Prime Lending Rate and also to announce the maximum spread over PLR. In the period subsequent to the announcement of the credit policy, banks have reduced their Prime Lending Rate and also indicated the maximum spread over Prime Lending Rate. As regards higher interest rates charged by FIs, RBI has stated that they raise funds at market related rates of interest. As such, the lending rates of these institutions depends on their cost of funds. However, recently some term lending institutions such as IDBI, ICICI, SCICI have reduced their interest rates.

(c) and (d) The sources of funds of FIs and banks are different. The sources of funds of commercial banks are mainly public deposits. Generally, funds mobilised by banks are of short to medium term in nature and most of their funds are deployed on a short to medium term basis FIs however raise their funds by way of public and private placement of bonds, certificate of deposits and foreign currency loans on a medium to long term basis. These funds are raised by FIs at market related rates. Due to these differences, interest rates charged by Finance differ from those charged by banks.

#### Recommendations of Law Commission

1195. SHRI SONTOSH MOHAN DEV : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether the Law Commission in its report have recommended a separate cadre of investigations agency in every district subject to the supervision of the higher authorities;

(b) if so, whether this is to ensure speedy trial of criminal cases envisaged within the meaning of article 21 of the Constitution;

(c) if so, the details of other recommendations made by the Law Commission and how many of them have been accepted by the Government; and

(d) the time by which criminal procedure code is likely to be amended?

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

(c) The details of the recommendations are contained in Chapter XXII of the 154th report of the Law Commission laid on the Table of the House on 20.12.96. The report is under examination of the Ministry of Home Affairs.

(d) It may not be possible to indicate any specific time limit in this regard. Efforts are being made to implement the same as early as possible.

#### Demand and Supply of Coal

1196. SHRI NITISH KUMAR :  
JUSTICE GUMAN MAL LODHA :  
SHRI JAI PRAKASH AGARWAL :  
SHRI SHANTI LAL PARSOTAMDAS PATEL :  
SHRI DINSHA PATEL :

Will the Minister of COAL be pleased to state :

(a) whether the gap between demand and supply of coal in the country has been increasing constantly for the last few years;

(b) if so, the gap between the demand and supply of coal in the country in the beginning of the Eighth Plan;

(c) the gap between the demand and supply during the year 1996-97 and the extent up to which it is likely to be increased during 1997-98; and

(d) the steps taken by the Government to bridge this gap during the Ninth Plan?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) (b) and (c) Demand of raw coal, as assessed by the Planning Commission, from the beginning of the 8th Five Year Plan upto the year 1997-98, vis-a-vis actual/anticipated supply of coal during the 8th Five Year Plan and supply planned for the year 1997-98 is given below :

(In million tonnes)

Year	Demand	Supply*	Gap between demand and supply of coal
1992-93	256.70	241.69	15.01
1993-94	268.80	252.87	15.93
1994-95	268.50	260.64	7.86
1995-96	288.00	279.73	8.27
1996-97	325.00	296.27	28.73
1997-98	323.38	310.60	12.78

\* Includes Imported Coal

(d) Steps being taken to augment domestic production of coal to bridge the gap between demand and supply of coal during the 9th Five Year Plan, inter-alia, include the following :

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

(ii) Partial de-regulation of coal prices which is likely to improve the generation of internal financial resources of the coal companies which will facilitate implementation of

projects. It will also improve the financial viability of new mining projects.

- (iii) The capital base of Coal India Limited has been restructured which will enable it to raise additional financial resources from the capital markets which are required to add new coal production capacity.
- (iv) Steps are being taken in co-ordination with the Railways to remove the transportation bottlenecks in such coalfield areas which have potential for enhanced production.
- (v) Steps are being taken to remove the bottlenecks in land acquisition and forest land clearance for speedier implementation of coal projects.
- (vi) Private sector companies engaged in production of iron and steel, cement and generation of power have been permitted to take up coal mining for captive consumption. This is expected to increase domestic coal production and availability.
- (vii) To attract private investment in the coal sector, Government has decided to move a Bill to make the necessary legislative changes relating to coal mining to enable any Indian company to mine coal and lignite for sale.

### Foreign Investment

1197. SHRIMATI VASUNDHARA RAJE :

SHRI N.S.V. CHITTHAN :

SHRI PRAMOD MAHAJAN :

Will the Minister of INDUSTRY be pleased to state:

(a) whether a number of proposals from foreign investors are pending with Foreign Investment Promotion Board (FIPB);

(b) if so, the details thereof alongwith the reasons for delay in taking decision on them; and

(c) the number of foreign investment proposals cleared by the FIPB upto December 31, 1996?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) At present, there are around 90 applications pending before FIPB. Receipt and consideration of applications by FIPB for foreign investment is a continuous process. If the applications conform to the parameters for approval, such approval is normally given within a period of 4 to 6 weeks of the filing of application.

(c) From August, 1991 to December, 1996, a total number of 3583 proposals envisaging a foreign investment of Rs. 889.6 billion have been cleared by the FIPB.

### Licence Applications Pending with DGFT

1198. SHRI N.S.V. CHITTHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a huge backlog of applications for various type of licences and minor amendments in licences pending in the Office of Director General of Foreign Trade;

(b) if so, how many cases of advance licence applications are pending for minor amendments/ revalidation in DGFT Headquarters and DGFT offices as on December 1996, State-wise, and

(c) the steps taken by the Government to expedite these cases within the time limit framed by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) There is no backlog of applications of various types of licences and for minor amendments/revalidations pending in Hqrs. DGFT office and regional offices of DGFT.

(b) Information pertaining to advance licences is not maintained Statewise.

(c) Every endeavour is made by the licensing authorities to dispose off the applications for minor amendments/revalidations expeditiously within the time limit prescribed in this behalf under para 258 of the Hand Book of Procedures, Vol. I. Receipts and disposals of such cases is a continuous and ongoing process and constant monitoring is done to ensure time bound disposal. Specific instances of delays are normally brought up in Open Houses and are dealt with on the spot. Further there are Grievance Committees headed by DGFT at Hqrs. and Zonal Heads in the four zones to deal with such cases. Counter Assistance Cells have also been functioning in the various offices for the purpose of export facilitation.

[Translation]

### Lal Matia Coai Mine.

1199. SHRI JAGDAMBI PRASAD YADAV : Will the Minister of COAL be pleased to state :

(a) the number of villages uprooted due to Lal Matia Mines and the arrangements made for their rehabilitation till now and the number of families who have lost their fields given employment;

(b) whether it is a fact that neither all the displaced families have been rehabilitated nor given employment; and

(c) if so, the action being taken by the Government without further delay in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) So far due to mining operation in Lal Matia mines (Raimahal OCF)

three villages Viz. Bara Simra, Ghat Simra and Hijukitta have been affected. Number of families so far affected in these three villages and status of their rehabilitation is as under :

Name of village	Total No. of families affected	No. of families so far displaced and rehabilitated	No. of balance affected families to be displaced and rehabilitated
1. Bara Simra	262	262	—
2. Ghat Simra	33	29	4
3. Hijukitta	104	25	79
	399	316	83

Till date, 924 land losers have been provided employment.

(b) and (c) Not applicable as families displaced have been rehabilitated and the remaining affected families shall be rehabilitated when displaced.

[English]

#### Trade Relation with UK

1200. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether India and United Kingdom have decided to improve the trade between the two countries;

(b) if so, the details thereof;

(c) whether the recent visit of the Prime Minister of UK with a delegation of businessmen have decided to strengthen the trade between the two countries;

(d) if so, whether a number of agreements in this regard were signed between India and the UK; and

(e) if so, the details thereof, and to what extent the trade between the two countries will be strengthened during 1997-98?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e) It is Government's constant endeavour to improve trade relations with all countries including United Kingdom. During the recent visit to India of the Prime Minister of UK with a delegation of businessmen, joint ventures and agreements between private companies from UK and India were signed. These joint ventures and agreements included the sectors of insurance, telecommunications, software, engineering goods, marketing of real estate development etc. These interactions between the businessmen on either side is expected to result in greater economic and commercial cooperation.

[Translation]

#### National Sericulture Project

1201. SHRI RAVINDRA KUMAR PANDEY :  
SHRI SHIVRAJ SINGH :

Will the Minister of TEXTILES be pleased to state:

(a) whether lack of disbursement of adequate loan is a main reason for the delay in implementation of the National Sericulture Project;

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

(c) the steps taken/proposed to be taken for the speedy implementation of the National Sericulture Project?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Disbursement of credit has not been a constraint in the implementation of the National Sericulture Project as funds had been placed in a special account by the World Bank replenishable periodically, upon depletion, on account of reimbursement claims by the implementing agencies of the project.

(b) Does not arise.

(c) The project which commenced in 1989 has closed on 31st December, 1996.

#### Assistance to Mauritius

1202. SHRI KACHARU BHAI RAUT : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government propose to give loan to Mauritius;

(b) if so, the total amount of loan proposed to be given to Mauritius and the purpose therefor;

(c) the details of the steps taken to improve Indo-Mauritius economic relation and also to expand trade relation between both the countries;

(d) whether such type of loan was given to other countries also;

(e) if so, the details thereof;

(f) whether such type of assistance was also given to India by other countries; and

(g) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Government of India (GOI) have signed a US\$ 3 Million agreement with Mauritius during the recently held Joint Commission Meeting (3rd to 5th February, 1997) held in Port-Louis, Mauritius. The said credit line offered by India would be utilised for the export of capital goods and equipment consumer durables and consultancy services.

(c) Periodic meetings of the Indo-Mauritius Joint Commission (JC) are held to improve economic relations between the two countries. The VIIIth meeting of the JC took place in Mauritius on February 3-5, 1997. GOI also endeavours to improve trade relations with Mauritius by way of : (i) Exchange of industry and trade delegations, (ii) Holding of exclusive Indian exhibition/fairs. (iii) Holding of periodic official level bilateral discussions to resolve bottlenecks. (iv) GOI, have also signed a Avoidance of Double Taxation Agreement with Mauritius, in order to facilitate economic relations.

(d) and (e) During the current financial year, GOI offered credit lines to Sri Lanka and Vietnam for US\$ 30 Million and Rs. 90 crores respectively.

(f) and (g) The details of external assistance from bilateral donors are available in the External Assistance Brochure 1994-95, published by Ministry of Finance. Copies of the Brochure are available in the library of the House.

[English]

### Performance of India Security Press

1203. SHRI V. PRADEEP DEV : Will the Minister of FINANCE be pleased to state :

(a) whether there has been decline in production performance of India Security Press, Nasik from 1992-93 to 1996-97;

(b) if so, the reasons therefor; and

(c) the steps taken to increase its production performance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c). India Security Press (ISP) is engaged in manufacture and printing of various security/postal items like passport, non-judicial stamps, chequebooks and postal stationery. The production performance of ISP has not been on the decline except in postal stationery items; this is because of diversion of capacity towards manufacture of critical items like chequebooks/non-judicial stamps.

### Stock Market

1204. SHRI BRIJ BHUSHAN TIWARI :  
SHRI KUNWAR SARVARAJ SINGH :  
SHRI CHITTA BASU :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are satisfied with the behaviour of stock market;

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

(c) the reasons for the erratic behaviour of the stock market and the role of foreign investor in this regard; and

(d) the steps being taken by the Government to prevent such fluctuations and to develop the confidence in investors?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The main concern of Government policy is to ensure that stock markets operate in an orderly and transparent manner in full compliance with the rules and regulations of the Securities and Exchange Board of India (SEBI) for protecting the rights of the investors and for maintaining the confidence of the investors in the stock market.

(c) There are various factors which effect the movement of prices of shares. Some of these factors relate to the expectations of investors regarding the performance of the corporate sector and the economy in general, perceptions of the investors about economic policies of the Government, developments in international capital markets and speculative activity. The transactions of Foreign Institutional Investors (FIIs) in the Indian stock market are governed by SEBI (Foreign Institutional Investors) Regulations. Investments by FIIs are limited to a ceiling of 24% of the paid up equity capital of a single Indian company under the portfolio route. Besides, FIIs are allowed to transact in Securities only on a delivery basis. In view of these factors, it may not be appropriate to attribute the fluctuations in the stock market to transactions by FIIs.

(d) Securities and Exchange Board of India (SEBI) is keeping a close watch on the functioning of the stock market and has been taking measures from time to time under the provisions of the SEBI Act, Rules and Regulations for promoting the orderly development of the market, for preventing malpractices and for safeguarding the interest of the investors.

[Translation]

### Non-Banking Institution

1205. SHRI R.L.P. VERMA : Will the Minister of FINANCE be pleased to state :

(a) the number of non-banking institutions functioning in the country as on January 31, 1997, State-wise;

(b) whether the Government propose to introduce a Bill seeking the discontinuance of non-banking institutions;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) As reported by Reserve Bank of India (RBI), State-wise

details of Non-Banking Financial Companies which are on the mailing list of the Bank are as under :

S.No.	Name of the State/ Union Territory	No. of NBFCs
1.	Andhra Pradesh	2,416
2.	Assam	170
3.	Bihar	362
4.	Chandigarh	44
5.	Delhi	8,875
6.	Goa	169
7.	Gujarat	2,574
8.	Haryana	1,561
9.	Himachal Pradesh	98
10.	Jammu and Kashmir	295
11.	Karnataka	1,384
12.	Kerala	1,085
13.	Madhya Pradesh	452
14.	Maharashtra	7,072
15.	Manipur	15
16.	Meghalaya	11
17.	Nagaland	6
18.	Orissa	135
19.	Pondicherry	69
20.	Punjab	1,710
21.	Rajasthan	463
22.	Sikkim	1
23.	Tamil Nadu	5,079
24.	Tripura	2
25.	Uttar Pradesh	1,940
26.	West Bengal	5,669
	<b>Total</b>	<b>41,557</b>

(b) to (d) An Ordinance has been promulgated on 9th January, 97 for amending the Reserve Bank of India Act, 1934 for the purpose, inter alia, of regulating Non-Banking Financial Companies (NBFCs). There is no proposal to discontinue the functioning of all NBFCs.

[English]

#### Assistance to Small and Marginal Entrepreneurs by Banks

1206. DR. ASIM BALA : Will the Minister of FINANCE be pleased to state :

(a) whether the financial assistance to small and marginal entrepreneurs is not being given by the banks; and

(b) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Reserve Bank of India (RBI) has reported that assistance to small scale industries (including to the tiny sector) forms part of the priority sector lendings by the banks. The assistance provided to this sector by these banks as at the end of March 1994 and March 1995 is given below :

	Amount (Rs. lakhs)			
	March 1994		March 1995	
	No. of accounts	amount outstanding	No. of accounts	amount outstanding
SSI 2947670 (including to tiny sector)	2397828.41	2963458	2917422.35	

[Translation]

#### World Bank Loan

1207. SHRI DAITA MEGHE : Will the Minister of FINANCE be pleased to state :

(a) the details of loan sanctioned by the World Bank to India during the last year;

(b) whether the Government are not taking the loan sanctioned by the World Bank; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The details of the loan/credit sanctioned during the last year i.e. financial year 1995-96 is as follows :

(In US \$ million)

S.No.	Name of the Project	Donor Agency	Loan/ Credit
1.	MP Forestry	IDA	58.00
2.	Agriculture Human Resources Dev.	IDA	59.50
3.	Assam Rural Infrastructure and Agriculture	IDA	126.00
4.	TN Water Resources Consolidation	IDA	282.90
5.	Hydrology	IDA	142.00
6.	Ind Madras Water Resources	IBRD	275.80
7.	Bombay Sewage Disposal	IDA/IBRD	192.00
8.	Orissa Water Resources Consolidation	IDA	290.90

(b) Government are taking the loan sanctioned by World Bank.

(c) Does not arise.

[English]

### Machines Lying Idle

1208. SHRI PRADIP BHATTACHARYA :  
SHRI BANWARI LAL PUROHIT :

Will the Minister of COAL be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned "Expensive machines lying unused at CIL" appeared in Statesman dated January 15, 1997;

(b) if so, whether several machines purchased by the CIL and installed at various coalfields are lying unused;

(c) the exact cost of those machines and the purpose for which machines are purchased; and

(d) the steps taken by the Government to make full use of those machines?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c) Yes, Sir. 92 Nos. of very small aperture terminals (VSAT) for working with remote area business message net-work (RABMN) of the Deptt. of Telecom were purchased and installed in different subsidiary companies of Coal India Ltd. 39 terminals were rendered idle after use for some time due to reorganisation of areas and mines in ECL. So far 14 terminals have been relocated leaving 25 terminals idle as on date. The cost of each VSAT is Rs. 7,44,676.70. The VSATs were purchased in 1992. These were purchased for point to point data communications among different areas and important projects within the subsidiary companies and between different subsidiary companies by using Deptt. of Telecommunications RABMN as per phase III of coal net.

(d) As stated in (a) to (c) above, action has already been taken since October, 1993 to relocate the idle VSATs to other areas/projects for their gainful utilisation.

### Utilisation of DGS&D Services by Ministries/Departments

1209. SHRI SANTOSH KUMAR GANGWAR : Will the Minister of COMMERCE be pleased to state :

(a) whether services of DGS&D can be utilized by any Central Government Ministries/Departments;

(b) if so, the details of notification issued in this regard;

(c) whether a number of indents are returned to Central Government Ministries/Departments for direct purchases by them;

(d) if so, the reasons therefor and the details of such indents returned to various Central Ministries/Departments during each of the last three years; and

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

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) Central Government Ministries/Departments are to make purchases of items of common use covered under DGS&D Rate Contracts, where the value of purchase exceeds delegated powers of direct purchase i.e. Rs. 20,000/- at a time and Rs. 1 Lakh aggregate in a year. Procurement of items not covered on DGS&D Rate Contracts is to be made by the Ministries/Departments directly. Ad-hoc indents for items not covered under DGS&D rate contracts, raised by any Central Government Ministries/Departments on DGS&D, are also accepted only as exceptions, subject to the prescribed guidelines. These have been inter alia notified vide Department of Supply O.M. Nos. P. III-1(9)/95 dated 26th July, 1995 and 6th December, 1995.

(c) to (e) Wherever ad-hoc indents raised on DGS&D are not in accordance with the prescribed guidelines, these are returned to the concerned Ministries/Departments for direct procurement.

### Export of Cotton

1210. SHRI RATILAL KALIDAS VARMA :  
SHRI SANAT MEHTA :

Will the Minister of TEXTILES be pleased to state:

(a) whether the cotton producing States particularly Gujarat have demanded for release of further quota of cotton for export in order to ensure reasonable price of cotton to growers;

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

(c) the details of quota released by the Government for cotton export during the last three years?

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

(b) To date, quota of 1.00 lakh bales has been allotted to the Gujarat State Cooperative Cotton Federation Ltd. Cotton export quotas are announced by the Government after taking into consideration all relevant factors including estimates of production, availability, consumption, likely surplus, price trends etc. Government endeavours to balance the interests of the cotton growers on the one hand and on the other, the cotton consuming sectors, particularly the decentralised handloom weavers.

(c) During the last three years, details of quota released are as follows :

Year	Quota Released (in lakh bales)
1993-94	5.00
1994-95	1.856
1995-96	15.900

### Ceramic Industry

1211. SHRI PARASRAM MEGHWAL : Will the Minister of INDUSTRY be pleased to state :

(a) the number of ceramic industries functioning in the country, State-wise;

(b) whether the Governments of Andhra Pradesh and Rajasthan have requested the Union Government for providing assistance and issue of licences for setting up more ceramic units in their States;

(c) if so, the details thereof; and

(d) the time by when the final decision is likely to be taken?

THE MINISTER OF INDUSTRY (SHRI MURASOLI VARAN) : (a) The number of ceramic industries functioning in the organised sector in the country as on 1.4.96 state-wise is indicated in the statement enclosed.

(b) The ceramic industry is delicensed. No proposal has been received from Andhra Pradesh and Rajasthan.

(c) Does not arise.

(d) Does not arise.

### STATEMENT

State	No. of ceramic units
Maharashtra	3
Madhya Pradesh	2
Karnataka	2
Haryana	7
Gujarat	10
Rajasthan	3
Uttar Pradesh	3
Andhra Pradesh	8
Pondicherry	3
Kerala	1
Tamil Nadu	2
Orissa	1
	45

*Translation]*

### Reduction in Tariff

1212. SHRI JAGAT VIR SINGH DRONA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that if India

continued to resort to reduction in tariff and other countries did not follow suit, it will not only deprive India of several of its export markets but its share in the domestic market would also be reduced substantially; and

(b) if so, the approach of the Government in the above matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Indian import tariffs are higher than those prevailing in most of the developed and developing economies. Further, reductions in the import tariffs have been gradual and calibrated taking into account the interests of the domestic industry. Therefore, there is no need for any apprehension of India losing the export markets or the domestic industry getting affected adversely.

*[English]*

### Export of Cotton

1213. SHRI SHANTILAL PARSOTAMDAS PATEL : Will the Minister of TEXTILES be pleased to state :

(a) the details of quota for export of cotton sanctioned by the Government during the years 1995-96 and 1996-97;

(b) the details of quota allotted to different States during the above period and actually exported by the States;

(c) whether the full sanctioned export quota of cotton has not been adhered by various States during the period; and

(d) if so, the difficulties faced by various States in fulfilling the demand of the Union Government in the export of cotton?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA) : (a) During the cotton season 1995-96 and the current cotton season 1996-97 (as on date), cotton quotas of 15.90 lakh bales and 12.20 lakh bales of cotton, respectively were released by Government to various State Federations/Corporations and other agencies for export.

(b) and (c) The details of cotton export quota released and actually exported by various State Federations/Corporations are indicated in the statement attached.

(d) Some Federations/Corporations have been unable to utilise the entire export quota in 1995-96 for variety of reasons including financial difficulties, insufficient procurement of cotton or not getting adequate buyers for their quality of cotton etc.

**Statement**

*Agency-wise details of quantity of cotton released and exported during 1995-96 and for the current year as on date*

(Quantity in lakh bales)

Agency/ Corporation	1995-96		1996-97	
	Quota Released	Actual Export	Quota Released	Actual Export
1. Maharashtra Fed.	4.20	4.166	1.00	0.285
2. Gujarat Fed.	1.15	1.070	1.00	
3. Punjab Fed.	0.15	0.138	0.25	
4. Haryana Fed.	0.05	0.047	0.05	
5. Rajasthan Fed.	0.10	—	0.15	
6. A.P. Fed.	0.15	0.034	1.00	
7. Tamil Nadu Fed.	—	—	—	
8. Karnataka Fed.	0.05	0.006	0.25	
9. M.P. Corp.	—	—	0.05	
10. A.P. Girijan	0.05	—	—	
11. M.P. Fed.	—	*0.089	0.10	
12. Punjab Spin Fed.	—	—	0.25	
		*Spill over of 94-95		
<b>Total</b>	<b>6.10</b>	<b>5.550</b>	<b>4.10</b>	<b>0.285</b>

**Simplification of ECB**

1214. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have simplify the External Commercial Borrowing Scheme;

(b) if so, the reasons therefor; and

(c) the details simplification made in the External Commercial Borrowings Scheme?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) In June 1996, Government had issued a comprehensive set of guidelines on Policies and Procedures for External Commercial Borrowings (ECB), incorporating the latest modifications and the format for the application, aimed at increasing the transparency in the Policy and simplifying the procedure to give Indian Industry easier access to external funds to support investment and economic activity.

As a measure of further simplification and de-regulation for the benefit of corporates and Institutions and also to provide greater flexibility for small-sized borrowers, Government have delegated the sanctioning powers under the USD 3.00 million scheme to RBI with effect from 15th December, 1996.

*[Translation]***Regional Rural Banks Functioning in U.P.**

1215. SHRI D.P. YADAV :

SHRI BHAGWAN SHANKAR RAWAT :

Will the Minister of FINANCE be pleased to state :

(a) the number of branches of Regional Rural Banks functioning in Uttar Pradesh and particularly in the rural areas of Sambhal;

(b) the amount of loan disbursed during the last two years;

(c) the percentage of such loans in comparison of total deposits in banks during the said period;

(d) whether loan of lacs of rupees has been provided in fake names;

(e) whether the Government have conducted an enquiry in this regard; and

(f) if so, the findings thereof and the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) There are 40 Regional Rural Banks (RRBs), functioning with 3035 branches, in Uttar Pradesh. Prathama Gramin Bank

operating in Moradabad district has 23 branches in rural areas of Sambhal.

(b) and (c) National Bank for Agriculture and Rural Development (NABARD) has reported that loans disbursed by RRBs together with their percentage to total deposits at the end of March, 1995 and March, 1996 was, as given below :

(Rs. in lakhs)			
March, 1995		March, 1996	
Loans disbursed	% to total deposits	Loans disbursed	% to total deposits
42025	13.92	49094	12.89

In view of the huge accumulated losses position of these RRBs the paid up capital as also the deposits have been eroded substantially. As such the ratio of loans issued to deposits as detailed above may not reveal the true picture of the working of RRBs in the State.

(d) NABARD has informed that no such case has been reported to them, so far.

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

[English]

### Agricultural Loan

1216. SHRI ANAND RATNA MAURYA : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have got any survey done to know the demand for loan by the small and marginal farmers;

(b) if so, the details thereof; and

(c) the action being taken to provide adequate agricultural loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Working Group on Agriculture Credit and Cooperation set up by the Planning Commission for the formulation of IX Five Year Plan have, inter-alia, estimated the likely agricultural credit requirements of small and marginal farmers for the period 1997-98 to 2001-02 to be of the order of 47.25% of the total projected agricultural credit requirement for the corresponding period.

(c) With a view to ensure adequate and timely flow of credit to the agriculture sector, several steps have been taken by Reserve Bank of India (RBI) and National Bank for Agricultural and Rural Development (NABARD) which include, inter-alia, the following :

(i) The commercial banks have been asked to increase the credit flow to agriculture by 25% during the year 1996-97, as compared to the previous year;

(ii) Regional Rural Banks (RRBs) which are partly meeting the credit requirements of small and marginal farmer in the rural areas are being given recapitalisation support;

(iii) Banks have been advised to set up specialised agricultural branches in each State to exclusively deal with high-tech agricultural advances;

(iv) Banks have been advised to extend cash credit facilities for meeting composite credit requirements of farmers having good track record;

(v) With a view to improving the access of small farmers to institutional credit, NABARD has advised co-operative banks to earmark funds in favour of small, marginal and economically weak farmers; and

(vi) NABARD has also advised banks that the credits requirements of those small and marginal farmers (generally upto 10% and upto 20% in Eastern and North-Eastern region) should be met in full.

### Donations

1217. SHRI PRAMOD MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Enforcement Directorate have been investigating the "donations" received by the various religious and political outfits in Jammu and Kashmir in violation of the Foreign Exchange Regulation Act, 1973;

(b) if so, the details of such cases inquired into by the Enforcement Directorate during the last three years;

(c) the details of persons organisations formed guilty of FERA violation in the above cases; and

(d) the action taken or proposed to be taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Yes, Sir. The Enforcement Directorate (ED) has been investigating the donations received by Huriyat conference comprising of various religious and political outfits in Jammu and Kashmir under the provisions of Foreign Exchange Regulation Act, 1973 (FERA). Enquiries conducted against S/Shri Ashfak Hussain Lone and Shahabuddin Gauri, two of the members of the said outfits revealed that they had received and made payments to the tune of several lakhs of rupees in violation of the provisions of FERA.

(c) and (d) Adjudication proceedings have been initiated against the said S/Shri Ashfak Hussain Lone and Shahabuddin Gauri besides concurrent prosecution in the court of law.

### Bank of India

1218. SHRI RAMASHRAYA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Bank of India has signed a pact with Union Government for the returning of Rupees 93.47 crore from its capital; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Bank of India have returned to the Government on 31.1.97, a sum of Rs. 93.47 crores out of its capital. The capital of the Bank now stands reduced to Rs. 489.00 crores from the level of Rs. 582.47 crores as on 31.3.96.

### Illegal Mining of Coal

1219. SHRI RAJENDRA AGNIHOTRI : Will the Minister of COAL be pleased to state :

(a) the number of cases of illegal mining of coal brought into the notice of the Government during the last three years, State-wise; and

(b) the action taken by the Government to stop such illegal mining?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) As per information received from Coal India Limited (CIL), illegal mining has been taking place in some of the mines of the Eastern Coalfields Limited (ECL), Bharat Coking Coal Limited (BCCL) and Central Coalfields Limited (CCL).

The number of illegal mining during the last three years is as under :

Company	1993-94	1994-95	1995-96
ECL	55	58	61
BCCL	38	60	32
CCL	16	25	23

(b) The steps taken by the coal companies to stop illegal mining are as under :

- (i) The exposed coal faces in unused opencast mines have been, to the extent possible, covered with debris.
- (ii) Whenever any incident of illegal mining comes to the notice of the colliery authorities within the leasehold areas, patrolling by the Central Industrial Security Force (CISF) is intensified. At times raids of such areas are conducted jointly by CISF and the Police.
- (iii) The coal companies maintain close liaison with State authorities/police to check such illegal activities.

### Trade Agreement

1220. SHRI NITISH BHARADWAJ : Will the Minister of COMMERCE be pleased to state :

(a) the details of areas identified by the Government to improve trade by encouraging indigenous industries;

(b) the details of countries with whom the Government propose to improve our bilateral trade on priority basis;

(c) whether any review of the trade policy has been made during the last five years;

(d) if so, the details thereof; and

(e) the further steps taken by the Government to improve our Balance of Payment situation?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) Areas identified by the Government for improving trade by encouraging indigenous industries include traditional and non-traditional export industries covering inter alia those which permit value added exports. The thrust areas identified are agro products, gem and jewellery, electronics including, software, textiles, engineering goods, leather manufacture and chemical products.

(b) India has trade relations with almost all the major countries in East Asia, West Asia, East Europe, America, Africa, Common Wealth of Independent States, Latin America and other regions. Continuous efforts to improve bilateral trade with all trading partners are made through Joint Commission meetings, trade agreements and participation in trade fairs. The countries which are important in terms of exports are USA, Japan, Hong Kong, U.K., Germany, UAE and Belgium. In view of the potential in emerging markets, emphasis is also given to promoting trade with Africa, Latin America and SAARC countries.

(c) and (d) The Exim policy in force for the period 1992-97 has been updated from time to time with a view to meeting the needs of the exporting community and the international market conditions.

(e) Balance of payment position is dependent on Balance of Trade. Since the trade deficit is the difference between value of imports and exports, the key to reducing trade deficit lies in increased exports. Export promotion measures are taken on a continuous basis through changes in Policy and procedures for providing a favourable environment for exports, involvement of State Governments and periodic consultation with trade and industry.

### White Paper on External and Internal Debt

1221. SHRI NARAYAN ATHAWALAY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to work out a White Paper on external and internal debt position for

the last five years and projections for the next five years;

(b) if so, the details of the debt position and emerging trends thereof;

(c) the strategy worked out to manage effectively the disturbing trends; and

(d) the details of package of incentives proposed to boost up internal saving rate which has been sliding for over the last five years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Government has recently come out with a Status Report on India's External Debt which is the third in the series of such White Papers. The Paper shows a steady improvement in the external indebtedness position of the country in recent years.

There is no proposal under consideration to bring out a White Paper on internal debt, details of which are contained in the Receipt Budget documents.

(c) The external debt management strategy followed by the Government includes sustaining a high growth rate of exports, encouraging non-debt creating capital inflows and keeping the maturity structure as well as the total amount of commercial debt under control. The Government would also endeavour to contain the fiscal deficit (additional borrowings) through controlling expenditure and through its non-debt receipt.

(d) The details of the package of incentives proposed to boost up the internal saving rate are a part of the budget exercise which is secret in nature, and it is not possible to give any details of the same at present.

#### Interests Rate of P.F.

1222. SHRI CHITTA BASU : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to increase the interest rates of the Provident Fund;

(b) if so, the details thereof; and

(c) the steps at which the proposal rest now?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) There is no proposal under the consideration of the Government at present to increase the interest rate on Provident Fund.

(b) and (c) Do not arise.

#### IMFs Proposal

1223. SHRI SARAT PATTANAYAK : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware of International Monetary Funds proposal to drop India

from priority list of 24 countries for lending financial assistances; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) IMF does not have any priority list of 26 countries for lending financial assistance and therefore the question of India being dropped from such list does not arise.

#### Economic Relation with United Kingdom

1224. SHRI S.D.N.R. WADIYAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have a proposal to expand economic relation with United Kingdom;

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) Constant efforts are made to expand economic relations with United Kingdom. Some of the steps in this direction include participation in international trade fairs, intensified exchange of business delegations, supply of necessary information and extending all possible facilities to the commercial organisations, increased focus on thrust items and the promotional activities of the Indo-British Partnership.

Government of India have signed a Bilateral Investment Promotion and Protection Agreement with the United Kingdom in 1994 which was ratified in January 1995 making the agreement effective.

India is also the largest recipient of aid from United Kingdom and this is increasing.

#### Equities of CIL's Subsidiaries

1225. SHRI JAGMOHAN : Will the Minister of COAL be pleased to state :

(a) whether any proposal for reducing equities of some healthier subsidiaries of CIL was made through conversion to debts and with simultaneous injection of fresh equities in some of weaker subsidiaries;

(b) if so, the amount intended to be used as fresh equities in weaker subsidiaries; and

(c) the subsidiaries which have been identified as healthier and weaker subsidiaries?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Yes, Sir. As per information received from Coal India Limited, there is a proposal to reduce equity of some of the healthier subsidiaries of the Coal India Limited by conversion of equities into debt in these subsidiaries with simultaneous reverse conversion of debt to equity in the weaker

subsidiaries and also in MCL, in which the equity component in the capital is very low.

(b) The amount intended to be used as fresh equity in weaker subsidiaries is as follows :

ECL	Rs. 923.60 Crores
BCCL	Rs. 979.50 Crores

(c) Considering the financial position WCL, NCL, SECL, and MCL have been identified as Healthier subsidiaries and ECL, BCCL and CCL as weaker subsidiaries.

#### Revenue of GIC and It's Subsidiaries

1226. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the total revenue/sales of General Insurance

Corporation of India and its three subsidiaries during 1994-95 and 1995-96;

(b) the constituent break-up of Sales/Revenue of each of these subsidiaries by type of Insurance coverage provided during 1994-95 and 1995-96; and

(c) the number of Insurees (Insured parties) under each type of Insurance Coverage offered by G.I.C.'s three subsidiaries during 1994-95 and 1995-96?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The total revenue by way of Gross Premium Income written direct in India by the General Insurance Corporation of India and its four subsidiary companies during 1994-95 and 1995-96 was Rs. 4959.44 Crores and Rs. 6047.39 Crores respectively.

(b) The requisite information is as under :

(Amount in Crores of Rupees)

Company	Fire		Marine		Miscellaneous	
	1994-95	1995-96	1994-95	1995-96	1994-95	1995-96
National	243.34	303.51	165.30	197.19	536.72	694.47
New India	415.44	497.83	230.16	263.67	878.69	1105.98
Oriental	262.21	312.57	170.56	204.94	641.58	779.07
United India	327.19	389.70	260.83	295.49	707.71	848.18

(c) The Insurance companies maintain information only policywise and not clientwise. The total number of policies issued during 1994-95 and 1995-96, is as under :

(In lakhs)

Name of the company	Number of Policies issued	
	1994-95	1995-96
National	47.09	58.70
New India	70.15	77.65
Oriental	47.27	50.48
United India	55.32	59.08

#### Fifth Pay Commission

1227. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Fifth Central Pay Commission which submitted its report on January 30, 1997 has recommended raising of retirement age for Central Government employees from 58 years to 60 years; and

(b) if so, the steps proposed to be taken to round up the angularities, with respect employees who having retired earlier are at the verge of retirement but have

not yet crossed the age of 60 years and rationalise the related issues?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Yes, Sir. The Commission has recommended increase in the age of retirement from 58 years to 60 years, except in respect of those employees who are on extension and the personnel of the Central Police Organisations and the Armed Forces. The Government have set up an Empowered Committee to process the recommendations of the Commission. This recommendation will also be considered by this Committee.

[Translation]

#### Production of Vehicles

1228. PROF. PREM SINGH CHANDUMAJRA :  
DR. MAHADEEPAK SINGH SHAKYA :  
SHRI SURENDRA YADAV :  
SHRI RAJESH RANJAN ALIAS PAPPU  
YADAV :  
SHRI NAWAL KISHORE RAI :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the production of different kinds

of vehicles has been increasing during the last three years;

(b) if so, the details thereof alongwith production capacity of cars, trucks, scooters, tractors and buses of different make in the country;

(c) the number of industrial units which have been sanctioned to undertake production of vehicles with foreign investment; and

(d) the total investment made therein?

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

(b) The production of different types of vehicles in the last three years has been as follows :

	1993-94	1994-95	1995-96
Commercial Vehicles	1,41,436	1,94,999	2,59,131
Car and Jeeps	2,59,591	3,13,739	4,15,921
Three Wheelers	91,608	1,33,693	1,73,412
Two Wheelers	17,56,155	21,95,260	26,56,017
Tractors	1,37,608	1,62,900	2,10,000

According to the Association of Indian Automobile Manufacture Association, the production capacity in various automotive sectors is as under :

Commercial vehicles	-	9,18,000 per annum
Cars/Jeeps/2/3 wheelers	-	44,70,000 per annum
Tractors	-	1,71,800 per annum

(c) 15 proposals for foreign investment have been approved by the Government for manufacture of Vehicles.

(d) Details of investment of individual undertaking are not maintained by the Government centrally.

[English]

### Manufacture of Soaps and Detergents

1229. SHRI GEORGE FERNANDES : Will the Minister of INDUSTRY be pleased to state :

(a) the number of foreign and domestic large scale industries involved in the manufacture of soaps and detergents;

(b) whether the Government propose to consider this industry exclusively for the small scale sector;

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

(d) the steps taken by the Government to establish such small units in all the districts of the country?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d) There are around 15 large-scale units engaged in the manufacturing of soaps and detergents including some units set-up with foreign equity participation.

Laundry soap is reserved for exclusive development in the small scale sector. Manufacture of toilet soaps and detergents is not reserved for the small scale sector and is de-licensed in terms of the New Industrial Policy. There is no proposal under consideration of the Government to reserve toilet soaps and detergents industries exclusively for the small scale sector.

Regulation of investment and production has been substantially liberalised under the New Industrial Policy and procedural requirements governing industrial approvals have been considerably simplified. These measures have transformed the business environment and opened up the economy to greater domestic and foreign investment. It is, therefore, left to the individual entrepreneurs to avail themselves of the facilities offered by the respective State Governments for setting up of units at different locations. They can avail of all the facilities/concessions available to Small Scale Sector.

[Translation]

### Benches of High Courts

1230. SHRI KASHI RAM RANA : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the States in which Benches of High Courts have been set up during the last three years; and

(b) the details of the said benches and their jurisdictions?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) and (b) One permanent Bench of the Gauhati High Court was established at Shillong on 4.2.95 and its jurisdiction is over the State of Meghalaya.

[English]

### Loans to Foreign Countries

1231. SHRI MUKHTAR ANIS :

SHRI KACHARU BHAI RAUT :

Will the Minister of FINANCE be pleased to state :

(a) the amount of loans given to foreign countries by the Union Government during the last three years, country-wise;

(b) the names of the countries who have not repaid the full loan; and

(c) the steps being taken by the Government to recover the loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The following countries have availed of GOI Credits during the last three years :

Country/Year	Amount
Tajikistan (1994)	US\$ 5 Mn
Mauritius (1994)	US\$ 3.2 Mn
Uzbekistan (1994)	US\$ 10 Mn
Turkmenistan (1995)	US\$ 5 Mn
Kazakhstan (1995)	US\$ 10 Mn
Kyrgyzstan (1995)	US\$ 5 Mn
Turkmenistan (1995)	US\$ 10 Mn
Sri Lanka (1996)	US\$ 15 Mn
Vietnam (1996)	US\$ 90 Crores
Sri Lanka (1997)	US\$ 15 Mn
Mauritius (1997)	US\$ 3 Mn

(b) The period of scheduled repayment which is generally spread over a period of 12 years including 3 years moratorium for capital goods and 3 years for consumer durables/consultancy services including one year's moratorium is yet to expire.

(c) Does not arise.

#### Policy for Pension and Provident Fund

1232. SHRI NAMDEO DIWATHE :  
SHRI ANANT GUDHE :  
SHRI SANAT KUMAR MANDAL :  
SHRI SARAT PATTANAYAK :  
SHRI CHITTA BASU :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to make changes in the policy for deployment of pension and Provident Funds for investment in the capital market to induct liquidity into the system and ensuring better return to the employees;

(b) if so, the details thereof;

(c) the present status of the proposal; and

(d) the implications of the changes proposed by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The Ministry of Labour, on the recommendations of the Central Board of Trustees of Employees' Provident Fund Organisation, has proposed certain changes in the policy for deployment of pension and provident funds, in order to increase the earnings of the Funds. The matter is under consideration.

#### Probe into Bank Collusion in Shoe Scam

1233. SHRI RAMSAGAR : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 533 Dated November 22, 1996 regarding "probe into banks collusion in shoe scam" and state :

(a) whether the information has since been received;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) The Hon'ble Member is presumably referring to the Assurance given to Unstarred Question No. 533 dated 22nd November, 1996. The Reserve Bank of India (RBI) have reported that a communication has been received from Deputy Commissioner of Police, Mumbai stating that an offence under IPC has been registered against some leading shoe companies and various leather cooperative societies to investigate into the alleged misutilisation of finance meant for weaker sections of society such as artisans/cobblers co-operative societies. The policy has not referred to irregularities on the part of financing banks.

As desired by the policy authorities, RBI, in January, 1997, has advised all concerned commercial banks to supply the details of transactions, from 1980 onwards, with any of the listed cobbler co-operative societies. The banks are in the process of supplying the above information. RBI have also reiterated to the banks that while sanctioning/disbursing loans and advances and other facilities under priority sector to artisans/their cobblers' societies, they are expected to ensure that the applicants are genuine and are engaged in the activity for which the particular scheme is designed. Banks have also been advised that none of the procedures (including verification of genuineness of the borrowing parties) laid down for grant of loans/advances should be overlooked merely because guarantee have been obtained therefore. It has also been reiterated to banks that they are expected to have an effective post-disbursement supervision and follow-up of loans/advances to ensure the end use of funds/loans.

#### Disbursements by Financial Institutions

1234. SHRI SULTAN SALAHUDDIN OWAISI :  
SHRI BHAKTA CHARAN DAS :

Will the Minister of FINANCE be pleased to state :

(a) whether the aggregate assistance sanctioned by the financial institutions in the country during 1995-96 has registered an increase over the sanction of previous year;

(b) if so, the total amount sanctioned to States by the financial institutions during the above period and

the percentage of increase registered, State-wise and institution-wise;

(c) whether amount of disbursement has also grew during the above period; and

(d) if so, the details thereof, State-wise and institution-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (c) Yes, Sir.

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

### Wasteful Expenditure

1235. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether a number of Government departments embark on expenditure spree in a bid to utilise the entire allocation in March;

(b) if so, whether any assessment has been made by the Government in this regard;

(c) if so, the details thereof;

(d) the steps taken/proposed to be taken to avoid wasteful/avoidable expenditure; and

(e) the details of fresh guidelines formulated/proposed for strict compliance by the Government Departments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Under the General Financial Rules, the Department of the Central Government administratively concerned of the authority on whose behalf a Grant or Appropriation is authorised by Parliament, shall be responsible for the control of expenditure against the sanctioned grants and appropriations placed at its disposal. These rules also prescribe that rush of expenditure particularly in the closing months of the financial year shall be regarded as a breach of financial regularity and should be avoided. Instructions have also been issued by this Ministry in June, 1996, flaying down guidelines on expenditure management, fiscal prudence and austerity. These guidelines, inter-alia, require Ministries/ Departments to work out and monitor monthly cash flow of revenues and expenditures with a view to ensuring that there is no overexpending.

### Trade Relation with SAARC Countries

1236. SHRIMATI VASUNDHARA RAJE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have taken any steps to improve and expand trade relations with SAARC countries;

(b) if so, the details thereof;

(c) the present position and the policy of the Government with regard to India's trade relation with those countries; and

(d) the steps taken in that direction since the Dhaka Declaration came into effect on December, 1995?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (d) It is Government of India's policy to promote trade with all SAARC Member neighbouring countries namely, Nepal, Bhutan, Bangladesh, Sri Lanka, Maldives and Pakistan. Formal Bilateral Agreements have been signed with each one of these countries except Pakistan. Trade preferences have been exchanged through Indo-Nepal Treaty of Trade and India-Bhutan Trade Agreement. Most Favoured Nation (MFN) Trade Agreements have been signed with Bangladesh, Sri Lanka and Maldives. In the case of Pakistan, Government of India accords MFN treatment to all import from Pakistan as per the normal Export-Import Policy. However, Government of Pakistan are following a restrictive trade policy, allowing only a specified number of items to be imported by the Pakistani traders from India. Efforts are being made to persuade Pakistan to accord MFN treatment to imports from India.

2. The South Asian Association for Regional Cooperation (SAARC) comprising Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka came into being on 8th December 1985 with the basic objective to accelerate the process of economic and social development in the Member States through joint action in the agreed areas of cooperation. The Heads of State or Government of the SAARC Member States have been meeting periodically to monitor the progress of cooperation. It was in the 7th SAARC Summit held in Dhaka in April, 1993 that a declaration was made by the Heads of State (also known as Dhaka Declaration) emphasising the "need to liberalise trade as early as possible through a step by step approach". An agreement was signed for SAARC Preferential Trading Arrangement (SAPTA) in Dhaka on 11th April, 1993 which came into effect on 7th December, 1995. The intention was to progressively reduce the tariff incidence for intra-regional trade. Two rounds of negotiations have been held for reduction of tariffs for intra-regional trade. Tariff concessions have been exchanged on 484 tariff lines at six digit level at the conclusion of the first round of negotiations and concessions on additional 1975 tariff lines have been exchanged at the conclusion of the second round of negotiations.

3. The Least Developed Countries namely Nepal, Bhutan, Bangladesh and Maldives have been treated as a separate entity giving better treatment in the matter of trade preferences.

4. It is proposed to set up a total Free Trade Area in the SAARC Region preferably by 2000 A.D. but not later than 2005 A.D.

5. The other steps taken to improve Intra-SAARC Regional Trade include the following :

- (a) It has been decided to establish an institutional mechanism like SAARC Arbitration Board for settlement of trade disputes within the region.
- (b) It has been decided to establish a Group on Customs Cooperation with a view to simplify the custom procedures, harmonisation of classification and valuation rules, electronics data base and training of personnel in customs procedures.
- (c) Steps are being taken to standardise the manufacturing specifications of export goods in the region.
- (d) In order to promote intra-regional investment, information relating to investment regulations in the Member States is exchanged on regular basis through the SAARC Secretariat, Kathmandu.
- (e) A Tripartite Study has been instituted with participation from Academia, Governmental and Trade sectors to suggest measures for promoting economic cooperation among the Member States.
- (f) Efforts are being made to improve the transport and transit infrastructure in the SAARC region.
- (g) European Union are being approached to recognise SAARC as an Association for according Cumulative Rules of Origin for GSP Treatment to promote exports from SAARC Region to the Western countries.
- (h) Information relating to bulk purchases by Government agencies in the SAARC region is being shared by the Member States.
- (i) It has been decided to hold meetings of SAARC Commerce Ministers on regular basis to monitor the progress of trade cooperation. The first meeting of SAARC Commerce Minister was held in New Delhi in January 1996 and the second meeting is proposed to be held shortly to suggest measures for promoting intra-regional trade.
- (j) The first SAARC Trade Fair was held in Delhi in January 1996 and the second one is scheduled to be held shortly.
- (k) At the business level the SAARC Chamber of Commerce and Industry (SCCL) plays an important role by organising seminars, workshops and meetins.

### ECB Application for Loans

1237. SHRI N.S.V. CHITTHAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have empowered RBI, Mumbai to approve the External Commercial Borrowings applications;

(b) if so, whether the RBI, Mumbai adhere to the guidelines issued for approving of ECB; and

(c) if not, the reasons therefor and the steps taken by the Government to streamline the ECB system?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir. The Government of India has authorised the Reserve Bank of India to consider applications for raising short term foreign currency loans with maturity less than 3 years. Recently with effect from 15th December, 1996, Government have also delegated the sanctioning powers to RBI for the USD 3 million scheme.

(b) Yes, Sir.

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

### Action Plan for Indo-Pak Trade Agreement

1238. DR. T. SUBBARAMI REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether Federation of Pakistan Chamber of Commerce and Industry and Punjab, Haryana and Delhi Chamber of Commerce and Industry of India have submitted a comprehensive action plan to their respective Government for formulation of a broad-based Indo-Pak Trade Agreement and expeditious establishment of Joint Business Council;

(b) if so, whether 22 - Member EPCCI and PHDCCI held a meeting in New Delhi on December 24, 1996 to finalise the plan;

(c) if so, the details of outcome thereof;

(d) whether both the Governments have approved the draft proposals; and

(e) if so, by what time Indo-Pakistan Trade Pact is likely to be signed?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (e) The Federation of Punjab, Haryana and Delhi Chamber of Commerce and Industry (PHDCCI) had a meeting with a 26 member delegation from Federation of Pakistan Chamber of Commerce and Industry (FPCCI) on December 24, 1996. During the meeting, certain suggestions were made for improving bilateral economic cooperation between India and Pakistan which include interalia, formulation of Indo-Pak Trade Agreement, Indo-Pak Joint Business Council etc.

PHDCCI is yet to prepare the comprehensive paper on this issue. Government have no information as to whether FPCCI has submitted any action plan on this issue to the Pakistan Government.

[Translation]

**Privatisation of Public Sector Banks and Financial Institutions**

1239. SHRI R.L.P. VERMA : Will the Minister of FINANCE be pleased to state :

- (a) whether the Government propose to privatise some public sector banks and financial institutions;  
 (b) if so, the details thereof and the reasons therefor; and  
 (c) the steps taken in this regard till date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) There is no proposal under consideration of the Government at present for privatisation of any public sector bank. So far, the State Bank of India and four nationalised banks viz. Oriental Bank of Commerce, Dena Bank, Bank of Baroda and Bank of India have raised additional equity from the capital market. The statutes governing the public sector banks do not envisage majority shareholding of the public sector banks by private shareholders. In so far as financial institutions are concerned, there is no proposal for their privatisation under consideration of the Government at present.

[English]

**Amendment to Coal Mines Nationalisation Act, 1973**

1240. DR. ASIM BALA :

SHRI NARAYAN ATHAWALAY :

Will the Minister of COAL be pleased to state :

- (a) whether the Government propose to make changes/amendments in Coal Mines Act, 1973 and the Mines and Minerals Regulation Act, 1957;  
 (b) if so, the details thereof; and  
 (c) the reasons therefor?

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

(b) and (c) Government have accepted the recommendations of the Committee on Integrated Coal Policy to set up an independent body for exploration of coal and lignite resources and to offer new mining blocks to Indian Companies including public sector companies and power utilities on the basis of competitive bidding. Legislative changes would be necessary to implement these decisions.

[Translation]

**Indo-French Economic and Cultural Co-operation**

1241. SHRI DATTA MEGHE : Will the Minister of FINANCE be pleased to state :

- (a) whether the Government have reviewed the Indo-French Economic and Cultural Co-operation;  
 (b) if so, the details thereof;  
 (c) the names of the main projects assisted by France and the year-wise progress made under these projects during the last three years;  
 (d) the details of the projects under consideration for Indo-French co-operation; and  
 (e) the steps proposed to be taken to increase the Indo-French economic and cultural co-operation during the next three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) No, Sir.

(b) Does not arise.

(c) The main projects assisted by France during the last three years are Water management project for Delhi Water Supply and Sewage Disposal Undertaking, Water management project for Jaipur, Hydraulic Shovels for CIL, Blasting Gallery at VK7 of SCCL, Setting up of Geo-scientific Centre at the Geological Survey of India, Installation of fuse gates in Gujarat, Creation of two hatcheries in West Bengal and Gujarat, Exploration of platinum group of metals in Orissa, Fusegate for Upper Tunga Dam, Karnataka and Sterilisation and milk packaging (NDDDB and Andhra Pradesh Dairy Development Board). Financial agreement within the framework of Indo-French Protocol during the last three years is as follows :

1994	FF 266.30 million (Rs. 186.4 crore)
1994	FF 370.07 million (Rs. 259.04 crore)
1994	FF 151.00 million (Rs. 105.7 crore)

(d) The details of the projects under consideration for Indo-French Economic cooperation are Supply of Oceanographic equipment and Technical and Scientific assistance to the Indian Programme of Sea-bed investigation in the EEZ of India by Ministry of Mines for FF 550-600 million, Setting up an Environmental Geology Section at the Geological Survey of India by Ministry of Mines for FF 40 million, River Basin Management Policy in Gujarat by Ministry of Water Resources for FF 21 million.

The programmes under consideration for Indo-French Cultural cooperation are in the fields of (a) Art and Culture, (b) Language and Education, (c) Social Sciences and Humanities, (d) Books and Publications, (e) Youth and Sports and (f) Cinema and Audiovisuals.

(e) The Government of India proposes to increase economic cooperation through regular exercises such as Joint Commission meetings and Joint Working Group meetings in the field of Coal and Mines etc. undertaken by different Administrative Ministries/Departments in the Central Government, as also by identifying various projects for coverage under future Indo-French Protocol financing.

As regards steps to increase the Indo-French Cultural cooperation, Draft of the next Cultural Exchange Programmes for the years 1997, 1998 and 1999 has been prepared and sent to the French side for their response, to enhance cultural cooperation during the next three years.

[English]

#### Norms for Overseas Investment

1242. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether the Reserve Bank of India (RBI) has further liberalised the norms for overseas investments;

(b) if so, the details of new guidelines formulated in this regard; and

(c) the date from which the new guidelines are going to be made effective?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) to (c) Based on the Government of India's Notification dated 7.11.96, the RBI have implemented liberalized norms for overseas investments. These relaxations include : (i) extending the benefit of the Fast Track Route under the scheme also to those Indian Corporates which have foreign exchange earnings other than exports earnings, (ii) taking into account the export performance/foreign exchange earnings of the parent or subsidiary company of those applicants, which do not have the requisite export/foreign exchange earning track record for Fast Track clearance, (iii) computation of the period of five years for pay-back of investments by way of dividends, fees, etc. with effect from the date of remittance of equity rather than the date of approval of the investment. Besides, the mandatory requirement of obtaining a project/feasibility report from the designated agencies for submission of application to the Reserve Bank has been dispensed with; instead, a statement from a Chartered Accountant verifying the ratios/projections is only to be furnished.

Some additional norms for overseas direct investment in the financial sector have also now been prescribed. Financial service companies proposing to set up joint ventures/subsidiaries abroad will have to meet the following additional requirements :

(a) They should have a good track record of a minimum of three years and should be

registered with the Securities and Exchange Board of India as a Category-I Merchant Banker or with the Reserve Bank of India as a Non-Banking Finance Company.

(b) They should have a minimum network of Rs. 15 crores.

(c) They must fulfil the prudential norms of capital adequacy ratio of 8 per cent.

Subsidiaries of Indian financial institutions which conform to the above norms are also eligible to apply for overseas investment.

#### Public Issue of Bank of India

1243. SHRI RAMASHRAYA PRASAD SINGH ; Will the Minister of FINANCE be pleased to state :

(a) whether Bank of India will open a public issue;

(b) if so, the details thereof; and

(c) the total profit earned by it during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Bank of India's Equity issue of 15,00,00,000 shares amounting to Rs. 675/- crore opened on 21.02.1997. The closing date is 28.02.1997. Equity shares are offered at Rs. 10/- per share with a premium of Rs. 35/- per share leading to an issue price of Rs. 45/- per share.

(c) The profits earned by Bank of India during the last 3 years are as under :

Year	Operating Profit	Net Profit (Rs. in crores)
31.3.94	164.69	(-) 953.50
31.3.95	317.09	50.35
31.3.96	473.86	276.48

(-) signifies loss.

#### Cotton Stocks

1244. SHRI NARAYAN ATHAWALAY : Will the Minister of TEXTILES be pleased to state :

(a) whether stocks of cotton are piling up due to bumper crop during the current year and slow releases of export quotas and less demand by the textile mills as compared to last year;

(b) if so, the details thereof; and

(c) the target set for export of cotton during the current year and the quota released to the State Governments so far, State-wise?

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

(a) The Cotton Advisory Board in its meeting on 24.2.97 has estimated the current crop size to be 160 lakh bales. Daily arrivals of cotton in the market are heavy. Government released substantial export quotas early in the season and even subsequently, in order that there may not be piling of stocks, particularly in view of relatively slow demand for cotton from mills.

(b) Does not arise.

(c) No target is set for export of cotton by the Government. However, export quotas for cotton are announced by the Government after taking into consideration all relevant factors, including estimates of production, availability, consumption likely surplus, price trends, etc. No export quota is released to the State Governments. However, an export quota of 12.20 lakh bales of cotton has been released to various State Federations and other agencies during the current cotton season 1996-97 as on date.

#### Tariff Commission

1245. SHRI SARAT PATTANAYAK : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are considering to set up a Tariff Commission to examine tariff reforms;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) Yes, Sir. The Government has decided on establishment of an autonomous Tariff Commission under the Ministry of Industry. Government have also decided to refer the matter pertaining to the terms of reference for the Commission to the Committee of Secretaries.

(c) Does not arise.

#### ODA from Japan

1246. SHRI S.D.N.R. WADIYAR :

SHRI MANIKRAO HODLYA GAVIT :

SHRI MANIBHAI RAMJIBHAI CHAUDHARI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government are getting Official Development Agency (ODA) assistance from Japan for 11 projects;

(b) if so, what are those projects;

(c) the total amount of ODA assistance likely to be obtained from Japan in financial year 1997-98;

(d) whether similar loan was taken by the Government in the financial year 1996-97; and

(e) if so, for which projects and the progress of these projects as on date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The Government of Japan is providing Official Development Assistance (ODA) to the Government of India for the following 11 projects during 1996-97 :

(Yen Mill.)

1. Northern India Transmission System Project	8,497
2. West Bengal Transmission System Project	11,087
3. Umiam Hydro Power Station Renovation Project	1,700
4. Tuirial Hydro-Electric Power Station Project	11,695
5. Simhadri Thermal Power Station Project	19,817
6. Delhi Mass Rapid Transport System Project	14,760
7. Calcutta Transport Infrastructure Development Project	10,679
8. Eastern Karnataka Afforestation Project	15,968
9. Tamil Nadu Afforestation Project	13,324
10. Kerala Water Supply Project	11,997
11. Rajghat Canal Irrigation Project	13,222

(c) The total amount of ODA likely to be made available by Government of Japan to Government of India for the financial year 1997-98 is not known.

(d) As at (a and b) above.

(e) Loan agreements for the 11 projects have been signed on 25.2.1997.

#### Waiver of Loans of CIL

1247. SHRI JAGMOHAN : Will the Minister of COAL be pleased to state :

(a) whether any proposal has been made by Coal India Ltd. for waiver of the huge tax payment in the form of 'grants' or 'loans';

(b) if so, the details of the plan; and

(c) the reaction of the Government thereon?

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

(b) and (c) Do not arise in view of the answer to part (a) above.

#### Duty Evasion

1248. SHRI SANAT KUMAR MANDAL :

SHRI RAMSAGAR :

Will the Minister of FINANCE be pleased to state

(a) whether the adjudicating authority of the Customs Department has taken seven years to complete the hearing on the alleged evasion of duty by the Reliance Industries Ltd. (RIL) and has asked the Company to pay Rs. 16.4 crore excise duty payable for removing partially-oriented yarn (POY) from its Patalganga plant;

(b) if so, the reasons for delay in this regard;

(c) whether the Company has since paid the amount as directed by the Tribunal; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) Upto date information is not readily available. The same is being collected and will be laid on the Table of the House.

[Translation]

#### Loans to Artisans

1249. SHRI KASHI RAM RANA :

SHRI MOHAMMAD ALI ASHRAF FATMI :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government provide loans on low-rates of interest to the artisans in the country to promote the handicrafts projecting Indian Culture;

(b) if so, the details thereof; and

(c) the number of artisans provided such loans during the last three years, State-wise?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) and (b) No specific scheme is being implemented by the Government to provide loans to artisans in the country to promote handicrafts projecting Indian Culture. However, handicraft artisans are eligible to get loans at low rate of interest under various poverty alleviation programmes which inter alia include Integrated Rural Development Programme and its allied programmes like TRYSEM, DWCRA etc. Besides, under various schemes of Banks and Financial Institutions involving refinance from NABARD and SIDBI, loans are available at low interest rate to handicrafts artisans.

(c) State-wise data on number of handicrafts artisans availing of such loans is not available separately.

[English]

#### Board of Directors of Banks

1250. SHRI NAMDEO DIWATHE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to reconstitute Board of Directors of Nationalised Banks and Financial Institutions; and

(b) if so, the details of fresh initiatives proposed and to ensure induction of professionals in the Board of Directors with proven track-record for effective functioning?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) Appointments of Directors on the Boards of

nationalised banks and financial institutions are made in accordance with the criteria and procedure prescribed in the relevant statutes. A number of professionals have already been inducted on the Boards of Directors of nationalised banks and financial institutions. While constituting such boards the plurality of Indian society is also kept in view.

#### IDBI Loan to the Entrepreneurs of Maharashtra

1251. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) the number of application received by IDBI from entrepreneurs of Maharashtra during each of the last three years with break-up of applications approved and funds released;

(b) total financial assistance provided by IDBI to industrial ventures in Maharashtra during the last three years with percentage of growth;

(c) whether progress/performance of IDBI assisted projects in Maharashtra was reviewed recently by experts committee;

(d) if so, the details thereof;

(e) the number of IDBI defaulters in Maharashtra and amount involved; and

(f) the action taken for recovery of loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) As per information provided by the Industrial Development Bank of India (IDBI), the details of applications received under direct finance scheme by IDBI from entrepreneurs in Maharashtra and assistance sanctioned during the last three years was as under :

Year	Application received No.	(Rs. crore)	
		Applications to which assistance sanctioned No.	Amount
1993-94	453	359	2857
1994-95	409	383	3782
1995-96	322	245	3245

(b) Details of financial assistance provided by IDBI to industrial ventures in Maharashtra during the last three years are given below :

Year	(Rs. crore)			
	*Assistance Sanctioned	% growth	Assistance disbursed	growth
1993-94	3113	+50.7	1938	+74.2
1994-95	3964	+27.3	2450	+26.4
1995-96	3556	-11.3	1994	-18.6

\* Schemes covered are direct finance, refinance and bills finance.

(c) and (d) No, Sir.

(e) IDBI has reported that as on 31.03.1996, there were 111 defaulters to IDBI in Maharashtra involving an amount of Rs. 212.7 crore.

(f) IDBI has reported that its senior executives periodically review the cases and take corrective steps, incase incipient sickness is observed, such steps include reschedulement of principal dues, deferment of interest, waiver of penal interest etc. to tide over the temporary difficulties. Sick units falling under the definition of Sick Industrial Companies (Special Provisions) Act, 1985 are referred to the Board for Industrial and Financial Reconstruction (BIFR) and rehabilitation schemes are drawn in case of viable projects. Suitable legal remedies are initiated in respect of non-viable projects. One time settlement is also entered into with the borrowing units.

### Export of Cotton

1252. DR. T. SUBBARAMI REDDY :  
SHRI NIHAL CHAND CHAUHAN :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government have received any representations against the decision to allow the second instalment of cotton export within the two months of commencement of the cotton season;

(b) if so, the details thereof;

(c) the total cotton allowed to be exported as on date, from the day of cotton season; and

(d) the quantum of cotton exported as well as imported during each of the last three years?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA):  
(a) and (b) The Government received a representation dated 31st Oct., 1996 from Northern India Textile Mills Association (NITMA) against the decision of the Government to release an export quota of 5 lakh bales of cotton as on 7.10.96 for the 1996-97 cotton season. In their representation, NITMA inter-alia suggested that Government should defer cotton exports not release upto January, 1997, remove restrictions on cotton yarn exports and not put cotton exports under OGL.

(c) So far, quotas for a total of 12.20 lakh bales of cotton have been released by the Government with effect from 25.9.96.

(d) The quantum of cotton exported and imported during the last three years is as follows :

(in lakh bales of 170 Kg.)

Year	import	Export
1993-94	3.00	3.89
1994-95	5.89	1.086
1995-96	0.50	12.24

### Emphasis on SSI in 9th Plan

1253. DR. ASIM BALA :  
DR. KRUPASINDHU BHOI :

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Government have a proposal to lay emphasis on the development of Small Scale Industrial Sector in Ninth Plan;

(b) if so, the steps proposed to be taken to promote Small Scale Industry in that Plan period; and

(c) the details of incentives proposed to be given to Small Scale Industrial Sector in the near future?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) According to the Approach Paper for the Ninth Plan, which was approved by the National Development Council, employment generation would be a priority area. Considering the capability of generating additional employment by the Small Scale Industrial (SSI) sector at lower investment levels in comparison to large and medium scale sector, emphasis would be laid upon for the development of Small Scale Industrial sector during the Ninth Five Year Plan.

(b) and (c) As the detailed 9th Plan is yet to be formulated, it is premature at this stage to indicate the steps/incentives proposed to be given to the Small Scale Industrial sector.

[Translation]

### Policy to Boost Export

1254. SHRI DATTA MEGHE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Government have formulated any policy to boost the trade with other countries;

(b) if so, the details thereof;

(c) whether any new markets were found during the last year for any specific exports;

(d) if so, the details thereof; and

(e) the achievements made in our foreign trade in view of part (a) above?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) and (b) Government through its Policy and Procedures aims to provide an export friendly and favourable environment for boosting exports. Continuous efforts are made to improve trade with all countries through bilateral and multilateral efforts.

(c) and (d) Government attaches importance to increasing trade with all trading partners. However, special efforts were made recently through agreement on border trade with Myanmar, opening of trade ties

with South Africa and Israel, commercial alliances for promoting trade with US and European Union and regional initiatives for trade with SAARC countries resulting in operationalising SAPTA.

(e) There has been a steady and sustained growth in India's exports.

[English]

### Income Tax Tribunals

1255. SHRI S.D.N.R. WADIYAR : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) the number of Income Tax Tribunals set up in the country and location thereof;

(b) whether the Government have a proposal to open an Income Tax Tribunal at Bangalore;

(c) if so, the steps taken in this regard; and

(d) the details of other places where new Income Tax Tribunals are likely to be set up?

THE MINISTER OF STATE OF THE DEPARTMENT OF LEGAL AFFAIRS, LEGISLATIVE DEPARTMENT AND DEPARTMENT OF JUSTICE (SHRI RAMAKANT D. KHALAP) : (a) The Income-tax Appellate Tribunal has at present 38 benches at 19 stations around the country. The details of these benches are as follows :

	Name of Station	No. of Benches
1.	Mumbai	5
2.	Delhi	5
3.	Calcutta	5
4.	Madras	4
5.	Ahmedabad	3
6.	Nagpur	1
7.	Pune	1
8.	Allahabad	2
9.	Amritsar	1
10.	Chandigarh	1
11.	Indore	1
12.	Jabalpur	1
13.	Jaipur	1
14.	Cuttack	1
15.	Guwahati	1
16.	Patna	1
17.	Bangalore	1
18.	Cochin	1
19.	Hyderabad	2

(b) to (d) Government has recently decided to establish 15 new benches of the Tribunal at the following

places :

	Name of Station	No. of Benches
1.	Rajkot	1
2.	Agra	1
3.	Bangalore	2
4.	Mumbai	5
5.	Chandigarh	1
6.	New Delhi	2
7.	Jodhpur	1
8.	Panaji	1
9.	Vishakhapatnam	1

### Exemption to Cyclone Relief Goods

1256. SHRI R. SAMBASIVA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have issued orders exempting cyclone relief goods from duties;

(b) if so, whether this decision has helped in getting good response from exporters for relief and rehabilitation to these cyclone victims in Andhra Pradesh;

(c) if so, the total number of goods imported and donated for the relief and rehabilitation of this cyclone affected people of Andhra Pradesh;

(d) whether some more concessions are being provided so that more relief comes to the people of Andhra Pradesh who are affected by the cyclone; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir. The Government has issued notification Nos. 2/97-Customs and 1/97-Central Excise both dated 15.1.1997 providing full exemption from customs and excise duties to goods imported/manufactured and donated for the relief and rehabilitation of the cyclone affected people of Andhra Pradesh. Both these exemptions are valid upto 30.6.1997.

(b) and (c) No data is available in this regard.

(d) and (e) Since the notifications grant full exemption from both customs and excise duties on all goods donated for the relief and rehabilitation of the cyclone victims, the question of giving further concessions in customs and excise duties does not arise.

### Long Term Loans to Bihar, U.P. and Delhi

1257. SHRIMATI MEIRA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) the amount of long term loan given to the Bihar,

Uttar-Pradesh and NCT of Delhi out of the net small savings collections, during each of the last three years;

(b) the conditions attached to such long term loans; and

(c) the extent to which these conditions have been observed by the respective States?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The amount of loans released against net small savings collections to States of Bihar, U.P. and NCT of Delhi during the period 1993-94 to 1995-96 are as follows :

(In Crores of Rs.)

Year	1993-94	1994-95	1995-96
Bihar	168.99	245.10	428.49
U.P.	797.39	1644.17	1462.98
Delhi*	—	343.03	607.38

\* The Small Savings loans to UT Governments (With legislature) are given only from the year 1994-95.

(b) At present 75% of the net collection under small savings schemes by States/UT Governments is given to them as longterm loans @ 14.50% per annum. The period of loan is 25 years including an initial moratorium of five year towards repayment of principal during which interest is recovered in nine equal monthly instalments on the 1st of every month beginning from July. On expiry of the period of moratorium the loan is recovered in 20 annual equal instalments.

(c) So far no complaints have been received by Central Government regarding the non-observance of the above terms and conditions by the Governments of Bihar, U.P. and Delhi.

#### Expansion of Banking Services in Orissa

1258. SHRI BHAKTA CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) whether the Government propose to expand banking services in rural areas of the country particularly in Orissa;

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

(c) the places in rural areas, particularly in Orissa where new branches of the nationalised banks are likely to be opened, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Reserve Bank of India (RBI) have reported that it is left to the judgement of the individual banks to assess the need for opening additional rural branches within their service area. The banks' proposals for opening branches at rural centres falling within the service area of the applicant banks are to be forwarded to RBI through the concerned State Government.

(b) and (c) State-wise details (including Orissa) of authorisations issued to nationalised banks during period April 1, 1995 to January 31, 1997 for opening branches in rural areas and which are yet to be opened, as per information available with RBI are given in the Statement enclosed.

#### Statement

*State-wise Details of Authorisations Issued to Nationalised Banks during the period 1-4-1995 to 31-1-1997 for Opening Branches in Rural Areas and which are yet to be opened.*

Bank	Centre	District	State
1	2	3	4
Union Bank of India	Poranki	Krishna	Andhra Pradesh
Indian Bank	Nagayalanka	Krishna	Andhra Pradesh
Central Bank of India	Baraharia	Siwan	Bihar
Central Bank of India	Khajura	Gopalganj	Bihar
Corporation Bank	Badalia	Kutch	Gujarat
Corporation Bank	Madhopur	Kutch	Gujarat
Syndicate Bank	Manesar	Gurgaon	Haryana
Oriental Bank of Commerce	Madlauda	Panipat	Haryana
Bank of Baroda	Village Dosarka	Ambala	Haryana
Oriental Bank of Commerce	Manesar	Gurgaon	Haryana
Punjab National Bank	Dobhi	Kulu	Himachal Pradesh
Punjab National Bank	Bangana	Una	Himachal Pradesh
Punjab National Bank	Gagret	Una	Himachal Pradesh
Punjab National bank	Amb	Una	Himachal Pradesh

1	2	3	4
Canara Bank	Baddi	Solan	Himachal Pradesh
Bank of India	Mandi	Kullu	Himachal Pradesh
Punjab National Bank	Daulatpur	Una	Himachal Pradesh
Punjab National bank	Sanuli	Una	Himachal Pradesh
Punjab and Sind Bank	Manali	Kulu	Himachal Pradesh
Canara Bank	Sujanpur-Tihra	Hamirpur	Himachal Pradesh
Vijaya Bank	Puri-M.K. Chowk	Baikampadi	Karnataka
Canara Bank	Moddapadavu	D. Kannada	Karnataka
Canara Bank	Peenya II Stage	Bangalore	Karnataka
Union Bank of India	Kottayam	Quilon	Kerala
Canara Bank	Nallasopara	Thane	Maharashtra
Bank of Maharashtra	Vadgaon	Pune	Maharashtra
Bank of Maharashtra	Vadgaon (Budruk)	Pune	Maharashtra
Dena Bank	Behrampore	Behrampore	Orissa
Union Bank of India	Boparai	Jullundhar	Punjab
Punjab and Sind Bank	Padhiana	Jalandhar	Punjab
Punjab National Bank	Kutta Kheri	Patiala	Punjab
Oriental Bank of Commerce	Lalroo	Patiala	Punjab
Oriental Bank of Commerce	Tibi	Sriganga	Rajasthan
Oriental Bank of Commerce	Mirjawali Gaon	Sriganga	Rajasthan
State Bank of Bikaner & Jaipur	Tapookda	Alwar	Rajasthan
Union Bank of India	Madhavaram	Chengai A.	Tamil Nadu
Union Bank of India	Dharni	Ghazipur	Uttar Pradesh.

### Industrial Finance Corporation of India

1259. SHRI BASU DEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) the names of those sick companies referred by Bureau of Industrial and Financial Reconstruction to Industrial Finance Corporation of India to carry out revival plan during the last three years; year-wise;

(b) the names of those companies for which Industrial Finance Corporation of India has prepared viability report;

(c) the decision taken in regard to remaining companies; and

(d) the steps taken by the Government to revive those companies on the basis of viability report?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The information is being collected and will be laid on the Table of the House.

### Economic Intelligence Bureau (COEFPOSA)

1260. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that a large

number of persons found guilty under COFEPOSA in the State of Kerala;

(b) if so, the number of persons who are at large; and

(c) the steps being taken by the Government to bring them to book?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) During the years 1994, 1995 and 1996, 72 detention orders under COFEPOSA have been issued in respect of persons in the State of Kerala.

(b) As on 31.12.96, 16 persons against whom detention order have been issued have not been apprehended.

(c) Necessary steps as provided in Section 7 of COFEPOSA Act are being taken to apprehend the persons who are absconding.

### Under/Over-Invoicing

1261. SHRIMATI MEIRA KUMAR : Will the Minister of FINANCE be pleased to refer to reply given to Unstarred Question No. 472 on November 22, 1996 regarding under/over-invoicing and state :

(a) whether the information has since been collected;

(b) if so, the details thereof; and

(c) if not, the time by which the information is likely to be collected?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) and (c) During the last 3 years, no case of over-invoicing of imports or under-invoicing of exports, involving seizure of more than Rs. 10 lakhs, has been brought to the notice of the Government.

### Collection of Income Tax

1262. SHRI MUKHTAR ANIS : Will the Minister of FINANCE be pleased to state :

(a) the total income tax collected during 1994-95, 1995-96 and 1996-97 upto December, 1996;

(b) the break-up of each between personal income tax and Corporation Tax, year-wise;

(c) the percentage of Personal income tax, Wealth Tax, Gift Tax, Estate Tax and Expenditure Tax out of the total tax collection, year-wise; and

(d) the reasons for low level of collection of taxes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) The figures of total income-tax collected are given below :

1994-95	26971 Crores
1995-96	33559 Crores
1996-97 (upto December, 96)	25174 Crores

(b) The figures of Corporation Tax and Income-tax collected during 1994-95, 1995-96 and 1996-97 (upto December, 1996) are given below :

(Rupees in crores)

	1996-97 (upto Dec., 96)	1995-96	1994-95
Corporation Tax	12222	16487	13821
Income-tax	11605	15587	12030

(c) Percentage of total collection

	1996-97 (upto Dec., 96)	1995-96	1994-95
Corporation Tax	48.6	49.1	51.2
Income Tax	46.1	46.5	44.6
Wealth Tax	0.2	0.2	0.4
Gift Tax	0.0	0.0	0.1
Estate Duty	0.0	0.0	0.0
Expenditure Tax	0.8	0.7	0.7
(Exclusive Interest Tax)			

(d) The collection figures are not lower as compared to corresponding period last year. However, the collection under Corporation Tax is likely to be short of budget estimate but the same may be made up by increases in income-tax and interest tax. The shortfall in the Corporation Tax is because of low incidence of taxable or even book profit of the companies.

### Investment in Coal Sector

1263. SHRI NARAYAN ATHAWALAY : Will the Minister of COAL be pleased to state :

(a) the projected demand for coal for the next ten years for meeting requirement of industry and generation of power vis-a-vis investment proposed in public sector and private sector for the projected production;

(b) the estimated reserve of coal in Maharashtra; and

(c) the plan of action and order of investment proposed for the next five years for exploitation of these reserves?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) Demand for coal for meeting the requirement of industries and generation of power, as proposed in the draft report of the Working Group on coal and lignite for the 9th Five Year Plan and the 10th Five Year Plan, is given below :

(In million tonnes)

Year	Demand
2001-07 (terminal year of the 9th Five Year Plan)	439.70
2006-07 (terminal year of the 10th Five Year Plan)	653.00

No estimates of investment during the 10th Five Year Plan period or those proposed in the private sector are available. However, investment by Public Sector Undertaking in the coal sector during the 9th Five Year Plan period is estimated to be Rs. 20783.59 crores (as estimated by the Public Sector Undertakings) for achieving production level of 339 million tonnes of coal and 20 million tonnes of lignite.

(b) Estimated reserves of coal in Maharashtra as on 1.1.1997 are given below :

(In million tonnes)

Proved	Indicated	Inferred	Total
3633.30	1441.85	1663.64	6738.79

(c) The investment required by Western Coalfields Limited (WCL) in the State of Maharashtra during the 9th Five Year Plan period (1997-98 to 2001-02) is estimated to be about Rs. 1337.71 crores (Provisional).

**'Compassionate Policy' of GIC's for its Deceased Employees**

1264. SHRI SOUMYA RANJAN : Will the Minister of FINANCE be pleased to state :

(a) the details of the policy being followed by the GIC and its subsidiary companies for providing employment on compassionate grounds in the event of death of its employees while in service;

(b) the number of cases in which the dependents of the deceased employees had applied for appointment on compassionate grounds in General Insurances Corporation and its subsidiaries during the last one year;

(c) the number of cases out of them disposed of so far; and

(d) the reasons for not taking any decision in regard to other cases and the time by which decision on these cases are likely to be taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) It has been reported that the general insurance industry provides employment on compassionate grounds to the widow of the deceased employee, if she is not earning; is in-between 18 and 45 years of age; and fulfil the minimum qualifications prescribed by the company for holding the post. If the widow is either ineligible or unwilling to take up employment, one dependant son or one unmarried dependant daughter will be considered for employment in the place of the widow. In the case of an unmarried deceased employee who is the only break winner of the family, his/her dependant brother or sister may be given this concession, provided they satisfy the requisite qualifications/conditions laid down by the industry for this purpose.

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

**Debt Recovery Tribunals**

1265. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the places where Debt Recovery Tribunals have already been set up and are functioning;

(b) the number of cases/applications filed before each of such Debt Recovery Tribunal during 1996; and

(c) the number of applications in which judgement has been given?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Debts Recovery Tribunals have been set up and have started functioning at Calcutta, Jaipur, Delhi, Ahmedabad, Bangalore, Chennai, Guwahati and Patna.

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

**Remote Computer Lock-in-Terminal**

1266. SHRI KESHAB MAHANTA : Will the Minister of FINANCE be pleased to state :

(a) the details of banks in which "Remote Computer Lock-in-Terminal" facility has been started, State-wise; and

(b) the time by when such facilities is likely to be started in all the nationalised banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The information is being collected and will be laid on the Table of the House.

[Translation]

**Losses Incurred by Nationalised Banks**

1267. SHRIMATI MEIRA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has had information about the under statement of losses incurred by some of the nationalised banks during the year 1993-94;

(b) if so, the names of such banks;

(c) the extent to which losses were understated; and

(d) the remedial action taken to improve the financial status of such banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The information is being collected and will be laid on the Table of the House.

**Urban and Rural Branches of Public Sector Banks**

1268. SHRI MUKHTAR ANIS : Will the Minister of FINANCE be pleased to state :

(a) the number of urban and rural branches of the public sector banks, bank-wise and State-wise as on April 1, 1996 and January 1, 1997;

(b) the population load per branch, State-wise, separately for urban and rural branches;

(c) whether the banks have been given the freedom to close rural branches or to swap them with each other; and

(d) if so, the number of rural branches closed and swapped during the period April - December, 1996, bank-wise, and State-wise?

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

#### External Assistance for Restructuring CIL

1269. SHRI SHANTI LAL PARSOTAMDAS PATEL :  
SHRI DINSHA PATEL :

Will the Minister of COAL be pleased to state :

(a) whether a proposal for restructuring of Coal India Limited (CIL) with external assistance is under consideration of the Government;

(b) if so, the details thereof; and

(c) the time by which the negotiations are likely to be completed?

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

(b) and (c) Do not arise in view of the answer to part (a) above.

#### Disbursement of Loan by United Bank of India in Assam

1270. SHRI KESHAB MAHANTA : Will the Minister of FINANCE be pleased to state :

(a) the details of loans disbursed by the United Bank of India in Assam amounting to Rs. one lakh and above without any tangible security during each of the last three years;

(b) the percentage of the loan amount given to SC/ST applicants in the State against the total advance;

(c) the number of loan applications received from SC/ST applicants by the above bank directly or through Government agencies and the number of applications out of them sanctioned and rejected and the reasons for rejection;

(d) whether there is any time limit stipulated sanction a loan; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) United Bank of India (UBI) has furnished the details of loans of Rs. one lakh and above disbursed in Assam without tangible security for the last three years (namely 1993-94, 1994-95, 1995-96) as given below :

	Proposals disbursed without tangible additional securities		
	No.	Amount (Rs. lakhs)	
	1	2	3
	1993-94	487	715.39

	1	2	3
	1994-95	609	861.25
	1995-96	42	60.00

United Bank of India has reported that in these cases, the assets to be created out of the loans were hypothecated as primary securities.

(b) and (c) As reported by UBI, the percentage of loan amount given to SC/ST applicants in Assam against the total advances was 5.4% as at the end of March, 1996. The total number of loan applications received from SC/ST applicants as on 30.06.96 was 3517, of which 2880 applications were sanctioned and 637 applications were rejected. The major reasons for rejection of proposals were :

(i) Proposals emenerated from outside the service area of the concerned bank branches.

(ii) Applicants did not turn up for availment of loans.

(iii) Too many propoals pertaining to similar economic activity sponsored, rendering the loan proposals non-viable.

(d) and (e) UBI has fertiliser reported that the time limit stipulated for disposal of a loan proposal upto a credit limit of Rs. 25,000/- is two weeks. The loan proposals involving credit limits beyond Rs. 25,000/- are to be disposed off within nine weeks of its receipt.

#### Khadi Garments

1271. SHRI MANIBHAI RAMJIBHAI CHAUDHARI : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have formulated any scheme to encourage the production of Khadi Garments;

(b) if so, the details thereof; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (c) Production of khadi garments is being given all possible encouragement for improving marketability of khadi. Encouragement is also provided through rebate on retail sales of khadi, both at cloth and readymade stage and through interest subsidy on khadi loans.

#### Testing of Products

1272. PROF. AJIT KUMAR MEHTA :

SHRI CHUN CHUN PRASAD YADAV :

Will the Minister of INDUSTRY be pleased to state:

(a) whethet there is any method for scientifically testing of various brands of toothpastes to know the

genuineness of the manufacturers' advertised claims about their products;

(b) if so, the details thereof;

(c) whether cases falsifying the claims of the manufacturers about their products have come to the notice of the Government; and

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

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) to (d) The BIS Specification for tooth paste is IS 6356:1993. Compliance to the requirements of this standard by all manufacturers has been made mandatory by the Ministry of Health and Family Welfare by referring to this Standard in the schedule 'S' of the Drugs and Cosmetics Rules.

The Bureau of Indian Standards also operates a voluntary certification marking scheme to check the quality of the products of corresponding Indian Standards.

Government have initiated steps to advise all the State Licensing Authorities to ensure that the companies manufacturing tooth pastes should not carry on their labels, any misleading and exaggerated claims concerning effectiveness of their products especially if they do not contain any germicidal agents or if the products are not taking care of deficiency of flouride or strengthening of the gums. They may also ensure that the products being sold in their State should be properly scrutinized to unearth cases of false claim. They may also develop a method to scientifically test the claims of various brands of tooth pastes to know the genuineness of the manufacturers' advertisement claims. Thus, based on such mechanism, appropriate action can be taken against the defaulters for not complying with the specified standards of advertisements/claims.

#### Export of Iron ore from Orissa

1273. SHRI K.P. SINGH DEO : Will the Minister of COMMERCE be pleased to state :

(a) the total export of Iron ore from Orissa during the Eighth Five Year Plan period, year-wise;

(b) the efforts made by the Government to increase the procurement of Iron ore from Barbil-Barjamda sector, Gandhamardan sector and Daitari areas for export purpose from Paradip port; and

(c) the details of the plan mooted for Ninth Five Year Plan?

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : (a) The total quantity of iron ore exported by MMTC from Paradip

Port from Orissa during the Eighth Plan period is given below :

Year	Qty. Lakh tonnes
1992-93	12.85
1993-94	14.28
1994-95	18.81
1995-96	15.81
1996-97	6.46
(Upto Jan.'97)	

(b) and (c) The efforts made by MMTC to increase procurement from the region for export include among others easing of quantitative restriction on procurement, compensating mine owners for increase in diesel price; giving extra lead charges for procurement from mines beyond 25 Kms; and sharing exchange rate fluctuations with the mine owners. During the 9th Plan period MMTC proposes to export 1 to 1.5 million tonnes of iron ore from the region.

#### KVIC

1274. SHRI N.K. PREMCHANDRAN : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government are aware that the interest rate on the loans extended to the State Khadi and Village Industries Boards from Khadi and Village Industries Commission has been increased to 17% from 4%;

(b) if so, the reasons therefor;

(c) whether the Government have received any representation against this hike;

(d) if so, the details thereof;

(e) whether the Government propose to review the interest rate and revoke the earlier position;

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) The loan given by KVIC to implementing agencies for Khadi development carry the rate of 4%. In the case of Village Industries, however, Margin Money Scheme has been introduced as per recommendations of the High Power Committee under the Chairmanship of the then Prime Minister, since the Interest Subsidy Scheme was not successful. Under Margin Money Scheme, 25 per cent of the funds required for projects up to Rs. 10 lakhs and at the rate of 10% of the additional amounts exceeding Rs. 10 lakhs up to Rs. 25 lakhs is given as Margin Money. The State KVIBs and institutions can avail the balance as credit from the Commercial Banks directly at market rate of interest. At present, this rate upto a loan of Rs. 25,000/- is only 12

percent and for loans upto Rs. 2 lakhs, it is 13.5 percent. Given the Margin Money as grant, the effective rate stands reduced to the extent of 25 percent. As an alternative source, the KVIC, in order to facilitate availability of credit has, under the guarantee of the Central Government made available a total amount of Rs. 1000 crores as credit from a Consortium of Banks. The State Boards and Institutions can access this Consortium Credit through KVIC. The interest charged by the Consortium of Banks is 1.5 percent below the Prime Lending Rate, over the above which the KVIC takes some charges for its services provided. At present, the rate of interest charged, for the Consortium Credit availed, works out to 16.5 percent per annum.

(c) and (d) This Department had received some representations against high rate of interest.

(e) to (g) No, Sir. However, this Department have approached Ministry of Finance for examining the possibility of reducing the rate of interest by banks.

[Translation]

#### Profit and Loss of Indian and Foreign Bank

1275. SHRIMATI BHAVNABEN DEVRAJ BHAI  
CHIKHALIA :  
SHRIMATI SHEELA GAUTAM :

Will the Minister of FINANCE be pleased to state :

(a) the details of the profit earned/loss suffered by the Indian and Foreign Banks, separately during each of the last three years;

(b) whether the business transacted by the Foreign Banks during the year 1996 was more than the business transacted by the Indian Banks;

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

(d) the steps taken by the Government to improve the performance of the nationalised banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The information is being collected and will be laid on the Table of the House.

[English]

#### Cement Paint Industry

1276. SHRI MANIBHAI RAMJIBHAI CHAUDHARI:  
Will the Minister of INDUSTRY be pleased to state :

(a) whether it has come to the notice of the Government that some fake cement paint manufacturing companies are functioning in the country; and

(b) if so, the details thereof alongwith the action taken by the Government against such companies?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No specific complaint has recently been received in the Ministry of Industry regarding functioning of fake cement paint manufacturing companies in the country.

(b) Does not arise.

[English]

#### Violation of Norms by Amex Bank

1277. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned "RBI report shows violation of norms by Amex Banks" appearing in the 'Business Standard' dated February 3, 1997;

(b) if so, the details of the facts in this regard;

(c) the details of the reported irregularities committed and the industrial unit involved; and

(d) the details of action taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) Information is being collected and will be laid on the Table of the House.

#### Alleged Shielding of Scam-Tainted Bank

1278. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2268 dated 6, 1996 and state the details of the progress made by the CBI in the case registered by it against the then CMD of Indian Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : Central Bureau of Investigation has reported that during the course of investigation, searches were conducted in seven places and some documents have been collected for scrutiny.

#### Economic Offences

1279. SHRI SHANTILAL PARSOTAMDAS PATEL :  
SHRI DINSHA PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether economic offences are registering a sharp rise in the country;

(b) if so, steps taken by the Government to check economic offences;

(c) whether the Government are aware of setting up of an independent Bureau by the Government of Gujarat to tackle economic offences; and

(d) if so, whether the Government would issue guidelines to the States to set up independent body to tackle the situation on the lines of Gujarat State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The information is being collected and will be laid on the Table of the House.

#### Fiscal Deficit

1280. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to state :

(a) whether the Comptroller and Auditor General has cautioned the Government against taking out of money from the oil pool to reduce the fiscal deficit;

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

(c) the amount of the deficit in the oil pool as on date and how does the Government propose to make up that deficiency;

(d) the effects of this deficiency on the common man; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (e) The information sought is being collected.

#### Revival Plan of Indian Bank

1281. SHRI ANANT GUDHE : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned "ICRA submits Indian bank revival blueprint" appearing in the 'Business Standard' dated February 4,1997;

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

(c) the details of action taken/proposed to be taken by the Government thereon in this regard; and

(d) the details of the present status of the proposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Yes, Sir.

(b) RBI have received the interim report of Investment and Credit Rating Agency (ICRA) relating to Indian Bank. According to RBI this interim report focusses on a short term strategy covering the years 1996-97 and 1997-98. ICRA has not yet submitted its final report on the revival plan of Indian Bank. The question of taking appropriate action will arise only after the receipt and examination of the final report of ICRA regarding Indian Bank.

(c) and (d) The Indian Bank management have to crystalise short term and long term objectives and implement the necessary steps with required changes. ICRA is yet to submit its final report which would cover some of the major areas of the operations of the bank.

#### Loan Distributed by Banks in Karnataka

1282. SHRI B.L. SHANKAR : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of Scheduled and Nationalised banks in Karnataka;

(b) the amount of total loan disbursed to various sectors by these banks in the State during each of the last three years; and

(c) the number of branches of these banks opened during each of the last three years and likely to be opened during the current financial year in the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) There were 4445 branches of Scheduled Commercial Banks functioning in Karnataka as on the last Friday of March, 1996.

(b) Loans disbursed by all Scheduled commercial banks in Karnataka under Annual Credit Plan during the last three years as reported by Reserve Bank of India (RBI) are given below :

(Rs. in crore)

	end March 1994	end March 1995	end March 1996
Agriculture and Allied Activities	412.59	478.93	601.70
Smal Scale Industries	134.21	110.04	195.32
Services	131.77	225.89	378.24

(c) Information regarding number of branches opened in Karnataka during each of the last three years is being collected and will be laid on the Table of the House. However, the number of authorisations issued to scheduled commercial banks including private sector banks between April 1, 1995 to January 31,1997 for opening branches in Karnataka and which are yet to be opened as per the information available with Reserve Bank of India is given below :

Bank	Number of Authorisations
Public Sector Banks	55
Regional Rural Banks	6
Private Sector Banks	13
Total	74

**Fodder Scam**

1283. SHRI PRADIP BHATTACHARYA : Will the Minister of FINANCE be pleased to state :

(a) whether Comptroller and Auditor-General has indicated the Income Tax department for its lapses in not pointing out the events on time which led to fodder scam in Bihar;

(b) whether the Government have taken any action to find the reasons for lapses by Income Tax department; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) A preliminary observation in the form of an Audit Note has been received from the C&AG which is being examined.

**Subsidies Items**

1284. SHRI SYDIAH KOTA : Will the Minister of FINANCE be pleased to state :

(a) the details of major items on which subsidy is being provided by the Government;

(b) the amounts of subsidies provided on each of these items during the last two years;

(c) whether the Government propose to reduce subsidies to curtail revenue deficit; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) and (b) The major items for which subsidy has been provided in the years 1994-95 and 1995-96 are given below :

(Rs. crore)

	1994-95	1995-96 RE
Food subsidy	5100	5500
Indigenous (urea) fertilisers	4075	4300
Imported (urea) fertilisers	1166	1935
Sale of decontrolled phosphatic and potassic fertilisers with concession to farmers	531	500
Export promotion and market development	658	315
<b>Total</b>	<b>11530</b>	<b>12550</b>

(c) The provision made for subsidies is reflective of the policy of the Government.

(d) Does not arise.

**Outstanding Loan Recoveries**

1285. DR. G.R. SARODE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government have decided to launch agricultural loan recovery drive; and

(b) if so, the total amount of outstanding loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Recovery of loans including to agriculture is a continuing process undertaken by lending institutions who review their recovery performance periodically and take steps for improving the recovery.

(b) The total amount of overdues (outstanding loans) of direct agricultural advances of all public sector banks as at the end of June, 1996, as reported by Reserve Bank of India, is given below :

(Rs. crores)

	Total overdues	Percentage of recovery to demand
As at the end of June, 1996	4965.28	61.83*
	* figures provisional	

**Public Sector Undertakings**

1286. SHRI YELLAIAH NANDI : Will the Minister of INDUSTRY be pleased to state :

(a) whether the Government have identified nine Public Sector Undertakings to convert them into global giants;

(b) if so, the details thereof;

(c) whether the Government have agreed to help the other PSUs;

(d) if so, the details thereof;

(e) whether the Government have changed the policy of disinvestment of PSUs; and

(f) if so, the changes that are likely to be made?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) and (b) As spelt out in the CMP, Government have tentatively identified some PSUs which have potential to become global giants.

(c) and (d) Yes, Sir. A Comprehensive Package in respect of PSUs under the administrative control of Ministry of Industry (DHI) has been finalised and approved by the Government.

(e) and (f) There is no change in the policy of disinvestment of PSUs.

### Insurance Laws and its Enforcement

1287. SHRI MADHAVRAO SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to newsitem captioned "Insure and be insecure" appearing in the 'Blitz' dated January 4-10, 1997;

(b) if so, whether it is a fact that victim of the forfeiture clause in the insurance policies are more often persons belonging to poor and weaker sections including the women; and

(c) if so, the remedial steps being taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (c) Yes, Sir. The forfeiture clause in the life insurance policies is generally applicable when either the premiums are not paid within the grace period or it is found that the proposal contains an untrue or incorrect statement or a material information has been withheld. These contingencies may arise in case of any policy, irrespective of the sex or economic status of the persons taking the policy. However, LIC has taken several measures to alleviate the hardship caused to the policyholders due to strict application of the forfeiture clause; such as making ex-gratia payments, subject to certain conditions, even when the policies lapse within the period of 3 years; and by taking a sympathetic view of the repudiated claims belonging to people from lower strata of society at the time of their review by the Zonal and Central Office Claims Review Committees.

### RBI Assistance for Andhra Pradesh Cooperative Bank

1288. DR. T. SUBBARAMI REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Andhra Pradesh Co-operative Bank has sought assistance from the RBI in order to comply with its prudential norms;

(b) if so, whether the RBI has agreed to provide assistance; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) Reserve Bank of India has reported that Andhra Pradesh Co-operative Bank has not sought any assistance from it.

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

[Translation]

### Pilferage of Coal

1289. SHRI DATTA MEGHE :  
SHRI DINSHA PATEL :  
SHRI RAJESH RANJAN ALIAS PAPPU  
YADAV :  
SHRI JAGATVIR SINGH DRONA :

Will the Minister of COAL be pleased to state :

(a) the number of cases of coal theft came to the notice of the Government during the last three years, State-wise;

(b) the estimated quantum of coal lost in such pilferage, looting and mafia activities during each of the last three years, State-wise;

(c) the amount of loss incurred as a result thereof during the above period; and

(d) the steps taken to prevent such activities?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRIMATI KANTI SINGH) : (a) to (c) It is not possible to know the details of theft of coal taking place as such operations are carried out clandestinely. On the basis of raids conducted by company's security forces, Central Industrial Security Forces etc. and coal recovered by them 2713, 2096 and 1608 cases of theft and recovery of coal have come to notice during 1993-94, 1994-95 and 1995-96 respectively. The quantum of coal recovered in the corresponding period and its value, statewise is as under :

State	1993-94			1994-95			1995-96		
	No. of Cases	Qty. Recovered (Tonnes)	Value of Coal Recovered (Rs. in Lakh)	No. of Cases	Qty. Recovered	Value of Coal Recovered (Rs. in Lakh)	No. of Cases	Qty. Recovered (Tonnes)	Value of Coal Recovered (Rs. in Lakh)
Bihar	262	10,234	61.99	211	3,577	18.24	206	3,740	20.65
West Ben.	2,412	21,890	113.28	1,843	19,336	98.14	1,371	12,133	61.77
M.P.	17	331	1.97	28	115	0.69	15	111	0.94
M.S.	2	12	0.06	2	4	0.03	4	26	0.11
Orissa	20	143	0.89	10	171	0.80	12	50	0.20
Assam	-	-	-	2	103	0.47	-	-	-
Total	2,713	32,610	178.19	2,096	23,306	118.37	1,608	16,060	83.67

(d) The steps taken to prevent such activities are :

1. Construction/erection of fencing wall around the coal stocks.
2. Installation of check posts on the main roads leading to collieries.
3. Installation of watch towers and providing lighting arrangements around the coal stocking areas.
4. Collection of intelligence.
5. Surprise checks alongwith local police and colliery security personnel.
6. Round the clock patrolling by colliery security personnel.
7. Meeting with District Authorities for drawing out plan to eliminate the menance.
8. Lodging of FIRs with local police.

12.01 hrs.

**ANNOUNCEMENT RE: SITTING  
OF LOK SABHA**

[English]

MR. SPEAKER : I have a small announcement to make. I would like to inform the House that as is customary, the House would adjourn at 4.00 p.m. today to re-assemble at 5.00 p.m. for presentation of the General Budget. Today being a Friday, as per the past precedent, the Private Members' Business would be taken up at 2.00 p.m. and will conclude at 4.00 p.m.

12.1½ hrs.

**PAPERS LAID ON THE TABLE**

[English]

**Notifications under sub-section (6) of section 3 of the Essential Commodities Act, 1955 and Annual Accounts and statement regarding Review by the Government of the Audited Accounts of the Coir Board, Cochin for the year 1995-96 and statement showing reasons for delay in laying these papers.**

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : I beg to lay on the Table -

- (1) A copy each of the following Notifications (Hindi and English versions) under sub-section (6) of section 3 of the Essential Commodities Act, 1955 :
  - (i) S.O. 827(E) published in Gazette of India dated the 27th November, 1996

containing Order notifying the Pratap Paper Mills Limited, Jantipur, Punjab as a mill producing newsprint.

- (ii) S.O. 828(E) published in Gazette of India dated the 27th November, 1996 containing Order notifying the Kamakshi Papers (P) Limited, Gajraula, Uttar Pradesh as a mill producing newsprint.
  - (iii) S.O. 52(E) published in Gazette of India dated the 20th January, 1997 containing Order notifying the M/s. B.V.V. Paper Industries Limited, Marichinaicken-Palayam, Tamil Nadu as a mill producing newsprint.
- [Placed in Library. See No. LT-1400/97]
- (2) (i) A copy of the Annual Accounts (Hindi and English versions) of the Coir Board, Cochin, for the year 1995-96, together with Audit Report thereon, under sub-section (4) of section 17 of the Coir Industry Act, 1953.
  - (ii) Statement (Hindi and English versions) regarding Review by the Government of the Audited Accounts of the Coir Board, Cochin, for the year 1995-96.
  - (3) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT-1401/97]

**Annual Report and Review on the working of Engineering Export Council, Calcutta, for the year 1995-96.**

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : I beg to lay on the Table-

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Engineering Export Promotion Council, Calcutta, for the year 1995-96, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Engineering Export Promotion Council, Calcutta, for the year 1995-96.

[Placed in Library. See No. LT-1436/97]

**Notifications under section 31 of the Securities and Exchange Board of India Act, 1992 and Annual Reports and Accounts of the Regional Rural Banks for the year ended on the 31st March, 1996 etc.**

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : On behalf

of Shri P. Chidambaram, I beg to lay on the Table-

(1) A copy each of the following notifications (Hindi and English versions) under section 31 of the Securities and Exchange Board of India Act, 1992 :

(i) The SEBI (Custodian of Securities) Amendment Regulations, 1996 published in Notification No. S.O. 851(E) in Gazette of India dated the 4th December, 1996.

(ii) The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 published in Notifications No. S.O. 850(E) in Gazette of India dated the 4th December, 1996.

(iii) The Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 published in Notification No. S.O. 856(E) in Gazette of India dated the 9th December, 1996.

(iv) The Securities and Exchange Board of India (Underwriters Amendment) Regulations, 1997 published in Notification No. S.O. 46(E) in Gazette of India dated the 17th January, 1997.

[Placed in Library. See No. LT-1402/97]

(2) A copy of the Annual Report (Hindi and English versions) of the National Housing Bank for the period from the 1st July, 1995 to the 30th June, 1996 alongwith Audited Accounts under sub-section (5) of section 40 of the National Housing Bank Act, 1987.

[Placed in Library. See No. LT-1403/97]

(3) A copy each of the following Annual Report and Accounts (Hindi and English versions) of the Regional Rural Banks for the year ended on the 31st March, 1996, together with Auditor's Report thereon :

(i) Rayalaseenma Grameena Bank, Cuddapah

[Placed in Library. See No. LT-1404/97]

(ii) Puri Gramya Bank, Pipli.

[Placed in Library. See No. LT-1405/97]

(iii) South Malabar Gramin Bank, Malappuram.

[Placed in Library. See No. LT-1406/97]

(iv) Champaran Kshetriya Gramin Bank, Motihari.

[Placed in Library. See No. LT-1407/97]

(v) Gurdaspur Amritsar Kshetriya Gramin Vikas Bank, Gurdaspur.

[Placed in Library. See No. LT-1408/97]

(vi) Kapurthala-Ferozpur Kshetriya Gramin Bank, Kapurthala.

[Placed in Library. See No. LT-1409/97]

(vii) Palamau Kshetriya Gramin Bank, Deltonganj.

[Placed in Library. See No. LT-1410/97]

(viii) Nalanda Gramin Bank, Biharsharif.

[Placed in Library. See No. LT-1411/97]

(ix) Santhal Parganas Gramin Bank, Dumka.

[Placed in Library. See No. LT-1412/97]

(x) Baitarani Gramya Bank, Baripada.

[Placed in Library. See No. LT-1413/97]

(xi) Pratapgarh Kshetriya Gramin Bank, Pratapgarh.

[Placed in Library. See No. LT-1414/97]

(xii) Cachar Gramin Bank, Silchar.

[Placed in Library. See No. LT-1415/97]

(xiii) Kshetriya Gramin Bank, Hoshangabad.

[Placed in Library. See No. LT-1416/97]

(xiv) Nagarjuna Grameena Bank, Khammam.

[Placed in Library. See No. LT-1417/97]

(xv) Chaitanya Grameena Bank, Tenali.

[Placed in Library. See No. LT-1418/97]

(xvi) Singhbhum Kshetriya Gramin Bank, Chaibasa.

[Placed in Library. See No. LT-1419/97]

(xvii) Kisan Gramin Bank, Badaun.

[Placed in Library. See No. LT-1420/97]

(xviii) Bardhaman Gramin Bank, Bardhwan.

[Placed in Library. See No. LT-1421/97]

(xix) Bolangir Anchalik Gramya Bank, Bolangir.

[Placed in Library. See No. LT-1422/97]

(xx) Bundi Chittorgarh Kshetriya Gramin Bank, Bundi.

[Placed in Library. See No. LT-1423/97]

(xxi) Barabanki Gramin Bank, Barabanki.

[Placed in Library. See No. LT-1424/97]

(xxii) Ballia Kshetriya Gramin Bank, Ujjain.

[Placed in Library. See No. LT-1425/97]

(xxiii) Indore Ujjain Kshetriya Gramin Bank, Ujjain.

[Placed in Library. See No. LT-1426/97]

(xxiv) Jhabua Dhar Kshetriya Gramin Bank, Jhabua.

[Placed in Library. See No. LT-1427/97]

(xxv) Mahakaushal Kshetriya Gramin Bank, Narsinghpur.

[Placed in Library. See No. LT-1428/97]

(4) A copy of the Twenty-Sixth Valuation Report (Hindi and English versions) of the Life Insurance Corporation of India as at the 31st March, 1996, under section 29 of the Life Insurance Corporation Act, 1956.

[Placed in Library. See No. LT-1429/97]

(5) Statement (Hindi and English versions) showing reasons for delay in laying the Annual Report/ Audited Accounts\* of the Indian Investment Centre for the year 1995-96.

[Placed in Library. See No. LT-1430/97]

(6) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 94 of the Finance Act, 1994.

(i) G.S.R. 74(E) published in Gazette of India dated the 14th February, 1997 together with an explanatory memorandum regarding exemption to the Taxable Service provided by an insurer carrying on general insurance business from the whole of the service tax leviable thereon.

(ii) G.S.R. 75(E) published in Gazette of India dated the 14th February, 1997 together with an explanatory memorandum regarding exemption to taxable services provided to the United Nations of an International Organisation from the whole of the service tax leviable thereon.

(iii) G.S.R. 76(E) published in Gazette of India dated the 14th February, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 5/96-Service Tax dated the 3rd April, 1996.

[Placed in Library. See No. LT-1431/97]

(7) A copy each of the following Notifications (Hindi and English versions) under sub-section (7) of Section 9A of the Customs Tariff Act, 1975 :

(i) G.S.R. 578(E) published in Gazette of India dated the 20th December, 1996 together with an explanatory memorandum seeking to impose anti-dumping duty on sodium Ferrocyanide of People's Republic of China origin, when imported into India.

(ii) G.S.R. 579(E) published in Gazette of India dated the 20th December, 1996 together with an explanatory

memorandum seeking to impose anti-dumping duty on Dead Burnt Magnesite having Mgo contents ranging from 85 percent to 92 percent of People's Republic of China origin, when imported into India.

(iii) G.S.R. 33(E) published in Gazette of India dated the 24th January, 1997 together with an explanatory memorandum seeking to impose anti-dumping duty on Low Carbon Ferrow Chrome of specified grades, originating in or exported from Russia and imported into India.

(iv) G.S.R. 34(E) published in Gazette of India dated the 24th January, 1997 together with an explanatory memorandum seeking to impose anti-dumping duty on Low Carbon Ferrow Chrome of specified grades, originating in or exported from Kazakhstan and imported into India.

[Placed in Library. See No. LT-1432/97]

(8) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

(i) G.S.R. 593 (E) published in Gazette of India dated the 27th December, 1996 together with an explanatory memorandum making certain amendments in the Notification No. 37/96-Cus., dated the 23rd July, 1996.

(ii) G.S.R. 14(E) published in Gazette of India dated the 16th January, 1997 together with an explanatory memorandum seeking to exempt Countervailing Duty on import of the goods from Nepal to India on the scheme of exemption given to the similar Small Scale Industries in India.

(iii) G.S.R. 21(E) published in Gazette of India dated the 20th January, 1997 together with an explanatory memorandum making certain amendments in the Notification No. 37/96-Cus., dated the 23rd July, 1996.

[Placed in Library. See No. LT-1433/97]

(9) A copy of the Company Secretaries (Amendment) Regulations, 1996 (Hindi and English versions) published in Notification No. 710/1 (M)/20 in Gazette of India dated the 28th November, 1996 under sub-section (4) of section 39 of the Company Secretaries Act, 1980.

[Placed in Library. See No. LT-1434/97]

(10) A copy of the Adhoc Exemption Order No. 53/18/96-CX (Hindi and English versions) dated the 27th December, 1996 together with explanatory memorandum seeking to exempt from excise duty 500 tents distributed free to the Kashmiri migrants staying in Jammu and to the people affected in Kashmir Valley following

\* Annual Report and Audited Accounts were laid on the Table of the House on the 21st February, 1997.

the Charare-Sharief fire incident under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944.

[Placed in Library. See No. LT-1434/97]

12.03 hrs.

## BUSINESS OF THE HOUSE

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI S.R. BALASUBRAMONIYAN) : Sir, with your permission, on behalf of Shri Srikant Jena, I rise to announce the Government Business during the week commencing Monday, the 3rd March, 1997 will consist of :

1. Consideration of any item of Government Business carried over from today's Order Paper.
2. General Discussion on Railway Budget for 1997-98.
3. Discussion and Voting on :
  - (a) Demands for Grants on Account (Railways) for 1997-98.
  - (b) Supplementary Demands for Grants (Railways) for 1996-97.
  - (c) Demands for Excess Grants (Railways) for 1994-95.
4. Discussions on the Statutory Resolution seeking disapproval of the National Environment Appellate Authority Ordinance, 1997 and consideration and passing of the National Environment Appellate Authority Bill, 1997.
5. General Discussion on General Budget for 1997-98.

MR. SPEAKER : The Submission's List has not been given. We will allow it a little later.

12.04 hrs.

## COFFEE (AMENDMENT) BILL\*

[English]

THE MINISTER OF STATE OF THE MINISTRY OF COMMERCE (SHRI BOLLA BULLI RAMAIAH) : I beg to move for leave to introduce a Bill further to amend the Coffee Act, 1942.

\* Published in the Gazette of India, Extra-ordinary, Part-II, Section-2, dated 28-2-1997.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Coffee Act, 1942."

*The motion was adopted.*

SHRI BOLLA BULLI RAMAIAH : I introduce\*\* the Bill.

[English]

MR. SPEAKER : Today being the Private Members' day, normally we do not have Zero Hour as well as Matters under Rule 377. But Shri Jaswant Singh wanted to say something, let him say whatever he wants to say.

[Translation]

KUMARI UMA BHARATI (Khajuraho) : Mr. Speaker, Sir, will you not allow us to raise the matter pertaining to Madhya Pradesh. A woman has been burnt to death there...*(Interruptions)*

MR. SPEAKER : Not right now. You can raise it a little later.

*(Interruptions)*

MR. SPEAKER : Uma ji, we do not have Zero Hour today. Today we will be taking up Private Members' Bill.

KUMARI UMA BHARATI : Would you not allow us to raise the matter pertaining to Madhya Pradesh today?

MR. SPEAKER : Not today. I'll allow you on Monday.

SHRIMATI BHAVNABEN DEVRAJ BHAI CHIKHALIA (Junagadh) : A woman has been burnt to death.

KUMARI UMA BHARATI : Mr. Speaker, Sir, please allow us to raise the matter today...*(Interruptions)*

SHRI SHIVRAJ SINGH (Vidisha) : This is a very important matter. This is yet another Tandoor murder case...*(Interruptions)* Please allow us to raise this matter today. This is not an ordinary matter...*(Interruptions)* Mr. Speaker, Sir, the Government is in the dock. A woman has been burnt to death in Madhya Pradesh...*(Interruptions)*

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : Mr. Speaker, Sir, please allow them to raise this matter on Monday.

MR. SPEAKER : I have already allowed them to raise this matter on Monday.

KUMARI UMA BHARATI : Why are you not given us permission today itself?

MR. SPEAKER : Today is the Private Members' day. It is the convention of the House that the Zero Hour and Matter under Rule 377 are not taken up on Private Members' day. Shri Jaswant Singh wants to say something and that is why I have allowed him to speak.

KUMARI UMA BHARATI : Please allow us also.

\*\* Introduced with the recommendation of the President.

MR. SPEAKER : I'll allow you on Monday.

*(Interruptions)*

MR. SPEAKER : Pappu ji, you should at least keep quiet at some times. Please sit down.

*(Interruptions)*

*[English]*

MR. SPEAKER : No, Mr. Pappu Yadav, please take your seat. Mr. Paswan, can you please explain the position to your Members? Today is not a Zero Hour Day and he has raised this issue twice earlier.

SHRI JASWANT SINGH (Chittorgarh) : Sir, I rise to submit that really the most extraordinary situation has arisen in UP. I am not on the question of law and order or other aspects. I am on three principle questions of the collective responsibility of the Cabinet; the role and function of the Governor and the answerability of the Governor to the Union Government, that is the Central Government.

The reason why I said this is, we have yet again moved a Motion under Rule 184. If you permit, I will just briefly read the motion itself because that will explain the position :

"Taking serious note of the Constitutional crisis in the State of UP, evident amongst others by widespread lawlessness, described by the Union Home Minister as murdering, chaos, anarchy and destruction, the rejection of this assessment of the Central Government by the Governor and his clarification that he had spoken to the Prime Minister, therefore, this House do now resolve that the Governor of UP be recalled."

MR. SPEAKER : Mr. Jaswant Singh, I think, this matter was disposed of only the other day. You have given a notice once again. I said that today being the Private Members Day, we are short of even half-an-hour because the Budget has also to be presented. I think, it will be appropriate if you move the notice of the motion on Monday and not today.

*[Translation]*

SHRI BRIJ BHUSHAN TIWARI (Dumariaganj) : Mr. Speaker, Sir, you have given your ruling on this issue...*(Interruptions)*

*[English]*

SHRI JASWANT SINGH : Certainly, Sir, I am very grateful if you grant me permission to do the same on Monday. The only additional thing that I wish to submit is that what I have submitted now is a fresh motion under Rule 184 and it is not a continuation of the same.

MR. SPEAKER : I will go through that.

SHRI JASWANT SINGH : This is altogether different and an altered situation that has arisen and which has persuaded me to move this motion.

MR. SPEAKER : All right.

SHRI P.R. DASMUNSI (Howrah) : Sir, I gave a privilege notice. The entire Parliament was insulted by derogatory remarks. It is a total defamation by the former Secretary-General of Lok Sabha, Shri Subhash Kashyap. It is a public statement made in Triveni Sabhagar on 25th February. The former Secretary-General...*(Interruptions)*

MR. SPEAKER : No, please.

SHRI P.R. DASMUNSI : Sir, I moved a privilege motion against the former Secretary-General.

MR. SPEAKER : It has not come to me. There is no Zero Hour today.

SHRI P.R. DASMUNSI : Sir, I gave the notice today.

MR. SPEAKER : Let the notice come to me.

SHRI P.R. DASMUNSI : Sir, I have already given a notice...*(Interruptions)*

MR. SPEAKER : I have disallowed to raise it right now. Let the notice come to me. I will go through it first.

SHRI A.C. JOS (Idukki) : Sir, I have also given a notice of privilege against the former Secretary-General of Lok Sabha, Shri Subhash C. Kashyap.

MR. SPEAKER : It has not come to me so far. When it comes to me I will look into it.

*(Interruptions)*

SHRI A.C. JOS : Sir, my submission is...*(Interruptions)*

MR. SPEAKER : No more submission, please. I have not seen the notice. It has not come to me so far. You cannot make any submissions now. Let the notice reach me first. I will go through it and then decide.

12.10 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

BUSINESS OF THE HOUSE - *Contd.*

*[Translation]*

SHRI SHIVRAJ SINGH (Vidisha) : Mr. Deputy Speaker, Sir, the following items may be included in next week's agenda :

1. Need for discussion on deteriorating law and order situation, especially the increasing incidences of atrocities on women in Madhya Pradesh.
2. Need for discussion on telecommunication system lying out of order in the country especially in rural areas.

[English]

SHR BASU DEB ACHARIA (Bankura) : The following items may be included in the next week's agenda :

1. Government's decision to open coal mines to private and foreign multinational companies.
2. Recognition to All India Railway Employees Confederation (AIREC), CLW Labour Union, Diploma Engineers Association of Railway (DEAR) and All India Locomotive Staff Association.

SHRIMATI GEETA MUKHERJEE (Panskura) : The following item may be included in the next week's agenda :

The Constitution (81st Amendment) Bill 1996, dealing with one-third reservation of seats for women in Lok Sabha and Legislative Assemblies.

[Translation]

SHRI NAWAL KISHORE RAI (Sitamarhi) : Mr. Deputy Speaker, Sir, the following items of public importance may be included in next week's agenda :

1. Discussion on demand pertaining to announcement of new youth policy, Constitution of National Youth Council and according constitutional status to National Youth Council.
2. Discussion on demand to determine the royalty on coal in the State of Bihar on the basis of its price instead of its weight by changing the policy in this regard.

[English]

PROF. JITENDRA NATH DAS (Jalpaiguri) : The following items may be included in the next week's agenda :

1. To restore rail and road transport facilities between India and Bangladesh to improve trade and other relations.
2. To set up an Integrated Telephone Exchange covering entire Siliguri-Jalpaiguri area of West Bengal through local dialling system.

[Translation]

SHRI NAND KUMAR SAI (Raigarh) : Mr. Deputy Speaker, Sir, the following items may be included in next week's agenda :

1. Since the Doordarshan Kendra set up in Jashpur city under Raigarh district in Madhya Pradesh has a very limited range and a LPT has been installed there, the reception is very poor even in the neighbouring areas.

There is a need to increase the range of this Kendra and install a HPT there.

2. Residents of Jashpur city under Raigarh district of Madhya Pradesh are facing acute shortage of fuel as there is no cooking gas agency here. Hence there is a need to set up a cooking gas agency in Jashpur city.

[English]

SHRI RAJIV PRATAP RUDY (Chhapra) : The following items may be included in the next week's agenda :

1. To discuss the ever-growing spate of ISI activities on the international border of Nepal adjacent to Bihar and Uttar Pradesh by way of smuggling of narcotics, arms and fake currency.
2. To discuss the non-utilization of Central Plan Funds earmarked for States especially in reference to Bihar and Uttar Pradesh affecting development and welfare activities.

[Translation]

PROF. AJIT KUMAR MEHTA (Samastipur) : Mr. Deputy Speaker, Sir, I request that the following items may be included in next week's agenda :

1. In order to provide reservation facility to the OBC candidates hailing from such states as Bihar, Uttar Pradesh etc. in the matter of appointment to the post of Primary teachers in M.C.D. schools, such candidates should be given a chance to get certificates issued from the Delhi Government within a specific time limit on the basis of OBC Certificate issued by their own State Government.
2. The Judicial Service Commission should be set up in order to make the procedure of appointment of Judges in High Courts and Supreme Court more rational and transparent.

[English]

MR. DEPUTY-SPEAKER : Let us take up the Motion of Thanks on the President's Address. Shri Chitta Basu, please.

SHRI BASU DEB ACHARIA : There was a Railway accident near Bhubaneswar. Five passengers were killed. Sir, the Railway Minister is here.

MR. DEPUTY-SPEAKER : Today there is no Zero Hour. Shri Chitta Basu please.

SHRI BASU DEB ACHARIA (Bankura) : Always when an accident takes place, the Railway Minister makes a *suo motu* statement.

MR. DEPUTY-SPEAKER : Please resume your seat. That is on Monday.

SHRI CHITTA BASU (Barasat) : Sir, I rise to support the Motion of Thanks on the President's Address ...*(Interruptions)*

MR. DEPUTY-SPEAKER : Please sit down. Allow him to speak.

*[Translation]*

SHRI RAJESH RANJAN ALIAS PAPPU YADAV (Purnea) : I have also given a notice. I had made a request yesterday also...*(Interruptions)*

MR. DEPUTY-SPEAKER : I do remeber. Please sit down. We are not having Zero hour today.

SHRI RAJESH RANJAN ALIAS PAPPU YADAV : You are not allocating time for such an important matter.

MR. DEPUTY SPEAKER : The matter might be important but we do not have Zero Hour today. Please sit down.

12.17 hrs.

#### MOTION OF THANKS ON THE PRESIDENT'S ADDRESS - *Contd.*

*[English]*

SHRI CHITTA BASU (Barasat) : Sir, I rise to support the Motion of Thanks on the President's Address for the excellent speech delivered by the President to both the Houses of Parliament assembled together.

Sir, to begin with, I would humbly request the hon. House to correctly read the mandate and correctly interpret the mandate of the general election to the 11th Lok Sabha in June 1996. The mandate, generally speaking, is that the people did not give mandate for communal and reactionary force to have a Government at the Centre. The people also did not give mandate to any mono-party rule. The people did not give mandate for the mono-party based political stability. Contrary to this, the people's mandate has been for multiparty governance ensuring national development, equity, secularism social justice and transparency. This has been the mandate of the people and in order to honour the mandate, in order to show the respect to this mandate, the United Front was formed. The United Front is the front of all democratic Left and secular forces in the country and it is not merely a Front just to combine together without any perspective policy or without any socio-economic policy to pursue.

Sir, the President has rightly pointed out in his speech that the United Front is committed to certain socio-economic programme. For myself in a state of delineating the object of the United Front and the basic perception of the Common Minimum Programme, I feel, it would be better for me to reproduce or to quote

whatever has been said by the hon. President of this country.

Sir, while mentioning about the Common Minimum Programme of the United Front the President was pleased to state, and I quote :

"The Common Minimum Programme of the United Front contains the basic agenda on crucial areas of national development, equity, social justice and secularism. It is a bridge for our society and people towards greater prosperity and well-being. It contains specific policies and guidelines for strengthening our federal structure, empowerment of disadvantaged sections, especially the Scheduled Castes, the Scheduled Tribes, they Other Backward Classes and the minorities."

Therefore, this Common Minimum Programme is the basic platform or the the basic plank which this Government is committed to implement and for which my party is committed to help and aid the Government in the implementation of this programme.

This having been the object in view, I want to draw the attention of the Government and also the hon. House to the achievements and the positive aspects of the eight months' rule of this Government. The positive aspects, if you allow me to briefly mention, I would simply mention one after another and the achievements are as under :

Dynamism imparted to the Inter-State Council, the National Development Council, the Planning Commission and the periodic Conferences of the Chief Ministers.

It is a great pride for me to mention the shining examples of the implementation of the programme of the Common Minimum Programme in regard to the strengthening of the Public Distribution System and the decision of the Government to provide foodgrains at half the price of the issue price to the 31 to 32 lakh people of India who live below the poverty line. The total number of populace in this vast country living below the poverty line comes to 32 lakhs now. We can very well understand that even the poverty line is not properly, correctly and scientifically assessed because the income is so low and it is a wonder how people exist at that income level. Therefore, it is for the first time in the history of our country that the poorest of the poor have found a place in the economic programme and the developmental programmes of the country.

I thank and welcome particularly the young Minister Shri Devendra Prasad Yadav for insisting upon the speedy implementation of this programme. History will remember that this, the Eleventh Lok Sabha for the first time decided to have a dual price instead of making India a dual India, one India for the rich and another India for the poor. It is done for the first time and I take the pride to thank him. So, the present India belongs to

the poor and India shall continue so because this is a commitment to the upliftment of the poor of the country. This goes to the credit of the United Front Government for the speedy implementation of the commitment made to the people.

In this connection, I would also want to say this. Some people said that some people did not struggle or take part in the struggle for Swaraj. Not only did they not take part in the struggle for Swaraj but they did not put their stake in the commitment for Swaraj. They do not know what the State is so far as the Independence and freedom of the country is concerned. We have inherited that tradition, we have developed that State in the freedom of our country. Now they said that they were still without a guaranteed Swaraj. What kind of Swaraj is available is very much evident in Gujarat, what kind of Swaraj or freedom they think of is evident in the example for Rajasthan and other places in the country. Therefore, the people have abundant faith, people have immeasurable credibility for the United Front because neither the Congress can provide a stable Government based on social justice and equity nor the B.J.P. can provide a stable Government for *swaraj* in their words or for better living of the people of our country. Therefore, in between the two, there is no alternative other than the third force, other than the combination which is represented in the shape of the United Front. I would like to tell the constituents of the United Front that the stability is not based always on the numbers. It is based on the programme for the social equity, on the political programme and more so on the implementation of the political programme of a Government. Although these are the positive achievements of this eight-month old Government of the United Front, I refrain from quoting other shining examples also. This is for the first time that the people have understood that they are also a part of the Government at the Centre. Earlier the perception was that the Government at the Centre is a Government which is alien in the Government at the States. Now, for the first time, the people all over the country feel that they are also part of the Government here and they have also got a participation in the policy-making and also in the implementation of the programmes.

I think, the Government has already accepted the majority of the recommendations of the Sarkaria Commission. It was a pipe dream for us when the Congress was ruling in this country and now the constitution of the Standing Committees is to review the devolution of financial powers to the States. The Centre has also taken another very great step forward towards the decentralisation of the administration, both administration and financial governance of the country.

Sir, enunciation of the Basic Minimum Services (BMS) is another firm decision of the Government. I hope if they can implement further the commitment they have made in the Common Minimum Programme, then the stability is guaranteed and that stability is

guaranteed because of the people's support, not of the support either of this middle corner of the House or that corner of the House. The stability depends upon the cooperation of the people of the country and you can ensure the cooperation of people simply by the implementation of your political commitment which you have made.

Sir, while I am speaking about the positive aspects, there are other aspects which I can explain. But we should not be reluctant of understanding or realising the negative aspects also. We should also be aware of the negative aspects of the eight-month rule in this country. My friends of the United Front constituents should remember that the remaining commitments made to the people are to be fulfilled with alacrity and with all seriousness. Before that, I also want to mention some of the negative aspects of this eight-month old Government. We express our great concern for the worsening economic situation of the country and this has found corroboration in the Economic Survey for the year which has already been presented. We further express our concern over the cost-push inflation arising out of the already increased administered prices of petroleum products, railway freight and power tariff and particularly in the recent hike in the prices of sugar and urea.

These are all administered prices. This has been done with an executive fiat. This has been done on the eve of the Budget of the country. It is feared that cost-push will lead to a severe price increase upto 10 per cent instead of 7.7 per cent last year. Along with this price index there are also other negative aspects which are to be noted with all seriousness. We note with concern that the United Front are not adhering to the C.M.P. framework, particularly on the economic policies. For illustration, I want to mention one or two things. This is illustrated by allowing the M.N.Cs.' entry in the reserved areas for home-based cottage industries, by the policy announcement of the Industry Ministry in July last, aiming at further liberalisation of the regulations on foreign investment, by empowering the Foreign Investment Promotion Board (FIPB) to clear the proposals upto Rs. 600 crore from the earlier Rs. 300 crore, inclusion of representatives of the private sector in F.I.P.B., expansion of the list of industries where automatic entry for 51 per cent foreign equity is permissible, raising of ceiling upto 74 per cent from 51 per cent for automatic clearance and automatic approval for coal-based, hydel and non-conventional energy-based power projects with 100 per cent foreign equity holdings and the recent decision of the Government to denationalise the coal industry.

All these indicate that steps are being taken, policies are being framed in violation of the basic framework of the United Front's Common Minimum Programme. I appeal to the United Front, I appeal to the Government to refrain from this kind of departure from

[Shri Chitta Basu]

the C.M.P. framework. That will not add to the strength. That will not add to the stability. That will lead to the destabilisation of the Government at a proper point of time if it is not properly amended at the proper time.

Sir, since you have rung the bell I wish to conclude. I know your responsibility and your hono. I can never disobey you. With your permission, I would simply mention two or three points where the Government should take certain serious action. I also want to mention about areas where there are omissions. I will take only two minutes.

MR. DEPUTY-SPEAKER : You have already taken 14 minutes against the allotted time of 10 minutes.

SHRI CHITTA BASU : Sir, these are the areas which need immediate attention. Firstly it is the implementation of land reforms which has not received, so far, adequate attention of the Government. The other points are : Empowerment of S.T. and other backward classes which still remains a promise; Reference of the issue of Babri Masjid to Supreme Court under Article 138(2) of the constitution; Enlargement of the 15-point programme for the minorities; Review of the Indian Penal Code, the Criminal Procedure Code and other penal laws; A programme for guaranteeing 100 days of employment for every unemployed person in the country; Setting up of a Tariff Commission; Lok Pal Bill to be adopted; Women's Reservation Bill to be adopted; and Agricultural Workers' Bill to be adopted.

These are the commitments which have been made by the United Front. These are the areas which have not been properly attended to.

If proper amendment is not made and proper attention is not given to these areas, the country will not believe in the credibility of this Government and the fate would be there as we expect. So far as their threat to withdraw support or to give support conditionally is concerned, I would like to say that this Government does not rely on their support alone. This Government can exist only on the basis of the people's credibility and the people's credibility can be won only by the degree of the implementation of the political commitment made to the people. Therefore, I want the United Front Government to be sincere, energetic and aggressive in implementing the programme which has been framed by the United Front.

[Translation]

SHRI RAM KRIPAL YADAV (Patna) : Mr. Deputy Speaker, first of all I express my thanks for giving me a chance to speak on this occasion. A discussion on the President's Address is going on in the House for the last three days. Two types of views have been expressed on the Presidential Address. Some members have expressed their views in support of it while others against it. In democracy it is the right of the people that they can

express their views in support and against the Government.

I rise to support the motion of thanks on the Hon'ble President's Address. I have carefully heard the views expressed by Several Hon. Members. Whether the views expressed by Members were for or against the motion but all of them have talked about the upliftment of the poor. Some of them have given very valuable suggestions. It is the labour class which has been exploited so far. This class comprising of agricultural Labourers, Carter and rickshaw pullers, backward, oppressed and down trodden people constitute 80-85 percent of our population in the country. Today, we have completed 50 years of our independence. We are celebrating golden jubilee but whether we have really been able to improve the lot of these poor people? Whether leaders who were responsible for running the Government for the last 50 years have even thought in right direction for the upliftment of poor, downtrodden and deprived section of our country.

Mr. Deputy Speaker, Every Group, person Governemnt or political party, talk about the upliftment of poor but either they were lacking will power or their conscience was not clear due to which the lot of poor people remained the same. They are compelled to live under poverty without shelter, livelihood and clothes. So far every body has paid lip service to them and did nothing concrete. I would like to express my gratitudes to the United Front Government which in short span of eight months have worked marvellous for the upliftment of poor and for improving the financial condition of our farmers and labourers. The opposition must thank the Government for the constructive work undertaken by it for the poor. But, there is politics in everything due to which the opposition members sitting here are even criticising the right policies of this Government. I would like to urge all the Members sitting there through you that if they really want to improve the condition of 85 percent of this country and want to bring them in the mainstream then they must co-operate with the United Front Government in its endeavour to serve more and more neglected and deprived people and strengthen the Government under the leadership of Shri Deve Gowda.

I would like to draw your attention to those 5 to 7 basic problems towards which we have not been serious so far. Our Government have specifically mentioned seven main issues in the Presidential Address which includes provision for drinking water, Education, Shelter and solving the problems of unemployment. We would like to look into all these issues to see whether our Government truly does what it says or not.

At the outset I would like to thank our hon. Prime Minister Shri Deve Gowda and Minister of Food for doing excellent and historical work. The Hon. Minister of Railway has worked to connect the neglected people of Bihar and the neglected people of our country with

the mainstream. He has worked for laying the network of railway lines. For this we should thank Shri Paswanji. He has not only accepted the long standing demand of the people of Sonpur but also fulfilled it by constructing the bridge which will benefit the whole of North Bihar. I would like to thank him for this also. But, I know that you will not thank him but find complaints even in it. Bhai Devendraji is sitting here, he has worked to provide food for the poor. The statistics show that 32 crore people of this country live below the poverty line. Shri Nitish Kumar was asking the meaning of poverty line? He has never lived in the poor, never talked about the poor, what does he know about the pain of the poor. That is why you never favoured the policies of the Government. I want to say in very simple words that 32 crore of our population, which live below the poverty line do not have food to eat, clothes to wear, shelter to live in and water for drinking. They also do not have any facility for treatment and education. The book which has been brought out by the Minister of Food refers to all such people very clearly. However he has arranged to provide rice and flour to people living below the poverty line at a price of Rs. 2.50 and 3.50 per kilogram respectively. This decision of the Minister of Food and the United Front Government is a historic one and should be supported. But you people will not support it. You will find politics even in this and because of it the people who are working feel handicapped. Therefore, today the need of the hour is to implement them. Our Government does not believe in making announcements only but also implements them. Hon. Minister has declared that within next two three months, when the work of preparation of cards will be completed then those living below the poverty line will be provided 10 kilogram of foodgrains per family through red card. Besides the labourers working under the Employment Guarantee Scheme will also be provided one kilo per day...*(Interruptions)*. I have just started.

MR. DEPUTY SPEAKER : Everyone is getting 10 minutes.

SHRI RAM KRIPAL YADAV : We are children before you...*(Interruptions)* I can throw light on you as well as on your party.

MR. DEPUTY-SPEAKER : Alright, you speak.

SHRI RAM KRIPAL YADAV : My request is that since I speak very rarely so please co-operate with me and allow me to speak a little. If they interrupt in between I forget my speech...*(Interruptions)*

MR. DEPUTY SPEAKER : Now please let him speak.

SHRI RAM KRIPAL YADAV : I was saying that the labourers working under the Employment Guarantee Scheme will be given one k.g. of wheat per day at the same rate and broadly arrangements will be made to provide 40 k.g. of wheat and rice per month to poor people. So, I would like to say that this step of the Government should be appreciated. This is a historic

decision of the Government. If they have food and employment then surely they will not have to live in hunger. There are many people who live as joint family under the same roof. Son, father, Grandfather, Grandson, all live in the same hutment and sometimes they don't even have this. They are born on the footpath, they grow upon the footpath and they die on the footpath. So, all of you must appreciate this step of the Government. This historic work has been undertaken by the United Front Government. It has worked for the solution of basic problem of the poor i.e. the problem of bread.

Not only this, the money which was being given to build pucca houses under the Indira Awas Yojna, to provide a roof over their heads, has also been increased. Earlier Rs. 14,000 was being given for the purpose. Now this amount is proposed to increase to Rs. 20,000.

I would like to say that making available drinking water is another basic issue. The Government has allocated a large sum of money for providing potable water and has set aside Rs. 900 crore to allocate to every state so that the poor get irrigation facility in the villages.

The basic problem of the farmers tilling land is of the arrangement for irrigation. After Independence, the repair of canals and the provision of irrigation water to farmers has not been done to the extent as it should have been. The Government has paid attention in this direction and has taken effective steps.

Today the population of cities is increasing. What is the reason for this increase? The farmers and labourers working in villages are losing interest towards their work. If the Government pursue the policy of providing all the facilities at the doorsteps of poor farmers and labourers who work in fields, provide facilities of roads, education for their children, electricity and water, then surely the rise in population of cities will come down. Today, village life is losing its charm and they are being attracted towards cities and jobs. This is because of the fact that right now little attention is being given to labourers and farmers. The Government should give more attention to these issues and only then problem can be solved. Unemployment is rising on a large scale due to rise in our population. Unemployment is increasing and all the crimes which are taking place and all the problems which are arising are being caused due to unemployment. So if un-employment is to be eased, then the people who are engaged in agriculture are to be given attractive incentives. Agriculture will have to be given the status of an industry. If agriculture is given the status of an industry, the attraction for it will rise and more and more people will be able to get work there. Rs. 900 crore have been allocated under the Ganga Action Plan for irrigation.

MR. DEPUTY-SPEAKER : 15 minutes have passed, please conclude now.

SHRI RAM KRIPAL YADAV : I will conclude in a couple of minutes. I want to speak about education. A large part of our population is illiterate. I believe that this is also the main cause of backwardness of our country. It is because of this that the pace at which our country should have progressed has not been attained. Illiteracy is a big scourge on our society and it should be removed. Especially the women will have to be educated. Mr. Deputy Speaker, Sir, you must be aware, you too are son of a farmer that in our primary schools, in our middle schools or high schools there are no blackboard, tables, chairs etc. and if all these things are there teachers do not come to teach the children regularly. It is this type of mismanagement that is prevailing in our villages. So the Government will have to give attention towards it and have to give directions to the state governments. According to our estimates we are very slow in education. Therefore, we have to speed it up. The programme initiated by the Government to educate all by the year 2005 is a revolutionary step. We cannot progress while illiteracy exists. So we should work to promote education. I would like to tell the opposition that their intention to come to power is mere like a day dream which can never be fulfilled. You can never come to power. As long as there are secular forces in the country forces which are working for the poor, you will not be able to come to power. We are dedicated to the cause of poor people, we want to improve their condition and will combat the communal forces. You people are the protectors of capitalists and can only make noise. The United Front Government will complete its tenure of five years. We will give due rights to the people belonging to backward, poor and minority community. Our Government has for the first time done the job of setting up of cabinet Committee to protect the interest of these people and see that these people are given their due rights. This committee will also review as to how the living standard of these classes may be raised.

With these words, I support the motion of thanks on President's address put forth here and thank the Minister of Railway and Minister of Food and Civil Supplies who have taken step in the right direction for the people belonging to oppressed, poor and minority community.

SHRI HARBHAJAN LAKHA (Phillaur) : I would like to express my views on the address made by Hon. President on 20th February. In this country all the Governments and all political parties make tall claims about social justice which are never materialised. In this country the very people and the political parties which do advocacy of social justice, indulge in delivering social injustice to the weaker sections. During these fifty years after independence 10 crore people were forced to migrate to cities simply because they did not get social justice in village. Still atrocities are being committed on them. They are forced to live in slums and places alongside nullals. There are no arrangements for providing health care, education or housing facilities

to them. All this happened due to social injustice and only due to social injustice these 10 crore people had to migrate to the cities. I have seen the condition of the people who migrated to Jammu from Kashmir. They have been provided dwelling units and are paid one thousand rupees per head. Arrangements have been made for education of their children and there is a special provision for admitting their children in medical and engineering institutions. But those who have migrated from Uttar Pradesh, Madhya Pradesh and Bihar, are living in slums and alongside nullals due to the prevalent social injustice. The Government has so far done nothing for them. The people belonging to scheduled castes and scheduled tribe communities are being subjected to atrocities and genocide. Never before, not even during the British rule so much injustice was done to the poor as is being done to them during the post independence period. Therefore a budget should be prepared exclusively for them and they should be provided arms to defend their self respect and their lives. Unless the ages old cast system, which is a blair on the face of society is abolished, this country can not progress.

Hon'ble President has pointed out that 32 crore people of this country are living below the poverty line. These are the people who have no means of sustenance even in their own country. The Government has 32 crore hectare surplus land. The Planning Commission says it is arable land. The agricultural labourer do not have land of their own in this country. Those who have land they do not work in fields. If each person below the poverty line is allotted 18-20 acre of land from 90 crore hectare of land owned by the Government, then nobody would be left below the poverty line which has increased after independence. At the time when our country became independent only 27% population was below the poverty line whereas today 45-48% population is living below the poverty line. This line is not a creation of God, neither it has emerged due to a earthquake or any other calamity.

In this country 15 percent people have subjugated 85 percent population. With their votes these people come to power and then rule them with their money power and weapon power. They promise the poor that they would be provided rice at the rate of Rs. 2 per kg. whereas they themselves eat the rice costing Rs. 20 per kg. In Andhra, they allured the poor voter that rice would be made available at Rs. 2 per kg. but now they say that wheat flour would be made available at a cheap rate. What kind of flour they will provide at cheap rates? They would be provided flour of wheat which is rotting in the FCI's ware houses in Punjab. Whether the Government intends to make them ill by supplying such wheat flour. They are doing injustice to these people. But now people understand all this. We are also trying to make them understand this thing so that these people who have been the victims of injustice and atrocities all through the ages, may rise in their

defence. Injustice is done to these 72 crore people who constitute majority of population.

So far no mention has been made in any Presidential Address about abolition of caste system, neither the Government has launched any campaign to eradicate this evil practice. Sometime the country was ruled by Congress, sometime by B.J.P. Now a days United Front is in power. Caste system is seen nowhere in the world except in India. This system was introduced by Manu and mainly due to this system the people are living below the poverty line in our country. Untill and unless the Government abolishes the cast system and creates an atmosphere of fraternity, these people can not make progress.

There are only 2 percent educated women among the SCs/STs, then how can their children get a good education and how can they become doctors or engineers. Whether the Government has made any arrangements for imparting them good education. When we were in power in Uttar Pradesh, we launched a special campaign to provide free education to their children upto B.A. level.

13.00 hrs.

We did lot of work to bring social reforms. We were also considering to formulate a special component plan. During our Government which lasted for four months sister Mayavati allotted two hectare land to landless labourers. The ownership of land leased out during 1972-94 were confirmed. Mayavati Government did it within these four months. The officers wanted to do this work but earlier Governments were not interested in doing any work for these landless people. I want to submit, through you, that if the land in the disposal of Planning Commission is also leased out to the poor people, then they can also cross the poverty line. There is no dearth of food, clothes and Houses in the country. Though this country is rich in minerals like iron and coal and has fertile land, yet its people are poor. They are poor because the corrupt people are at the helm of affairs. The iron and coal deposits at Beladila can not deplete even after next seven centuries. Industries should be set up there and equal arrangements should be made there for providing uniform educational and medical facilities. Once the industries are set up, the problems of unemployment will be solved there. Madhya Pradesh is rich in iron and coal deposits. All people can get employment. India is the richest country so far as its mineral resources are concerned, even then it, is a poor country. One of the reasons which could be attributed to our poverty is that the 15% people who are ruling over this nation, are not interested in the upheaval of these tribals.

As for the scavengers, from ages they are carrying the human excreta. People of a particular community are engaged in the job of scavenging who can be seen passing through the streets with a basket and a broom in their hands, as if they are destined to do this job.

People of all castes should do this job. Why people of a particular caste have been assigned this job. There should be a parity in jobs among various castes, right from Brahmin to Balmiki, sweepers and chamars. There is no mention of scavengers in the President's address because it has been presumed that these people are of lower caste and the Government itself is not willing to abolish this discrimination. There are no dispensaries, no schools, no facilities of any kind in the areas where people live below the line of poverty. The Government should pay special attention to such areas.

Now I would like to draw your attention towards a problem of my area. One ABC Paper M.I is there in Punjab. The acidic water affluent of this mill flows towards villages. People of that area had been on strike for forty days over this issue. The acidic affluent of the mill has polluted the tape water. Cattle are dying after drinking this polluted water. The polluted water has posed a treat to public health in the villages in it's vicinity. Such as Govindpur, Namashahar, Cheta, Kangrot, Fagvara etc. The Government has not paid attention to this problem. On the one hand the Government claims that they want to bring the poors above the poverty line, on the other hand they do not pay attention to their such problems of day to day life.

So far as the special Component plan is concerned it has not been implemented so far in Punjab, Maharashtra and Gujarat. An amount of Rs. 205 crore was earmarked for this plan but it seems, that the Punjab Government has diverted this fund to other plans, like providing electricity and water free of cost. The Punjab Government has not spent this money on the plan for which it was released. The Centre has allocated Rs. 2,216 crore for this plan. Hon'ble President has stressed that this money should be spent for educating the poors and for implementing the programmes chalked out for them, such as paying pension to widows etc. It was decided that measures would be taken. The Flood control measures are considered only after the houses of poors are washed away in floods during rainy season. So far no measures have been taken to control floods in Satluj and Beas rivers. These are flood prone rivers. So far no development has taken place in Hoshiyarpur. Whatever roads are made there, they get washed away in floods. So many villages are washed away there in floods. During these fifty years no attention has been paid to this problem. Therefore I would like to draw your attention to this problem. All those living below the poverty line will one day certainly rise. Dr. Baba Saheb Ambedkar has said, and Swami Vivekanand also said in 19907-'0 Caste Hindus, treat them properly. One day they will rise, and rise to that level that they will be capable of whiffing you out of this country."

Mr. Deputy Speaker, Sir, with these words I thank you are resume my seat.

MR. DEPUTY-SPEAKER : Now the House stands adjourned for lunch to reassemble at 2.00 PM.

13.07 hrs.

*The Lok Sabha then adjourned for Lunch till  
Fourteen of the Clock.*

14.12 hrs.

*[English]*

*The Lok Sabha re-assembled after Lunch at twelve  
minutes past Fourteen of the Clock.*

*[MR. DEPUTY-SPEAKER in the Chair]*

**MOTION RE: FIFTH REPORT OF THE  
COMMITTEE ON PRIVATE MEMBERS'  
BILLS AND RESOLUTIONS**

MR. DEPUTY-SPEAKER : The House will not take up Private Members' Business.

SHRIMATI SHEELA GAUTAM (Aligarh) : Sir, I beg to move :

"That this house do agree with the Fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 26th February, 1997."

MR. DEPUTY-SPEAKER : Motion moved :

"That this house do agree with the Fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 26th February, 1997."

DR. T. SUBBARAMI REDDY (Visakhapatnam) : Sir, I object to it. Item No. 8, 'Compulsory Voting Bill' has been kept under Category B. I do not accept this recommendation of the Committee...*(Interruptions)*

MR. DEPUTY-SPEAKER : It is item No. 8, 'Compulsory Voting Bill'.

MR. DEPUTY-SPEAKER : What objection do you have?

DR. T. SUBBARAMI REDDY : The Compulsory Voting Bill has been kept under Category B. I want it to be put under Category A. This should be reconsidered.

MR. DEPUTY-SPEAKER : You give it in writing. The Committee will examine it again.

DR. T. SUBBARAMI REDDY : I will give it in writing.

MR. DEPUTY-SPEAKER : The question is :

"That this house do agree with the Fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 26th February, 1997."

*The motion was adopted.*

14.15 hrs.

**RESOLUTION RE : ILLEGAL IMMIGRANTS  
Contd.**

*[English]*

MR. DEPUTY SPEAKER : Now, we will take up further discussion on the Resolution moved by Shri Jagatvir Singh Drona. The time allotted is two hours. Shri Jagat Vir Singh Drona may speak now.

*[Translation]*

SHRI JAGAT VIR SINGH DRONA (Kanpur) : Mr. Deputy Speaker, Sir, during the last session a resolution was moved on 13th December, 1996 which reads that this House expresses grave concern over the infiltration taking place in this country since 1975 and recommends that steps should be taken to identify and deport all these unauthorised immigrants.

Sir, it is an issue of national importance which has not yet been considered seriously by any political party ruling at the centre due to frivolous partisan considerations. We have very long stretch of borders. There is every possibility of infiltration across the Punjab border, Rajasthan border, U.P. border, Indo-Bangla Desh border in the east or across any other border. It is true that all the countries are confronted with this problem but their Governments and people are alert to see that such infiltrators do not succeed in settling down in their countries and they are identified and deported. But this problem is increasing day-by-day in our country. At present annually about two lakh foreigners infiltrate our country or settle down here. They are issued ration cards and enlisted as voters. They put our country in crisis and reduce opportunities of employment for our own people and also pose a threat to the security of nation and peace and tranquility of our society.

Though Pakistanis are also infiltrating our country, but this problem has assumed alarming proportions due to illegal migration of people from Bangladesh which is continuing since 1975. These people include Hindus as well as Muslims. Prior to the partition there was majority of Hindus. Bangladesh was declared a Islamic State and an amendment was made in the country's Enemies Property Act whereby the incidents of property acquisition, molestation, rape, forced religion conversion started taking place landing them into various serious and fatal problems due to which they were forced to flee some other places for their safety and in the process they could not find any other place as much safe as India. These people can not be compared with others. They have crossed over to our territory in search of a job to earn their livelihood. They are intruding into our country in a planned way and disturbing the demographic balance in the border areas.

Mr. Deputy Speaker, Sir, though Government's datas are silent over this figure but on many occasions people

have done a research on it and approximately two and a half crore Bangladeshi people are living presently in different parts of our country like West Bengal, Tripura, Meghalaya, Assam. These people certainly are disturbing the population balance of the border states. It has become the national duty of every Indian citizen to express his/her concern over this issue. We know that nearly 3340 Km. long Bangladeshi border touches the border of Assam, Meghalaya, Tripura and West Bengal. The border of West Bengal alone is 2203 Km. long out of which at 160 places.

[English]

Our border is porous.

[Translation]

From these points, it is very easy to cross over to outside and I can say without any hesitation that there are people in our country who attach more importance to their political interest against the national interest. They are strengthening their vote bank. They are playing the politics of vote bank due to which situation has become from bad to worst. It has started in 1971 and today it has assumed a horrible proportion.

There are 126 Legislative Assembly seats in Assam and out of these, 40 seats are in border areas where the infiltrators have disturbed the population so much so that today they are playing a decisive role in these areas. Likewise there are 294 Legislative Assembly seats in West Bengal. A large number of Bangladeshi intruders have settled in these areas where they are playing a major role. This is a matter of grave concern. On the one hand, it is disturbing our political equation and on the other, it has increased the density of population in the bordering areas. They are occupying our land and have got settled in these areas which has created a sense of insecurity among our people living there. Job opportunities are decreasing and smuggling, theft and loot is increasing in the border areas. Pulses, sugar, K-oil, spices and other things are being smuggled to other countries from our soil and electronic goods, gold, silver and illegal weapons are coming to our land from across the border. Many a time the attention of the Government has been drawn towards this problem, but the Government has always failed to take some concrete steps so that their intrusion can be stopped and the Bangladeshi people, who are more than one crore in West Bengal and have settled there, are sent back to their country. The West Bengal border is 2203 Km. long and through 160 points on this border, the Bangladeshi people cross over to our side. This has changed the very form of Kooch Bihar, Jalpaiguri, West Dinajpur, Nadiya, Malda, Darjeeling, Murshidabad and 24 other Parganas. The foreign elements are playing major role in these regions. Due to this and the poor economy, job and trade opportunities have come down for the local people and the intruders have become influential so much so that the people there are feeling a sense of insecurity. Another thing is that these people are

providing shelter to the people who are involved in illegal activities. Matiyaburj and Raja Bazar in Calcutta are known as the settlement of the foreign intruders. These people are, somehow, managing to reach Delhi which is very far from West Bengal - via Bihar and there are colonies like Seelampur, Seemapuri, Azad Market, Nizamuddin, Jangpura, Ansari Nagar, Sadiq Nagar, Sarai Rohila, Jama Masjid, Yamuna Pushta, Alaknanda and Kalkaji etc. where these intruders have settled in a large number. This has created a kind of problem. I do remember one incident which had taken place on 6th December, 1992 and after that incident engineered riots had taken place in which the armed policemen were attacked with fatal weapons in Mumbai, Calcutta, Ahmedabad and Delhi. It was ascertained that Bangladeshi intruders had played a major role in those cases also. Due to this also, it becomes a matter of concern for all of us. They have become powerful so much so that a few days back a Mohajir Union which is active in Bangladesh - staged a demonstration on the streets of Calcutta. They had organized a Press Conference in the lawns of Press Club of Calcutta and demanded that a separate homeland be created by the name of Azad Muslim Bang for granting them Indian Citizenship. Fortunately their that demand was outrightly rejected. But the matter of concern is that such a demand has been raised by the foreign intruders which requires the Government's immediate attention. An unit of West Bengal has conducted a survey and found that the balance between Hindu and Muslim population in 7238 villages under 74 police stations along the 50 Km. long strip has disturbed. the Hindu population is decreasing continuously. Nobody has any objection if the population of original inhabitants of India-be they Hindu or Muslim-increase but if foreign people are intruding into our country and their population is increasing, it should be a matter of very-very grave concern for all of us. It would a matter of concern for the future of the country. It has been a common observation and it is also a historical fact that whenever population balance inside the country was disturbed, it always led to the decrease of the population of original Indian. Demand for a separate land was always raised from this quarter. In this context we must remember one more fact and that is when in 1947 Mohammad Ali Jinna interpreted the theory of two nations, the country was divided into two nations setting aside the unity and integrity of the country. Inspite of the Gandhiji's insistence, he declared that [English] Hindus and Muslims can not live together. [Translation] and ultimately the birth of Pakistan took place. At that time he made his all out efforts to include some parts of Bihar and Assam into the East Bengal - which is presently known as Bangladesh. But when he failed in his mission, he said that I am sorry I could not include the parts of Bihar and Assam into East Bengal.

Mr. Deputy Speaker, Sir, this is a point to be thought upon by us that Eastern Pakistan was later formed as Bangladesh and since the declaration of Bangladesh as an Islamic state, the Pakistani Embassy in

[Shri Jagat Vir Singh Drona]

Bangladesh has been functioning as a coordinating office for terrorists. Political violence and terrorism is increasing and economic instability and social tension is prevailing there. People are indulging in smuggling activities from across the border. This all is a matter of grave concern for us. Sir, in the interest of the country, its security, economy and to ensure that justice is done with the local people living there, it is necessary to identify the Bangladeshi intruders and send them back to their own country.

In this context, I would like to make one more mention. There is a man by the name of Shri Baljeet Rai, who retired from the post of Director General of Police. He was a very efficient officer of his time. Now, after conducting a survey in the North-East region, he has written a book, titled as

[English]

“Demographic Aggression against India-Muslim avalanche from Bangladesh.”

[Translation]

His findings in the book are quite surprising as well as alarming. He has written in his book that nearly two crores such Bangladeshi people have sneaked into India. He has also referred to the states of Assam, Bihar, Tripura and North-East states as the most affected states. The writer has gone upto the extent of terming some of the areas as the extension of Bangladesh; they include six bordering districts in West Bengal, four districts in Bihar, namely, Purnia, Katihar, Kishanganj and Arariya, 10 districts in Assam, namely Dhubari, Barpeta, Bongai Gaon, Narbari, Kokarajhar, Lakheempur, Darang, Naugaon and Kamroop. A very heavy and well planned influx of Bangladeshi intruders have taken place in these areas and now these Bangladeshis are living there like original inhabitants of the area. Now they have mingled with the local people. It is a matter of serious concern. In view of this, I have brought in my resolution in the House so that the Government pay their attention towards this problem.

Now I would like to say something about my party, Bhartiya Janata Party. In 1992, at Bhopal, the BJP Executive had expressed their concern over this national problem and passed a resolution that the BJP, in the interest of the country, would launch an agitation against this problem to get the Bangladeshi intruders identified and deported to their own country. This is our bad luck that due to some political reasons, rather petty political reasons, we could not get the support of other political parties in this task. But since then the BJP is continuing their agitation to identify the Bangladeshi intruders and send them back to their own country. And

until, we succeed, we will continue our efforts in this respect.

Mr. Deputy Speaker, Sir, I want to mention one more thing in this regard which could be a bitter one but since we are talking of our national interest, let us say one bitter thing also. I donot agree that without the knowledge and consent of the Government, ruling in West Bengal for the last 20 years, any body can cross over to our side from across the border and get himself settled an our land. Since the people, who are coming, belong to a particular community, the ruling party have placed their interest above the national interest by issuing them ration cards, enrolling their names in the voters' list, providing them illegal possession of land and other facilities also. This all flattering is being done in order to get their votes. Whenever they are asked to leave the country, they are given political patronage by some parties. It was done by the Congress party.

Mr. Deputy Speaker, Sir, it was done by the Congress Party. It was done by the Communist Party (CPM) and it was done by the Janata Dal also in Bihar. The situation which has arisen in Bihar due to these intruders is also not less horrifying. We have to address to this problem at national level with a new approach. We have to rise above our personal political gains and find a way out as the solution to this problem does not lie in the personal policies and principles of individual parties. We should chalk out a strategy for identification and deportation of Bangladeshi intruders in India as they have become a great threat for the country as well as country's internal security. The persons who have served either in Army or Police may understand what kind of a problem these people may create. They can say that India has become a harbouring place for Bangladeshi intruders and Bangladeshi intruders have become a shelter for the terrorists. Here they are doing harm to our economy as well as our internal security.

Mr. Deputy Speaker, there are many other members who will participate in the debate and side with us for when I introduced this Motion, I had said that time also that let us cut across our party line and find a way out to this problem because this is not any political problem rather it is a major national problem with the inherent far reaching consequences. I, therefore, request you to kindly admit this fact and give your remedial suggestions to this problem. These intruders, wherever they are living, must be singled out. It is not very difficult to recognise them. They may resemble with us due to their look, dress, tongue and other similarities as we used to live together before the partisan but it should not be very difficult to recognise a foreigner amid our people wherever he is living. First of all we should recognise these intruders.

Mr. Deputy Speaker, Sir, my another point is that so far we have not been maintaining any register at

national level for registration of citizenship. We must maintain this register and after the identification of these people we should extend our best wishes and send them back to their own country. If it is opposed by any other country, that should be met with resolute firmness of our country.

Mr. Deputy Speaker, Sir, my third point is that people from across the border have been allowed to move freely which requires the Government's immediate attention. It should be checked immediately. As said our border is porous. You are free to go from any point. In spite of the deployment of BSF, CRPF, Indo-Tibetan Force, people get some point to cross such a long border line. They are intruding through the rivers, hills and even plains. Some measures should be taken to stop this infiltration. Some initiatives were taken in Punjab. Terrorists in Kashmir also sneaks into our territory through the same routes which indicates that we are unable to guard our borders. Terrorists' movement through Barmer in Rajasthan and through Kachha in Gujarat should be checked immediately. Unless we give up the politics of vote bank, we can not solve this problem at national level. This is my firm opinion.

Mr. Deputy Speaker, Sir, the remaining time is only two hours, therefore, I would like other members to participate in the Debate in the maximum number. I have introduced this Motion and I would appeal to everyone among you people that please give this issue a serious consideration and think over it honestly by cutting across the party line and rising above the petty self. You should give top priority to the national interest and give up the politics of vote for unless you do so there can not be any solution to this problem. I request you people to extend your positive, constructive contribution in this regard by participating wholeheartedly in this Debate otherwise this Resolution is not going to pass.

[English]

SHRI DWARAKA NATH DAS (Karimganj) : Sir, I thank you for giving me time. At the same time, I appreciate the efforts made by Shri Jagat Vir Singh Drona for bringing forward such an important Resolution. My submission will be with some figures and quotations. That is why I will sometimes read out the relevant figures and quotation.

It is our grave concern that a large number of illegal immigrants have been streaming into the country.

I cannot say accurately as to what the figures are. But so far as I understand, at present India is having more than 15 million Bangladeshis of which, in Assam the figure is five million; in West Bengal it is seven million; in Bihar it is two million and the rest one million is scattered over all the other States, for instance in the

States like Tripura, Manipur, Mizoram and Meghalaya. The western-most city of the country, Mumbai has touched a population of 12 million, of which the number of Bangladeshis is around one lakh or, may be, more.

Sir, I believe, Bangladeshis began streaming into India for economic reasons. It is because Bangladesh is one of the poorest countries in the world. This is reflected in the population explosion, particularly in the border districts of Assam, West Bengal, Bihar, Meghalaya and Tripura. It has created social problems particularly for our country because they compete with locals for jobs. They come to India as rickshaw-pullers as casual labourers, as manual labourers, agricultural labourers etc. The position has reached such an extent that in Calcutta the immigrants took out a procession demanding citizenship rights. However, their demands were never conceded to.

It is not surprising that a large number of infiltrators have managed to procure ration cards. The census of 1991 indicated minority population in the border districts in percentage terms. For example, in Dhubri it was 70.45 per cent; in Barpeta it was 56.07 per cent; in Goalpara it was 50.18 per cent; in Hailakundi it was 54.78 per cent, in Karimganj it was 49.17 per cent and in Cachar it was 34.48 per cent. Of course, it is no denying the fact that Bangladeshi migrants are economic refugees but at the same time I must say that for this a developing country like India has to pay heavily.

In such a situation, some political parties use these immigrants as their potential vote banks whereas the Pakistani ISI agents utilise them for smuggling of arms and narcotics, and for some other nefarious purposes. At present, the density of population in Assam stands at 284 per square kilometre; in West Bengal it is 766 per square kilometre and in Bangladesh it is 849 per square kilometre. So, the condition is alarming. As such, India in no way can bear the burden of immigrants. Unless census is conducted in the entire North-East - in fact in the whole of India it is difficult to know exactly the figure of Bangladeshi migrants living in India. There should be distribution of separate identity cards for residents of border districts. Not only that, there should also be barbed wire fencing along the border, construction, improvement and augmentation of border roads, heavy deployment of BSF, dusk to dawn curfew in the affected areas and there should be no-man along the border. Moreover, there should also be strengthening of the State police forces, tightening of the visa system, and establishing a communication network connecting the Centre and the States concerned.

The Supreme Court has held that neither possessing the ration card now figuring in the voters list, confer any right on an alien for citizenship. In this connection I

[Shri Dwaraka Nath Das]

would like to quote Shri S.L. Shakhder, Chief Election Commissioner. He spoke of :

"Large scale infiltration of foreign nationals in some States, especially in the North-Eastern region"

and described it as, "alarming and requiring drastic action."

Mr. Hiteswar Saikia, The Chief Minister of Assam on April 10, 1992 announced in the State Assembly that between two and three million Bangladeshis had illegally entered Assam since 1987. Of course, the Chief Minister had to retract his statement under pressure from the Muslim forum and some of his own party colleagues.

It would be an impossible task to correctly estimate the number of Bangladeshi immigrants in Assam, West Bengal, Bihar and other parts of the country. I think the Centre is considering to repeal the Illegal Migrants (Determination by Tribunals) Act, 1983, at the request of the Chief Minister of Assam. I would like to mention here the reply given by the hon. Minister of Home Affairs on 3rd September, 1996 and I quote :

"The Act extends to the whole of India but is presently in force only in the State of Assam.

Proposals have been received from various quarters for the repeal of the Illegal Migrants (Determination by Tribunals) Act, 1983. The matter is under active consideration and is likely to be finalised shortly."

On October 27, 1996, the hon. Prime Minister promised to repeal the Act. He visited the North-Eastern States also.

I am of the view that the process of detection of foreigners through these tribunals has not at all been satisfactory. I am of the view that this IMDT Act, 1983 should be scrapped altogether. It should be seen that according to this Act only those who entered Indian territory after March 25, 1971, without valid papers of entry, are termed illegal migrants. This Act has no provision to deal with the earlier migrants. That means, the jurisdiction of this Act is thoroughly limited. It is a good for nothing Act, particularly, in Assam. I say that this Act must be scrapped.

Out of 2,87,412 inquiries made between January 1, 1996 and July 21, 1993, 25,051 were referred to the tribunals for decision. However, only 8,694 individuals were declared illegal migrants. These are the activities of the tribunals set up under the IMDT Act, 1983. The tribunal's sole function is to determine the status of the suspected individuals. It has no authority to deport illegal migrants by deploying its own staff. What is the necessity of such a tribunal if it cannot deport the migrants?

In addition to this, all cases of migration before March 25, 1971 are to be decided as per the provisions of the Foreigners Act, 1946. Foreigners Tribunal Order, 1964 and Citizens Amendment Act, 1985. So many Acts are there to decide the fate of the foreigners, why should we have this IMDT Act, 1983? According to the provisions, the onus of proof rests with the complainant and not with the suspect. How funny is it that a complainant should come with the evidence, and not the suspect, to show that a particular person is an infiltrator! This is a peculiar situation created under this Act.

Infiltration is going on unabated in Assam. It continues even today. The border is porous. The percentage of illegal migrants, in eastern India particularly, has crossed the danger limit. So, it is high time that illegal migrants are deported at once. Better late than never!

SHRI UDDHAB BARMAN (Barpeta) : Mr. Deputy-Speaker, Sir, thank you for allowing me to participate in the discussion initiated by my colleague Shri Drona.

The problem of influx of illegal migrants is growing. It is creating not only economic and social problems, but political problems also. It is not confined to the north-east areas only. The problem is seen in the southern and western parts of India also.

The problem in the North-East, as you are all aware, is because of the influx of people into the region. It has created a lot of problems in the socio, economic and demographic conditions of the North-East. There is a long-drawn struggle in Assam. The problem needs to be resolved now. At the same time, I have to say that while taking cognisance of the problem as is obtained in the present situation, we should also take note of the fact that the problem of Assam, particularly regarding the influx problem, is not only of the present period, it has its own history. Without considering the history, we will be in a difficult position to solve the problem.

You are aware that Assam has received a lot of races, languages, cultures and religions. All these people at one point of time contributed to what Assam is today. They not only contributed in the formation of Assamese nationality but they also helped in developing other sectors of the economy. We should not lose sight of the fact that at one time Assam was ruled by the Ahom kings and others. They had invited some Muslim weavers etc. There are some Muslims who contributed towards the integration of different communities in the State. Some people belonging to the Muslim community had also fought against the invasion by Mughals. A lot of contribution was made during that period by Muslim population. The British annexed Assam in 1826, by virtue of the strength of the Yandabu Treaty. The purpose of that regime was not to develop the economy but to loot that area and to exploit the resources of that area.

They also imported people. They not only imported the Bengali-speaking people but also some tribals from Chota Nagpur area of Madhya Pradesh and from Orissa so that the tea cultivation could continue there. They brought them also with the intention of looting the resources of that area.

In Assam particularly there were at one time a lot of jungles and cultivable areas. The density of population is less. So, the people migrated from other areas and from Mymensingh area. They also helped in the growth of economy and to produce more crops etc, to increase the agricultural production etc. During that British regime, not only these things were produced, but agriculture sector also developed to some extent. The idea of the British was to loot it. They were there not to ameliorate the problems of the people of Assam, but to loot the resources of that area. After the partition of the country, new problems have cropped up. At the same time, you are well aware that people throughout the country unitedly fought for ousting of British. There were some communal politicians who were out to divide, to partition the country and as a result of the Partition, India is divided into Pakistan and India. There are also not only a lot of migrations, but also the problem of influx in that area. During that period after independence the Government, in order to rehabilitate the people who had become refugees as a result of partition, had dumped them in the North-Eastern region, particularly Assam. As the Central Government could not help them much during that period, the Central Government took the position that as Assam is a far off place surrounded by foreign countries, namely, Bangladesh, Pakistan, Myanmar, Bhutan and China, so, there should not be any industrial development. So, no appreciable industrial development took place there. But, at the same time, Assam's economy remained, practically an agrarian economy as a sort of colonial economy. It purely depended on agriculture. Now what is the position of agriculture in Assam even after so many years of Independence? I can cite some problems of Assam. During 1950 the *per capita* income of Assam was much higher than the all-India *per capita* income. In 1950-51, the *per capita* income in Assam was Rs. 520.10 against the all-India figures of Rs. 469/-. The figure was more than the all-India figure by Rs. 50. Now, it is gradually decreasing. In 1984-85, it was found that Assam's figure was less than the all-India figure by Rs. 219.90. It is increasing now. Naturally, a lot of pressure on land is also there. You can also see the figure that against the all-India size of landholding which is 2.3 hectares, the average size of landholding in Assam is 1447 hectares. The *per capita* cultivable land in Assam is 0.192 against the all-India figure of 0.32 hectares. The *per capita* net area sown in Assam is 0.09 hectares as against the all-India figure of 18 hectares. So, there is a lot of pressure on land. But, at the same time, no measure was taken to develop

agriculture. The land is fertile in Assam. Practically, there is a lot of not only surface water but also ground water. In spite of that, there is no arrangement for irrigation. So, the production and productivity in Assam, particularly in agricultural sector, is very low and people are very poor. This situation has been created because of the policies pursued by the then Central Government and the State Government. So, the problem is there. As a result of this, a lot of anger and resentment among the people of Assam is there. There is no industrial development. There is, practically, no agricultural development. But, at the same time, there is influx of population not only from India but also from other countries. This has created a lot of problems of apprehension in the minds of the people of Assam. So, we are all aware that there is influx of population. Naturally, we have to see in which way we have to solve the problem. Now, some people are using communal card. By doing so, we cannot solve the problem. By dividing Hindus and Muslims, we cannot solve the problem of Assam. Before partition, a part of Assam was in by that. Assam has its own composite culture. In Assam, there are a lot of people belonging to minority Muslim community. But in the name of identifying illegal migrants, you cannot harass these people. These people have settled in Assam long-long back. They have contributed not only to their economy but also to the culture of Assam.

15.00 hrs.

So, only by targeting minorities, you cannot identify these people as your enemies or Bangladeshis. You have to take care of all these things because anybody belonging to the minority community is not a Bangladeshi. Among Bangladeshis there are Hindus and Muslims. Intruders cannot be divided into Hindus and Muslims.

15.01 hrs.

[SHRI CHITTA BASU *in the Chair*]

They are all foreigners. Every foreigner is an intruder if he enters into any country without proper documents.

So to solve the problem, the Central Government and the State Government of Assam, at one point of time, came to an agreement with the agitationists and everybody agreed that those who have come over from Bangladesh to Assam or other North-Eastern parts of India after 25th March, 1971 are not the citizens of India.

There are laws to take care of this problem. But laws alone will not solve the problem. Laws would be there to defend the citizens of India, to defend the sovereignty of the country, but what I feel is that there should be an effort to create confidence among the different sections of people of that part of India. If you fail to create the confidence among the Assamese

[Shri Uddhab Barman]

people, there will be some problem or the other. If you fail to create the confidence among the minority people, who are staying there for years and years, even before Independence, then also the problem will be there. They also belong to India. Unless you create the confidence among the minority people, you cannot solve this problem.

So, what I feel is that this communal appeal alone will not solve the problem as Assamese culture is very composite. Hindus have contributed to it, Muslims have contributed to its culture and even tribals have contributed their mite. So there should be an all out effort to create confidence among all sections of the people there. This will create ground to identify the people who have recently been coming to Assam as illegal immigrants.

At the same time, what I want to say is that the effort should be there to create the confidence among the people. Without that we cannot solve the problem of illegal entry into Assam.

Now, I would like to touch upon the economic development of that area. We are grateful to the Prime Minister who visited Assam and other North-Eastern States and stayed there for some days. He tried to understand the problems of those areas. He also announced economic and other packages for the people of those areas. For this economic development, democratic atmosphere should be there. If that is created then we can even fight the evil designs of ISI also.

There is a lot of information that the ISI people are creating a lot of problem in Assam, Mumbai, Delhi and even in Rajasthan. But they can be fought easily and can be identified properly if we do not divide the people on communal lines, if we fight communal forces and create confidence among the people of those areas. We have to make them understand that they are part and parcel of that State. They are as much citizens of India as any other Indian is, so that they must also be committed to fight against the foreigners and ISI.

I hope that with these efforts we can go a long way not only in creating the confidence among the people belonging to different sections, languages and cultures or belonging to different religions, but also in solving the problem of that area.

At the same time, I feel that, as this problem has already taken a serious proportion in that area, we have to take up economic development programmes not only in Assam and Tripura but in other areas also to solve the problem in that part of the country.

Agriculture should be given proper importance. There is a lot of fertile land in Assam and Barrack Valley in Assam and also in Manipur. But, every year the crops

in Assam Valley are damaged by flood and erosion by Brahmaputra and its other tributaries. If Brahmaputra and its other tributaries are controlled and scientific of water management is done, then agricultural development will take place in that area. With this production, we can not only feed the people of North-East but also the people of other areas in the country. There are forest resources and other natural and mineral resources not only in Assam but also in Meghalaya and in Manipur. All these resources should be harnessed for the economic development of this entire area. Without doing this, we cannot create confidence among the people of Assam. And to solve the problem of that area, unity of the people is a must, creation of confidence among the people is a must and economic development is a must. If democratic atmosphere prevails there, then I am sure the people of the country, as freedom loving as they are, as the patriots of this country, will help a lot in resolving this problem.

This problem cannot be solved with communal approach. So, I request the entire House to take into consideration not only the problem of Tamils and others but also to take into consideration the problem of North-East as their problem. It is not only Hindus and Muslims who are facing this problem but the tribals are also facing this problem. The entire people of India should share the feeling of the people, the hopes and aspirations of the people of that area and try, as one man, to solve the problem of that area so that they can contribute a lot to the flourishing of agricultural, economic and other developments of the entire country.

With these words, I conclude.

[Translation]

SHRIMATI JAYAWANTI NAVINCHANDRA MEHTA (Mumbai South) : Mr. Chairman, Sir, I appreciate the efforts made by our friend Shri Jagat Vir Singh Drona for bringing forward such an important Resolution. For this, he deserves our thanks. I want to express my some ideas about this Resolution. The cultural history of our country India is a glorious one and we are proud of it. The Indian culture has always been a centre of attraction in the whole world. It has always shown new path to the world. Culturally it has guided the entire world. And because of this cultural achievement, we have made many jealous enemies. Now their number is increasing and the number of our friends also is decreasing.

Sir, now when we are discussing about our country, let us think as to why we were required to discuss the matter pertaining to the intruders. One very simple reason is that if we keep our doors open even after the 50 years of our independence and feel that we are safe, then we are living in fool's paradise. Today is a different situation. If we keep our doors open, it will tempt the

thieves to enter and loot our homes. They will be allured to molest even our mothers and sisters. Not only this much, if they get an opportunity by tomorrow or day after tomorrow, they will not take much time to take our homes under their possession. Thus we are required to close the doors of our homes in order to feel secure as it is a matter of our national security. If we do not defend our borders properly and they remain unguarded then we should not feel surprised in case any intrusion takes place from across the border and thieves enter our territory.

After the 1962 war with China, the intruders began streaming into India. Since then many Resolutions have been raised in this regard in the House. Many Resolutions have been brought in, many rounds of discussion held and every time statements in this regards were also made by the in-charge Home Ministers. But these statements remained confined only to papers and no concrete efforts were made by any of the Governments for our national security. No serious measures were taken to strengthen our national security. Today we are heading towards the Golden Jubilee of our independence and our friend Shri Drona ji has taken a very wise step by bringing in this Resolution to open the eyes and ears of the United Front Government. While welcoming this Resolution I want to place some of my demands before the United Front Government.

I am representing the Mumbai South Constituency. I had fought and won the election to 9th Lok Sabha held in 1989. But after 15 months Lok Sabha was again dissolved and the next elections were scheduled to be held in May, 1991 but due to the assassination of former Prime Minister Shri Rajeev Gandhi, these elections were held on the 15th of June. Upto that time, I had got only 15 months' experience of working as an M.P. I want to let you know as to what had happened in my Constituency during that period of 15-16 months which ultimately accounted for my defeat in that election. I had written a letter in that respect to Shri Sheshan, the then Chief Election Commissioner. Trombay is one of the six Legislative Assembly Constituencies in my Constituency. During the above period of 15-16 months, around 50 thousands Bangladeshi intruders were enrolled as voters. These fake voters ultimately turned out to be the reason of my defeat. I was surprised to know as to how the number of voters in this Assembly Constituency went up by 50 thousands. When I brought this matter to the knowledge of the Administration but to no avail, I raised this matter by asking a question in the Maharashtra Legislative Assembly. I raised my voice that bogus-ration cards have been issued to the intruders which should be investigated immediately. At that time, Shri Sudhakar Naik ji was the Chief Minister. He extended his cooperation fully and got the matter investigated to find out that there were 16 thousands bogus ration cards which were recovered from the Bangladeshi intruders and were later cancelled by the Maharashtra Government. The population of these

Bangladeshi people were scattered all over in Trombay, Shivaji Nagar, Gowandi and Devnar.

I want to narrate one incident before you. During the 1991 elections when I went to meet the voters I happened to meet with a Muslim woman. She came to me with her four day old child in her lap. She told me that she had given birth to that child just four days back but neither she was having anything to eat nor to drink. Neither she was given ration card nor any other facility and she might have to leave India any time any day. She revealed me that she had come over to India from Bangladesh. Her name was Fatima. I was deeply moved at her condition. Now you may imagine that neither any facilities were given to the Bangladeshis nor any arrangements were made for their stay. One arrangement, of course, was made for these people, that too, because the former M.L.A. and the Minister representing to that Constituency, was the follower of the same religion.

Therefore wireless cables were laid in jhuggi zhopris of Shivajee Nagar, Govandi, Thana Belaspur Road area in order to provide them loudspeaker facility for performing the Namaj but they were not provided with ration and water. Such infiltration of Bangladeshis is nothing to be wondered about. One thing that I would certainly like to mention that twenty-months back in Maharashtra Shiv sena-BJP alliance Government declared that the foreigners living in Bombay would be identified and deported. Some foreigners left the State on their own after the declaration but still these people are living there clandestinely. When some people are rounded up in the interest of law and order position of Mumbai, they include Bangladeshis and other foreign nationals. They are found involved in case of theft decoity, rape and anti-social activities also. Bangladeshis having a head count of one and a half lakh in Mumbai is a matter of concern but not to be wondered about.

Secondly, when we ignore them, they feel more determined to settle down here. Whenever it is asked as to what Government has done about it, I tell them that the Government is not doing what it was expected to do. Three decades ago they raised a force to prevent infiltration of foreigners, called PIF, a mobile task force and the Central Government resolved to bear its expenses. It was thought that NTF check posts would also be set up besides those of BSF in order to apprehend the infiltrators who sneak in after BSF personnel and to maintain a record of such infiltrators and ensure their return but how unfortunate that throughout these thirty years PIF and NTF personnel did nothing and have only proved themselves to be burden on the exchequer. Plans are paper horses. When asked to tell about the action taken by the Jawans of PIF and NTF the top brasses of PIF and NTF tell that they too are serving their bosses in the check posts like

[Shrimati Jayawanti Navinchandra Mehta]

staff of any other police force. They are paid salary by the Government and honours are also bestowed upon them, but they do not maintain a record of infiltrators. PIF and NTF were raised apprehend infiltrators. If you perchance visit their check posts, you would find their boards in pitiable condition and no one on duty. One Newspaper has suggested that dogs should be deployed there instead of men in uniform, as they would prove more trustworthy in watching the borders of our country. At times I feel it is a patriotic suggestion and not a suggestion from anti-national elements. If we really want to create a milieu of communal harmony in the country, we would have to make endeavours for it. All those who inhabit India, irrespective of their creed, should strive for it to join the national mainstream. These infiltrators indulge in terroristic and disruptive activities and form disintegrating forces.

Here, I would like to tell about proselytation - going on in Jammu and Kashmir. Today my friends are talking of Assam, Meghalaya and Tripura. The people of Assam, West Bengal, Meghalaya and Tripura are faced with this problem and from there proselytation campaigns have spread in Mumbai, Delhi as well. These infiltrators have disturbed our economy. They are governed by different laws and our countrymen by different laws. This trend is not long lasting. In PIF and NTF right from Deputy Inspector General's level to the level of Constables 3154 posts have been created by the Central Government exclusively for Assam, 165 posts for West Bengal, 194 posts for Meghalaya and 144 posts for Tripura. The Centre bears the expenditure incurred on these forces. In fact this scheme is not being implemented. The Party in power is keen to make its vote bank with them in order to continue its hold on power somehow or other.

Mr. Chairman, Sir, the other day the former Premier of Bangladesh, Smt. Khalida Begum had visited our country and said that the Bangladeshis living in the country are our people and not their. From such statements one can infer that Government of India has been feeble Government and it has not defended its borders and the country as a whole. There is an adage in Gujarat :

"Aa kai Bodi Bamani Joon Khetar Na Thi,  
Ke Koi Pan Gai Aveenein Ghas Chari Jay."

Which means this farm does not belong to widow where anybody's cattle can graze. I urge the Prime Minister of the United Front and his Government to defend our borders. Our main deities of Hindus Lord Ram and the Supreme Lord Shiva had respectively bow and a trident to ward off infiltrators. Rama kept a bow with him in order to fight out injustice. You should also be powerful. Anybody can infiltrate into the country

when the Government is weak. When the Government at the Centre is weak and lacks a direction, then the infiltrators will become more powerful. If our present weakness continues, then one day certainly our national security would be jeopardised.

Mr. Chairman, Sir, the Hon'ble members sitting here love their nation and they are patriotic. Therefore I would like to urge the Government that it should be ready to implement again the scheme of NTF and table a report showing the achievements of the force over the last 30 years, the number of infiltrators nabbed during this period and how records of infiltrators have been maintained by the force. If these things are looked into, then only we can succeed in containing infiltration. It is not sufficient to raise a security force only on the basis of an old scheme. Besides checking infiltration, arrangements should be made for safety of women folk and houses and also of the economy there. Only then we would succeed in ensuring peace and tranquility in the country.

With these words, I thank you very much for having given me this opportunity.

SHRI RAMASHRAYA PRASAD SINGH (Jahanabad): I commend the resolution put forward by Hon. Member Shri Drona. We have been debating this issue time and again through such resolutions. This resolution involves a national issue and thus it is in the national interest. You know that infiltration is really a grave problem which has adversely affected our social, economic and political structure to a great extent. It has also affected our defence and for this reason it is still more serious problem but we do not take it seriously. The entire country knows that some time ago arms were dropped on the border of West Bengal and Bihar by a foreign aircraft in a planned manner. The question is wherefrom and through which agency such sophisticated arms, which have not yet reached our police and army, were dropped there putting a question mark on the vigilance and the security arrangements of our Government. We should also reflect on this point as to how much difficulties we are facing simply because we are not alert.

India is a vast country. The people of this country are seeing the activities of the people to whom they have handed over the power and they understand their intention. Whenever someone highlights this aspect, he is opposed though he should not be opposed. The Hon. Member was referring to Assam. In Assam this question was raised long ago, the movement was intensified and policies of murders was started. The people of that area expressed their resentment over increasing infiltration because with the influx of infiltrators on such a large scale Assam people were unable to find jobs. The Assamese have come on roads. The Assamese felt agitated over this issue and then a Committee was set

up to study the situation and identify the infiltrators. We get awakened only when caused some loss and thereafter we constitute a committee to bring in peace whereas for this purpose work should be done on a war footing. You demolish house which are constructed in violation of the rules framed under a master plan. Likewise a plan should be formulated to identify and to repatriate the infiltrators. Until these infiltrators are not repatriated this danger will continue to plague our country. We are facing this problem across all our borders. How much difficulty we are facing in Kashmir. All these problems are wrecking the economy of our country. There is no dearth of money in our country. We do not take loans from any country but we are not paying due attention towards the security of nation. This blunder can not be forgiven. We are facing the results of the partition of the country. Had there been no partition of the country, there would have been no problem of infiltration. We should consider this point that our economy is being wrecked by infiltrators. This is the result of the petty politicking indulged in such activities in the country. We should not indulge in such policies. The country is supreme. You may die one day but the country will continue to exist. Those who are on the opposition benches were sometimes on treasury benches. Such things continue in a democracy. We should rise above our greeds and render selfless service to the nation. We should not indulge in frivolous policies which are causing immense harm to the nation. With these words I conclude and thank you for giving me an opportunity to speak.

SHRI VIJAY GOEL (Sadar Delhi) : Mr. Chairman, Sir, I have risen to speak on the resolution brought by Shri Jagat Veer Singh Drona which reads that this House express its deep concern over the large scale illegal immigration taking place in the country since 1975 and recommends that all such illegal immigrants should be identified and deported to their respective countries. As Shri Drona has told, there are more than two and half crore infiltrators in our country but no census or identification campaign were ever carried out to ascertain the size of their increasing population. Their population is increasing in our country because we have kept the doors of our country ajar, because selfish and power hungry people are ruling the country and due to this reason only there is nothing amazing if their population has gradually increased upto five crore. At one time they were confined to Assam only but now a day, be it Assam, Bihar, Bangalore, Mangalore, Delhi or Mumbai, everywhere these infiltrators from Bangladesh and Pakistan have settled down. A country which provides food and job to such infiltrators at the cost of it's own people, where the Governments, instead of taking any steps, remains a mute spectator to such

infiltration, there is nothing to wonder if infiltration goes on increasing year after year. Infiltrators find it very easy to sneak in such a country, the motion made by Shri Drona should have rather come from Government's side as this involves a issue concerning the whole nation and not any particular party. In Delhi itself Bhartiya Janata Party launched a number of movements demanding identification and deportation of infiltrators before conducting any election but this demand was detrimental to the interests of such parties as are directly benefited by these infiltrators, as they strengthen their vote banks and their votes facilitate their entry in power. You can realise their difficulty. In Delhi alone, most of the people living in the slums of Alaknanda, Govindpuri, Seelampur, Nizamuddin, Jama Masjid, Kalkaji, Sadar Parliamentary constituency, Azad Market and Lal Bagh are infiltrators, you get each and every voter list checked and you will find that all these people are employed. First of all, it is the duty of the Central Government to identify them and take action against them. Then comes the number of State Governments and thereafter it is duty of every individual citizen to identify them. These infiltrators provide cheap labour, that is why people tolerate their infiltration and do not check it and due to this reason only unemployment is increasing in our country. Even our own people are loosing their jobs. But this Government is still playing a mute spectator to all this. Mr. Chairman, Sir, even prior to my birth, i.e. perhaps in 1951-52 Sardar Vallabhbhai Patel had written a letter to Pt. Nehru about increasing infiltration of Pakistanis. Even at that time Pt. Nehru said that there was nothing to worry about that, for they were not infiltrators but mere job seekers. If our Government takes this issue so lightly, then what one can say about it. During these 50 years after independence it was mainly the responsibility of congress to check infiltration but no congress Government ever checked this trend. The congress which ruled over this country over these years, is responsible for the problems of corruption and unemployment, and also for this problem of infiltration in the country because it has not taken any action till date to solve this problem. I have read in an article :

[English]

"The most unfortunate part is that the Congress, the Janata Dal, the CPI(M) etc. have developed a vested interest in promoting illegal infiltration. They count votes and not the infiltrators."

In Assam there are 40 out of 126 Assembly seats.

[Translation]

Among the infiltrators Muslims are in majority. Just now my friend was telling that such people are there through West Bengal. Just to come in power there one

[Shri Vijay Goel]

political party is taking o action against infiltrators  
...(Interruptions)

[English]

SHRI P.R. DASMUNSI (Howrah) : There is no problem...(Interruptions)

[Translation]

We are opposed to them but not on such grounds as to what is their religion, what is their cast or where from they have come from outside or inside  
...(Interruptions)

SHRI VIJAY GOEL : Well, you don't have any problem in Bengal. Instead you are extending them support. Today some people are using them as their vote banks but how this will affect our coming generation, this should also be considered...(Interruptions)

SHRI P.R. DASMUNSI : We too have come from Bangladesh. After having shed our blood for freedom of this nation we migrated to this country. You deport us as well...(Interruptions)

PROF. RASA SINGH RAWAT (Ajmer) : Mr. Chairman, Sir, here some people are presenting the facts in their distorted form and trying to divert this debate from the main issue...(Interruptions). This motion does not seek deportation of all immigrants from Bangladesh.

SHRI P.R. DASMUNSI : Advaniji has also migrated from Sindh, I have migrated from Bangladesh. Deport Mr. Advani, and me too...(Interruptions)

SHRI VIJAY GOEL : In it there is no question of deporting all immigrants from Bangladesh  
...(Interruptions)

[English]

MR. CHAIRMAN : Please take your seat. You speak when your turn comes.

SHRI PRADEEP BHATTACHARYA (Serumpore) : Mr. Chairman, Sir, it is really very unfortunate that the name of West Bengal is dragged all the time unnecessarily  
...(Interruptions)

MR. CHAIRMAN : I have get your names here. Please take your seats now.

[Translation]

SHRI SAFIQR RAHMAN BARQ (Muradabad) : In your party itself there are some infiltrators...(Interruptions)

SHRI VIJAY GOEL : He is pleading in favour of Bangladeshi infiltrators and then he has strengthened his vote bank.

I used to think as to why the Central Government has not taken any step so far. I did not know that still there are such people in the House who readily support infiltration. If somebody comes from Bangladesh, they don't treat them as intiltrators. Here I am not taking of Hindus or Muslims. If any one illegally infiltrates into

our country and settles down here without obtaining citizenship of this country, at least we people will not remain a mute spectator to it. The present plight of the Congress party is mainly because it favoured such things, it favoured infiltrators...(Interruptions). I am not talking about those who had immigrated to this country before independence. India is well integrated today. Bangladesh itself is developing this theory that on the basis of human considerations anybody can settledown in any country. Well you should have some consideration for humanity but at the same time you should be aware of national interests.

I am constrained to say with regret that even such senior members are supporting them. Bal Thakrey was right in his observation that all such infiltrators settled down in Mumbai would have to leave the country irrespective of their religion or caste. Today we also subscribe to his statement that this country will not tolerate any infiltrator from any country. The same people of Assam Gana Parishad and AASU are today supporting the United Front Government who were some times demanding deportation of infiltrators. Cannot they say this thing to the United Front Government  
...(Interruptions)

[English]

DR. PRABIN CHANDRA SARMA : Mr. Chairman, Sir, he has mentioned the name AGP.

MR. CHAIRMAN : Your name is here. You speak when your turn comes.

[Translation]

SHRI SANTOSH KUMAR GANGWAR : Mr. Chairman, Sir, it is written in the resolution in explicit terms that it concerns those who have settle down in this country after 1975. It seems that hon. Members have not read it properly...(Interruptions)

SHRI VIJAY GOEL : I had gone through this resolution before I stood to speak on it in the House. The members of AGP and AASU, whom we used to appreciate beyond words, have now become partners of United Front and observed silence on this issue  
...(Interruptions) Earlier they used to say, their leader had said...(Interruptions) But thereafter they observed silence.

[English]

DR. ARUN KUMAR SARMA (Lakhimpur) : Mr. Chairman, Sir, I am on a point of order.

MR. CHAIRMAN : What is your point of order?

DR. ARUN KUMAR SARMA : Mr. Chairman, Sir, the hon. Member has made a statement about the people who were sponsoring the Assam agitation like A.A.S.U. and A.G.P.

MR. CHAIRMAN : I rule it out. Please take your seat.

[Translation]

SHRI VIJAY GOEL : Mr. Chairman, Sir, I am making a simple observation that though you are supporting the United Front Government, yet you cannot persuade the U.F. Government to accept your demand. Then why don't you withdraw support from this Government? Only they are responsible for anarchy and communal disturbances in various parts of the country. The recent communal riots in Mumbai were the handiwork of these infiltrators only. I felicitate all those who subscribe to this view that this resolution brought by Shri Drona should have instead been moved by the Government as it is a national issue.

Hon. Chairman, Sir, on behalf of my party I urge the Government to maintain a register of citizens. There should be a national register of citizenship for which sometime ago AGP had also been urging but which has not been started so far. Secondly, the Indo-Bangladesh borders should be sealed. I have gone through previous records and have observed that the Government has given different kind of assurances at different points of time. Some time it said that BSF would be deployed, some time it said CRPF would be deployed and sometime it said barbed fencing would be done there along the border but infiltration could not be checked. Therefore I urge the Government to states to what steps were taken to check infiltration of foreigners in the country. The Central Government should undertake the work of deporting these infiltrators.

Mr. Chairman, Sir, with these words I felicitate Shri Jagat Vir Singh Drona for bringing such a nice resolution and thank you for giving me a chance to speak.

SHRI ILIYAS AZMI (Shahabad) : Mr. Chairman, Sir, it is clearly mentioned in the resolution moved by Shri Drona that those who have immigrated after 1975 ...*(Interruptions)*

DR. PRABIN CHANDRA SARMA : Those who have immigrated after 1971.

SHRI ILIYAS AZMI : No, it has been written in the resolution that those who have infiltrated into India after 1975 should be sent back to their country why they came on such a large scale? Of course we should think over it. While the debate was going on about Bangladesh one hon. member said that there were one and half lakh infiltrators, then after some time another member said that they numbered two and half crore. Thus within a shortwhile the number of infiltrators increased from two and half lakh to two and half crore. Likewise the newspapers are publishing the manipulated data at the instance of the Government. They had a percept in their mind that with the formation of Bangladesh, the economy of Pakistan would collapse and Pakistan would breath its last as Bangladesh was the prime source of its income.

Mr. Chairman, Sir, at that time I and my friend Shri Shyam Lal Yadav had given a press statement that all such derivations were wrong. Formation of Bangladesh would go against the interests of our country. East Bengal would continue to be a poor nation and as such it could provide in roads to Chian or America. At that time we had given a caution and for that these very people and the people of Congress party termed us as anti-national elements. A demand was made for our arrest. They said that we were anti-national elements, pro-Pakistani. But today we feel proud that the caution given by us has come true. Had not Shri Shyam Lal Yadav joined me in making that statement, these people would have condemned me to languish in jail under MISA or some other Act.

SHRI SANTOSH KUMAR GANGWAR : We were also in jail at that time then how could we allow you to languish there.

SHRI ILIYAS AZMI : Please listen wherever there is poverty and starvation side-by-side with the land of prosperity anywhere in the world, illegal infiltration is bound to take place. The Gulf countries are more prosperous than our own country. That is why lakhs of illegal migrants from India are living in those countries. Almost every day newspapers carry out news in this regard. Our people are arrested and repatriated. In the same way the Bagladeshis are migrating to our country for the same reason. These people are responsible for it who helped in formation of Bangladesh just to gain a image of Durga or Ranchandi for themselves and to win the election. They knew that an independent Bangladesh, the erstwhile East Bengal would face starvation and utmost poverty. They knew it very well, but the people who helped in its formation they just wanted to become heroes...*(Interruptions)*

[English]

SHRI P.R. DASMUNSI : Sir, this is an aspersion on a foreign independent country. It is an insult to the liberation struggle and untold sacrifices of the freedom fighters. This is not fair...*(Interruptions)*. This Parliament was unanimous to support the struggle of that country. This is not a correct comment...*(Interruptions)*. This is not fair...*(Interruptions)*

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : Sir, this should not form part of the proceedings...*(Interruptions)*

MR. CHAIRMAN : The Chair will examine the records and, if necessary, expunge such remarks.

*(Interruptions)*

MR. CHAIRMAN : I have already given that order.

*(Interruptions)*

[Translation]

SHRI ILIYAS AZMI : Now I come to the real point. They are infact opposed to those Bangladeshis whose religion is different from their religion. In my constituency itself there are three-four Bengali colonies.

PROF. RASA SINGH RAWAT : Which is your constituency.

SHRI ILIYAS AZMI : Shahabad. These colonies have a population of five thousand people. They are all Bangladeshis and have been rehabilitated there. They are Hindus...(Interruptions). Please listen. They have come after 1975...(Interruptions)

MR. CHAIRMAN : It is not for you to tell them. You tell us.

SHRI ILIYAS AZMI : They too have their own problems. Recently they were allotted 123 acres of land in grid number 13 out of which 20-22 acre of land was forcibly encroached by people. I joined them in their Satyagarh and restored entitlement of that land to them and thereafter I came in the Lok Sabha. They are all Hindus and have come from Noa khali district of Bangladesh. Now the question is on the one hand you are rehabilitating some people by providing 5 acre land to each person on the other hand you are branding some people as Bangladeshi infiltrators, as they follow a different religion. Wherefrom people collect all these data, someone says they number one and half lakh whereas another says they number two and half crore. Whatever figures are being presented here are all based on wrong statistics, just like those statistics which suggested at the time of formation of Bangladesh that Pakistan would die if an independent Bangladesh is formed as Bangladesh is the prime source of Pakistan's income. Who wanted to make Pakistan economically ...(Interruptions) with the formation of Bangladesh ...(Interruptions)

SHRI HARPAL SINGH SATHI (Hardwar) : What you have to do with Pakistan?

SHRI ILIYAS AZMI : I have nothing to do with Pakistan...(Interruptions). Please listen, when they will starve...(Interruptions). They too feel hungry. They are also human beings. As I have told earlier, our own people are living in Gulf countries as illegal migrants. Everyday newspapers publish news about them, every day some of them are arrested. We also help them. They are also human beings. They too feel hungry. They are not concerned about their creed or religion. These people link it to religion which is unfair and I condemn this tendency. I do not want that foreign nationals from Bangladesh or anywhere else may not be allowed to settle in our country which is already over populated. But the people who are mentioning the names of streets of Delhi and giving wrong data, I challenge them to show me even 100 Bangladeshis in

their constituency. Just now when Shri Banatwala raised the issue of DDA area in Okhla, they said all Bengalis have encroached upon that area. I am also living at Okhla for the last ten years but have not seen even a single Bengali there so far. They said so because those who are living in Okhla are Muslims. You give up this communal mentality, only then you can serve this country. But you view everything with your jaundiced eyes which is the biggest problem for this country.

MR. CHAIRMAN : You do not say anything to him. You address me.

SHRI ILIYAS AZMI : With these words I conclude and again appeal to you to give up your prejudiced attitude and prove yourselves beneficial for the country.

15.50 hrs.

## STATEMENT BY MINISTER

### Rationalisation of Postal Tariff

[Translation]

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA) : The Indian postal network is the largest postal network in the world. It had 15300 post offices by December, 1996. It is successfully providing connectivity among the people in the country. There are still more than 8000 gram panchayat villages in the country where opening of post office is justified on distance and population norms. The Department is progressively making efforts to cover these villages in the next two Five Year Plans. The postal service is committed to provide basic facility for postal communication for all in the country and this is underlined by its policy of expanding the postal network with considerable subsidy for the rural areas.

The liberalisation of economy and rapid changes in the communication technology have necessitated modernisation of the postal service to meet the needs of customers. The Department has therefore, given thrust to its programmes of modernisation for providing more services more relevant for customers. With the use of Computer technology and electronic transmission through satellite, postal services are being gradually modernised to provide more efficient and customer friendly services. The vast postal network in the country is also providing ample opportunity for various socially relevant schemes, like those of small savings and Mahila Samridhi Yojana. The postal Life Insurance Scheme has been extended to rural areas which is making rapid progress.

The Government fully realises that the country's postal service must not only meet the growing market

demand but should also cater to the communication needs of the common man at affordable rates. Consequently rigid norms of commercial viability have not been followed and the department is incurring heavy loss in as many as 18 out of 23 services that it provides on a highly subsidised basis. The amount of subsidy provided for 18 loosing postal services range from 2 percent to 93 per cent of the cost of operating these services. On the basis of projection for 1996-97, among the heavy subsidised services are the post card with subsidy amounting to 93 per cent of its cost of operation, printed post card with 60 per cent letter card 67 per cent, registered newspaper about 90 per cent, printed books 64 per cent, book pattern and sample packets 42 per cent periodicals 70 per cent, value payable post 70 percent, registration 40 per cent and Indian Postal Order with 86 per cent. In 1995-96, the department incurred a deficit of Rs. 643.61 crores, the establishment expenses having accounted for approximately 80 per cent of the total expenditure of the department and consequently the amount of deficit is likely to increase further.

Redeployment and rationalisation of manpower along with other conventional measures for economy have been undertaken to contain establishment expenses. However the overwhelming dependence on manual operations and mounting cost of manpower have steadily contributed towards increasing the deficit of the department. Hence there is an imperative need to rationalise the postal tariff on a selective basis to partially offset the growing deficit without undermining the principle of universal service in any manner. My hon'ble colleague, the Finance Minister will announce the specific revision in postal tariff while presenting the Union Budget.

15.54 hrs.

RESOLUTION RE : ILLEGAL IMMIGRANTS —  
*Contd.*

[English]

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : Mr. Chairman, I rise to participate in the discussion on the resolution moved by Shri Jagat Vir Singh Drona on 13th December, 1996.

If we go through this resolution, we will find that principally there should not be any objection for moving such a resolution.

The question that arises here is that it is not only the question of identifying the foreign nationals who have come to this country illegally and deportation but also there are some other intentions behind it and that

point has to be discussed. Here, the question is about the illegal immigrants. This is a global problem. This problem is not only in India but there are many countries where the Indian people have entered illegally who are also expressing the same type of concern as our Members are doing here. At the same time, one point has to be understood in the correct perspective that once Bangladesh, India and Pakistan were all one country. The India was comprised of Bangladesh, India and Pakistan and it was one country. It was one India at that time. But due to political division, that one India has become three countries now. That is why, ethnically and culturally, where the same type of people are there, and here are naturally a trend of movement to each part relations here and there. So, we shall have to discuss this point taking into account all these perspectives. Otherwise, simply taking out one question of illegal immigrants and discussing here cannot help. This question cannot be resolved.

I know what had happened in the past. I am also a refugee settled down in the Andaman and Nicobar Islands. There are many other friends of mine who have settled down in India. They migrated to this country after partition. We were all one country men. We had one citizenship. But due to the partition of the country, we become the foreigners. All of a sudden, a section of the population of this country become foreigners after the partition of the country.

Sir, at that time, there was a commitment made by the Government of India saying the Government would take care of the life and property of those people who were minorities, who would come to this part of the country. What should have been done was, unfortunately, not done. Even today, lakhs and lakhs of people who migrated to this part of the country are roaming round here and there without any kind of facilities provided by the Government. I have seen what is happening in Pilibhit, Nainital and Bijnore. There are people coming to me and telling about the problems. Those people are staying here for the last 20 years, 25 years and 35 years. Yet, those people are being termed as foreigners. This Resolution mentions about the period as "since 1975". I would like to know whether this is practised whenever anything is done is politically motivated whenever it goes on a linguistic basis, somebody, for example, speaking in Bengali is immediately termed as a foreigner. Whether it is Mumbai, whether it is Pilibhi or whether it is Nainital, such a person speaking the language is termed as a foreigner. So, our apprehension is this. Principally, there cannot be any two opinions that those who are foreigners, they are to be detected and taken out of the country. There cannot be any two opinions about that. But while doing so, there are some political motivations. At that time, it is misused. Previously also, it was misused.

[Shri Manoranjan Bhakta]

Time and again, this question was raised in this House saying how the figures are given. The Member who has spoken just now has rightly said that there are lakhs and lakhs of figures given here and, in reality, you will not find those figures. But those figures are floated. The reason is only one. The reason is just to mislead this country to show how grave it is and how the Government is not concerned about it. That is, perhaps, the intention behind it.

Another important point that I would like to mention here is about the citizenship.

MR. CHAIRMAN : Shri Manoranjan Bhakta, you mention it next time. You can continue next time.

*The House stands adjourned to meet at  
5 p.m. today.*

16.00 hrs.

*The Lok Sabha adjourned till Seventeen of  
the Clock.*

17.01 hrs.

[English]

*The Lok Sabha re-assembled at one minute past  
Seventeen of the Clock.*

[MR. SPEAKER in the Chair]

## GENERAL BUDGET

MR. SPEAKER : Mr. Finance Minister.

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

I rise to present the Budget for the year 1997-98.

The Government headed by Prime Minister Shri Deve Gowda completes 9 months today. When I stood before this House on July 22, 1996, this House received my proposals with a mixture of wonder, curiosity and scepticism. I was, after all, the Finance Minister of the first genuine coalition Government at the Centre. I was also the first Finance Minister who belonged to an avowed regional part, albeit with a national outlook.

Hon'ble Members will indulge me for a few minutes while I reflect on those eventful days in May 1996. One national party acknowledged that it had lost its claim to form the Government. Another tried, but failed. It is in that situation that regional parties, and certain parties with a larger national presence, came together to form the United Front Government. These parties — long regarded as children of a lesser God — have demonstrated that, given the opportunity, they can form

a Government not only at the State level but also at the Centre. Inspired by the idea of a truly cooperative federal polity, Chief Ministers have assembled, more often than ever before, at the Inter-State Council, the National Development Council and at Special Conferences to formulate national policies. The formation of the Government by the United Front and our efforts to take decisions by a national consensus, in the fiftieth year of India's independence, have deepened and broadened Indian democracy.

Hon'ble Members will find that there is a strong continuity between my first Budget and the present one. The foundation of the Budget remains the Common Minimum Programme. The experience of the last eight months has demonstrated the enormous strengths of the programme. Drawing on the CMP, my first Budget articulated seven broad objectives. These objectives embraced vital elements such as growth, basic minimum services, employment, macro-economic stability, investment (particularly in infrastructure), human development and a viable balance of payments. I believe these objectives remain as valid today as they were eight months ago.

On the last occasion, I had made over forty specific promises on policies and programmes. I have carefully taken stock of the situation, and Hon'ble members will be pleased to know that I have fulfilled all these promises, save one, to which I shall refer presently. To recall the more important ones, I am happy to state that we have

- \* Provided an additional sum of Rs. 2466 crore to the States for seven Basic Minimum Services;
- \* Funded the Rural Infrastructure Development Fund (RIDF)-II with Rs. 2500 crore;
- \* Expanded the list of industries eligible for automatic approval for foreign equity investment;
- \* Set up the Disinvestment Commission and the Tariff Commission;
- \* Introduced the Jeevan Suraksha and the Jan Arogya insurance schemes; and
- \* Launched the Accelerated Irrigation Benefit Programme.

The one commitment that I have been unable to keep is to set up an Expenditure Management and Reforms Commission. I failed because I wanted an A team and I was not content with a B team. Key members of the A team are in this House and in the Rajya Sabha, and they still elude me. I shall keep trying. Meanwhile, I have not let up on my resolve to keep expenditure within the Budget, and I have achieved a fair measure of success.

## Current Economic Situation

The Economic Survey 1996-97 was laid in Parliament a few days ago. It provides a detailed and balanced account of the state of the economy. There is indeed much to be done, but there is also much to be proud of. The outstanding feature of the economy is that the GDP has been growing during the last three years at an average rate of 7%. I salute the farmers, the workers, the entrepreneurs and the service providers who have made this possible.

The positive features of our economic performance in 1996-97 include :

- \* Continued high economic growth at 6.8%.
- \* A strong recovery of growth in agriculture and allied sectors to 3.7%, after a disappointing minus 0.1% in 1995-96;
- \* Rebound in foodgrains production to 191 million tonnes;
- \* Manufacturing sector growth at 10.6%; and
- \* A sizable build up in our foreign currency reserves from US\$ 19.5 billion as on yesterday, February 27, 1997.

I shall not be true to myself or to the country if I did not highlight the areas of weakness. Two areas of great concern are the sharp drop in domestic crude oil production and the sluggish performance of the power sector. Other matters of concern include a deceleration in the growth of exports, a rise in the rate of inflation and a volatile capital market. Government has addressed these concerns through some far-reaching initiatives in the last three months. I have also fresh proposals in this Budget.

Macroeconomic management involves, inevitably, striking a balance between various objectives and considerations. As Hon'ble Members are aware, in 1995-96, the growth in money supply was reduced sharply to 13.2%. Although this helped to contain inflation, it also led to high real interest rates, a widespread perception of a liquidity crunch and a slackening of investment proposals. Since June 1996, corrective action has been taken which has eased the availability of money and brought down the interest rates. The long-delayed increase in the prices of petroleum products and supply-side problems, arising mainly out of lower production and lower procurement of wheat in the last season, exerted pressure on the price level. Government has taken a number of steps to maintain price stability. Paddy production and procurement in the *Kharif* season have been satisfactory and we have adequate stocks of rice. The *Rabi* crop is also very promising and steps will be taken to maximise procurement. At the same time, I would like to make it clear that, if necessary, Government will not hesitate to

import wheat and other essential articles to counter the pressure on prices. Maintaining price stability is high on the agenda of this Government.

Apart from supply side management, we have to adopt prudent fiscal and monetary policies that will stabilise prices. For the year 1997-98, Government and the RBI will act in concert towards a further reduction in the fiscal deficit, containment of the growth of money supply within 16% and adoption of a liberal import policy for essential commodities. Our goal is to break inflationary expectations and reduce the rate of inflation from the present level.

Our fight against poverty is not a game in populism. It is a battle at the grassroots level. It is a battle in which, I believe, all of us ought to be on the side of the poor. Those who are poor are those who do not have land or water or education or opportunity. Our programmes, therefore, revolve around the concerns of the poor. For example

- \* The flagship programme of the Prime Minister is the Basic Minimum Services plan. As against Rs. 2466 crore in the current year, I propose to provide Rs. 3300 crore for this programme in 1997-98. This will include Rs. 330 crore for slum development.
- \* The provision for the Accelerated Irrigation Benefit Programme is being enhanced from Rs. 900 crore to Rs. 1300 crore in 1997-98.
- \* The Ganga Kalyan Yojana is intended to support farmers to take up schemes for groundwater and surface water utilisation through a mixture of subsidy, maintenance support and credit arrangements. Rs. 200 crore is being provided in 1997-98.
- \* On August 15, 1997, the Prime Minister will inaugurate the Kasturba Gandhi Shiksha Yojana, a programme to establish special schools for girl children in the districts which have a particularly low female literacy rate. I have placed Rs. 250 crore in the Budget for 1997-98.
- \* All current self-employment schemes, addressed to different target groups such as PMRY, IRDP, NRY etc., will be re-orientated to provide skill-based training, entrepreneurship development and subsidy-linked bank credit to 1 million youth to empower them to start viable small businesses.

Our Government believes that poverty alleviation programmes are important instruments in the fight against poverty. While maintaining the large outlays for these programmes, it is necessary to rationalise their number and make them more focussed and effective. The Planning Commission is now engaged in a comprehensive exercise and the revised portfolio of

poverty alleviation programmes will be implemented with effect from April 1, 1997.

Agriculture is the lifeblood of our economy. The CMP calls for a doubling of the flow of credit to agriculture and agro-industries within five years. In 1996-97, the first year of this Government, it is estimated that credit flow to agriculture will increase from about Rs. 22,000 crore to nearly Rs. 28,600 crore—an increase of an unprecedented Rs. 6,600 crore.

Hon'ble Members will be glad to know that the Rural Infrastructure Development Fund (RIDF) has proved to be popular and successful. Under RIDF-I, Rs. 2,000 crore was sanctioned for 4,530 projects. By March 1997, disbursements will amount to about Rs. 1,400 crore. Under RIDF-II 8,387 projects worth over Rs. 2,500 crore have been sanctioned. RIDF-III will be launched in 1997-98 and another Rs. 2500 crore will be provided. I urge the States to continue to make the best use of these funds.

The policy of recapitalising the Regional Rural Banks (RRBs) will continue next year. I am providing Rs. 270 crore for this purpose. I also intend to allow a greater role to sponsor banks in the ownership and management of RRBs.

NABARD is being strengthened. NABARD has been given Rs. 500 crore as advance additional share capital—Rs. 100 crore by Government and Rs. 400 crore by RBI—in the current year. The share capital will be augmented by a similar allocation in 1997-98. I am also glad to announce that, as promised last year, NABARD has promoted and incorporated this month state level agricultural development finance institutions in three States as joint ventures. More will be incorporated next year.

The CMP said that all controls on agricultural products will be reviewed and, wherever found unnecessary, will be abolished. Only some regulations are by the Central Government, and a beginning is being made by abolishing a few. The Rice Milling Industries (Regulation) Act, 1958 and the Ginning and Pressing Factories Act, 1925 will be repealed. Licensing, price control and requisitioning under the Cold Storage Order, 1964 will be removed. The Edible Oils and Edible Oil Seeds Storage Control Order, 1977 and the Cotton Control Order, 1986 will be invoked only in well-defined emergency situations. Domestic futures trading would be resumed in respect of ginned and baled cotton, baled raw jute and jute goods. An international Castor Oil Futures Exchange will be set up. I urge State governments to follow this lead and abolish as many controls as possible.

As Hon'ble Members are aware, Government has recently enhanced the investment ceiling for plant and machinery of small scale industries (SSIs) to Rs. 3 crore and of tiny units to Rs. 25 lakhs. In order to ensure that

credit is available to all segments of the now-enlarged SSI sector, the RBI is issuing instructions that out of the funds normally available to the SSI sector, 40% will be reserved for units with investment in plant and machinery upto Rs. 5 lakhs, 20% for units with investment between Rs. 5 lakhs and Rs. 25 lakhs and the remaining 40% for other SSI units.

Government also announced recently that it will examine carefully the other recommendations of the Abid Hussain Committee on the SSI sector. With a view to reduce wastage in agricultural commodities, improve quality and hygiene and promote exports, the Advisory Committee on reservation and dereservation has recommended that 14 items, now reserved for manufacture in the SSI sector, may be dereserved. 822 items would still remain reserved for production in the SSI sector. Government has accepted these recommendations. The dereserved items include rice milling, dal milling, poultry feed, vinegar, synthetic syrups, biscuits, ice cream, a variety of automobile parts and corrugated paper and boards. It is expected that new investment and improved technology will flow into these business.

A constraint on adding to the housing stock of the country is the Urban Land (Ceiling and Regulation) Act, 1976. It is the intention of the Government to move a Bill for amending the Act in this session of Parliament.

Indira Awas Yojana was launched to build houses for the poor in rural areas. Housing finance companies provide credit, but the bulk of such credit flows into the urban and semi-urban areas. There are some rural housing credit programmes but they lend meagre amounts upto Rs. 10,000. There is virtually no source of credit for the farmer who wishes to build a modest house on his freehold land or to improve or add to his old dwelling. This gap must be filled. In consultation with the National Housing Bank (NHB) and others, I have worked out a plan. Loans, upto Rs. 2 lakhs, will be given for building houses on freehold land in rural areas at normal rates of interest, subject to the borrower putting in one-third of the value of the house. NHB has been requested to prepare a scheme in which other organisations will also participate. The Prime Minister will launch the scheme on August 15, 1997 and it is our goal to sanction 50,000 loans in the first year.

The Central Board of Trustees of the Employees' Provident Fund (EPF) has made specific proposals to make the EPF schemes financially more attractive. Government has also looked at the matter from the point of view of augmenting savings. I am happy to announce the following decisions :

- \* The rate of contribution in all industries and establishments will be increased from 8.33% to 10% for both employers and employees with effect from March 1, 1997.

- \* In the scheduled industries where the rate of contribution is now 10%, the Act will be amended to make the rate 12% for both employers and employees.
- \* The requirement of keeping 20% of incremental PF amounts in the Special Deposit Scheme (SDS) will be withdrawn with effect from April 1, 1997 and the Board of Trustees will be free to invest this portion of the funds in any of the other three kinds of permitted securities.

In 1995, the Central Government enhanced the ceiling on the amount of gratuity payable from Rs. 1 lakh to Rs. 2.5 lakh for Central Government employees. I am now pleased to announce that the benefit will be extended to all employees covered under the Payment of Gratuity Act, 1972, which will be amended for this purpose.

The CMP promised that "the United Front Government will identify public sector companies that have comparative advantages and will support them in their drive to become global giants." To begin with, nine well-performing public sector enterprises, the *Navaratnas*, have been identified. These are IOC, ONGC, HPCL, BPCL, IPCL, VSNL, BHEL, SAIL and NTPC. The Industry Minister will shortly unveil a package of measures that will help them achieve this objective. He will also make a full statement on managerial and commercial autonomy to all PSUs.

In the meanwhile, Government has decided to delegate more monetary powers to the Boards of profit-making enterprises. For these PSUs, the existing limits for capital expenditure that can be incurred without the prior approval of the Government is being doubled straight-away, and where the gross block is over Rs. 500 crore, the limit will be Rs. 100 crore.

The Disinvestment Commission was constituted in August, 1996 and 40 PSUs were referred to the Commission for advice. The Commission has submitted its first report. It has made specific recommendations in respect of three companies. We intend to proceed with the disinvestment in these companies along the lines suggested by the Commission. While the Commission will make further reports every month, a second batch of PSUs has been referred to the Commission. As the Commission has observed "The essence of a long-term disinvestment strategy should be not only to enhance budgetary receipts, but also minimise budgetary support towards unprofitable units while ensuring their long-term viability and sustainable levels of employment in them." Government agrees with this view and I would appeal to Hon'ble Members to take a positive view of disinvestment.

The country's demand for petroleum products is growing at over 8% per annum, which is faster than the

growth of domestic supply. We cannot choke this growth. At the same time, we must reduce our dependence on imported petroleum products. There is no real alternative to increasing the supply. Just 6 of the 26 basins that have potential for oil and gas in India have been explored, and that too only partially. The Minister of State for Petroleum and Natural Gas will be making a detailed statement on the new exploration and licensing policy (NELP) shortly. The highlights of the policy are the following :

- \* Companies, including ONGC and OIL, will be paid the international price of oil for new discoveries made under the NELP;
- \* Royalty payments will be fixed on an ad valorem basis instead of the present system of specific rates;
- \* Royalty payments for exploration in deep waters will be charged at half the rate for offshore areas for the first seven years after commencement of commercial production;
- \* Freedom for marketing crude oil and gas in the domestic market;
- \* Tax holiday for seven years after commencement of commercial production for blocks in the North-East region;
- \* ONGC and OIL will get the same duty concessions on import of capital goods under the NELP as private production sharing contracts;
- \* Cess levied under the Oil Industry Development Act, 1974 will be abolished for the new exploration blocks; and
- \* A separate petroleum tax code will be put in place as in other countries to facilitate new investments.

It is my fervent hope that Indian and foreign companies will respond positively to this package of measures.

In order to ensure that adequate domestic refining capacity is created, I propose to allow refineries to import capital goods during the Ninth Plan period at a concessional duty on par with the fertiliser sector. Domestic capital goods suppliers will also get deemed export status.

The Infrastructure Development Finance Company has been incorporated. Section 80IA of the Income Tax Act grants a five year tax holiday for certain infrastructure projects. Last month, I announced that telecommunication will qualify as infrastructure. I now propose to add Oil Exploration and Industrial Parks to this category.

I am also glad to announce that the vexed question of assignability of telecom licences has been resolved

and that tripartite agreements are proposed to be entered into among the Department of Telecommunications, the licensee and the lenders.

As Commerce Minister, I proposed in the Exim Policy that supply of goods to oil, gas and power projects, if the supplies are made under the procedure of international competitive bidding, should be given the benefits of 'deemed exports'. As Finance Minister, I am glad to accept this wholesome proposal. Details are being notified separately.

The National Highway Authority of India (NHAI) is now geared to implement the new policy on roads and highways. I propose to enhance budget support for NHAI to Rs. 500 crore which is a significant step up from Rs. 200 crore provided in the current year.

Foreign Institutional Investors (FIIs) continue to repose great confidence in India. Net FII investment in India is now over US\$ 7 billion. During the course of this year I have expanded the opportunities for such investments. I propose to take one more step at the instance of Indian companies. The limit of aggregate investment in a company by FIIs, NRIs and NRI-OCBs is now 24%. I propose to allow companies to raise this limit to 30%, subject to the condition that the Board of Directors of the company approves the limit and the general body of the company passes a special resolution in this behalf.

Venture capital funds are important vehicles for stimulating investments in new ventures. Under the present guidelines they can invest upto 5% of their corpus in the equity of any single company. This is unduly restrictive. The limit is being increased to 20%.

Over 20 million Indians have invested their savings in the capital market. The establishment of the first Depository was an important step taken to bring the Indian capital market upto world standards and to protect the interests of the investors. SEBI was asked to suggest more measures. The committee appointed by me to draft a new Companies Bill has also made valuable suggestions. After considering these suggestions, I propose to accept five recommendations :

- \* The principle of buy-back of shares by companies subject to certain conditions will be introduced in the Companies Act;
- \* The provisions of Sections 370 and 372 of the Companies Act will be merged and an overall ceiling of 60% will be kept for intercorporate investment and loans;
- \* The Companies Act will be amended to provide for nomination facilities for holders of securities;
- \* Companies raising funds from the capital market will be required to give an annual

statement disclosing the end-use of such funds; and

- \* One time permission will be given to stockbrokers to corporatise their businesses without attracting tax on capital gains, which will be exempted.

I am of the firm view that markets will prosper when economic growth continues to be strong, the fiscal deficit is reduced, interest rates decline and investors are reassured that their interests are secure.

As we progress towards a more open economy with greater trade and investment linkages with the rest of the world, the regulations governing foreign exchange transactions also need to be modernised. It is generally acknowledged that the Foreign Exchange Regulation Act, 1973 needs to be replaced by a new law consistent with full current account convertibility and our objective of progressively liberalising capital account transactions. Hence, I propose to introduce, later this year, a Bill titled 'The Foreign Exchange Management Act'. An RBI-appointed group is expected to complete the drafting of the Bill shortly.

While FERA is being replaced, we will not let up in our effort to curb the laundering of ill-gotten money. A Bill dealing with money laundering is under preparation and I propose to introduce it during this session of Parliament.

A little while ago I made a reference to capital account convertibility. We are proud of our foreign exchange earners. They have been given the facility of the Export Earners Foreign Currency (EEFC) Account. At present, the total amount in these accounts is a modest Rs. 2000 crore. I propose to expand the scope of the account by allowing the following facilities:

- \* To open offices abroad and to meet the expenses thereof; and
- \* To make investments from the balance in the account in overseas joint ventures upto the limit of US\$ 15 million, without reference to the RBI.

I also believe that the time has come for preparatory work towards capital account convertibility. This is a cherished goal. It is also a matter of great sensitivity. Hence, I shall not make any commitment. For the present, I am asking RBI to appoint a group of experts to lay out the road map towards capital account convertibility, prescribe the economic parameters which have to be achieved at each milestone and work out a detailed time table for achieving the goal. I believe the appointment of such a group will send a powerful signal to the world about our determination to join the ranks of frontline nations.

My last budget was viewed in certain quarters as science and technology-friendly. Flattery has its rewards.

and I intend to strengthen my friendship with the scientific community. I propose to take the following initiatives :

- \* The scheme to match every additional commercial rupee earned by CSIR and ICAR laboratories, as well as the IITs, announced by me last year will continue on a permanent basis.
- \* The Technology Development Board, established to accelerate the commercialisation of indigenous technology, has identified 16 projects that the commercially viable in the fields of agriculture, health, chemicals and pharmaceuticals. In 1996-97, I provided Rs. 30 crore to the Technology Development Fund. I propose to increase the allocation in 1997-98 to Rs. 70 crore.

Tomorrow's technology is based on today's science. I am concerned that there is declining interest in the learning of sciences in schools and colleges. I hold the view that an MBA—even if he is from Harvard—is not a patch on a scientist. On the occasion of the 50th anniversary of our Independence, we will launch the "Swarnajayanti" fellowships. Outstanding scientists below the age of 45 will be assisted to attain and sustain world class levels in science. A sum of Rs. 50 crore in the Department of Education's budget will be used to create a corpus. The Minister of State for Science and Technology will announce the details of the scheme.

Closer linkages have to be developed between Indian industry and publicly-funded research laboratories. Hence, I propose to allow Government-promoted societies recognised by the Department of Scientific and Industrial Research and notified under the Income Tax Act to invest in the equity of private sector companies. These institutions will invest not money but their knowledge and know-how as their equity.

If there is one science that will dominate the 21st century, it is information technology. If there is one industry in which India can emerge as a world leader, it is information technology. However, for this potential to be realised, we need a completely new policy for manufacturing the marketing IT products. The Electronic Hardware Technology Park (EHTP) Scheme, presently in force, gives limited flexibility. There is an imperative need to increase production volumes and attract foreign direct investment. Accordingly, it has been decided that EHTP/EOU/EPZ units in electronic hardware may be permitted to sell one half of the value of their products, during any 12 month period, in the domestic market and export the other half. The sale in the domestic market will be on payment of excise duty equivalent to

full customs duty, including the additional duty of customs. Details of the new unified manufacturing scheme will be incorporated in the new EXIM policy that will be effective from April 1, 1997.

Hon'ble Members will recall that I had set up an expert group to draft a new Companies Bill and another expert committee to prepare a new Direct Taxes Bill. Both groups have done splendid work and have submitted their reports. Copies of the reports will be placed in the Parliament Library next week. They will also be distributed widely. A working draft of each Bill will also be circulated as soon as it is ready. It is my hope that there will be wide and informed debate on the two Bills. It is my intention to bring the new Companies Bill before this House in the monsoon session and the new Direct Taxes Bill in the winter session.

The CMP accords high priority to infrastructure. The India Infrastructure Report has been published and it now remains for us to implement the report. The critical need is funds, and that too long-term funds. That is why the CMP said, "There is a strong link between infrastructure development and financial sector reforms. Infrastructure needs long-term finances." Hon'ble Members are fully aware that long-term funds are in the Pension and the Insurance sectors.

Our foremost companies in the insurance sector are LIC and GIC. After a long interval of time, LIC and GIC have been given the full complement of Board members. We have also decided to grant substantial autonomy to LIC and GIC, including the power to make non-scheduled, non-consortium investments, to determine the terms and conditions of service of their employees and agents, to make regulations and some other powers. LIC and GIC will be further strengthened in due course.

Under the present laws, pension funds are, by an archaic definition, included in the business of life insurance. However, it is self-evident that pension and insurance are two different benefits and two different business. While life insurance is the monopoly of LIC, several pension funds have been rightly exempted and allowed to operate independently. In 1995, at the instance of my distinguished predecessor, UTI floated the UTI Retirement Benefit Plan. It has attracted about 80,000 subscribers. I propose to allow UTI to expand the above plan into a full-fledged pension fund. UTI has made a request to Government in this regard; LIC has no objection; and hence it is appropriate to amend the laws.

LIC has also requested Government to permit it to promote joint ventures in the pension business. There is no reason to deny LIC this right. The proposed amendment will permit LIC to enter into such joint

ventures. After the amendments, UTIs pension fund will compete with LIC's pension schemes.

Similarly, the penetration of health insurance cover in our country is distressingly low. Just about 20 lakh Indians out of 95 crore have some kind of health cover. The Jan Arogya scheme, launched barely six months ago, has already attracted 4 lakh policy holders. Clearly, there is a demand for health insurance products. GIC has frankly admitted that its Mediclaim policy has not been successful and that it would like to promote joint ventures in this line of business. GIC is also confident of facing competition in the health insurance business. Accordingly, I propose to move necessary amendments to enable GIC to float joint ventures and also to allow entry to selected Indian players in the health insurance sector.

What I have outlined is very modest opening of one segment of the insurance sector. LIC will continue to enjoy a monopoly in the life insurance business and GIC will continue to enjoy a monopoly in the non-life, non-health insurance business. I would also like to make it clear that only a few Indian companies, that is Indian-controlled and with majority Indian ownership, will be permitted to enter the health insurance business. Comprehensive regulations will be made and enforced by the Insurance Regulatory Authority (IRA) for all the service providers in the insurance industry. They would also have to meet the prudential, investment and social norms laid down by the IRA.

Hon'ble Members will recall that in my last Budget speech I had promised to present concrete proposals in this Budget to phase out the system of *ad hoc* treasury bills by 1997-98, a decision first announced by my distinguished predecessor I am glad to announce that the Government and the RBI have worked out the specific measures in this regard.

The system of *ad hoc* treasury bills to finance the budget deficit will be discontinued with effect from April 1, 1997. A scheme of ways and means advances (WMA) by the RBI to the Central Government is being introduced to accommodate temporary mismatches in the Government's receipts and payments. This will not be a permanent source of financing the Government's deficit. Besides ways and means advances, RBI's support will be available for the Government's borrowing programme. Details of the scheme are being separately announced by the RBI.

What I am effecting today is a bold and radical change which will strengthen fiscal discipline and provide greater autonomy to the RBI in the conduct of monetary policy. With the discontinuance of *ad hoc*, treasury bills and tap treasury bills, and the introduction of ways and means advances, the concept of Budget deficit, as currently defined, will lose its relevance either as an indicator of short-term requirement of funds by

the Government or the extent of monetisation. Therefore, it is proposed to discontinue the practice of showing the 'Budget deficit'; instead Gross Fiscal Deficit (GFD) would become the key indicator of deficit. The extent of RBI support to the Central Government's borrowing programme will be shown as "Monetised deficit" in the Budget documents.

Several countries have used a variety of indexed bonds to provide investors an effective hedge against inflation and to enhance the credibility of anti-inflationary policies followed by the Government. I believe the time is ripe for India to introduce such an instrument. I, therefore, propose to introduce a capital indexed bond where the repayment of the principal amounts will be indexed to inflation.

I have already placed in the House a discussion paper on the recommendations of the Tenth Finance Commission (TFC) on the formula to be adopted for devolution of resources from the Centre to the States. The views of the States have been received. The Standing Committee of the Inter-State Council has also considered the matter. Based on these consultations, I propose to accept the recommendation of the TFC to form a single, divisible pool of taxes to be shared between the Centre and the States. To begin with, we shall adopt the proportion of 29% recommended by the TFC. This will be an improvement on the present share of the States. However, we are willing to discuss the matter further when we bring the Constitution Amendment Bill to give effect to the decision. We affirm our belief that the polity of India requires a strong Centre and strong States and, if I may add, strong local bodies.

I shall now briefly go over the Revised Estimates for 1996-97.

The Budget Estimates for 1996-97 had placed the total expenditure at Rs. 204,660 crore. This is now expected to come down to Rs. 202,298 crore. This is the net effect of *decrease* of Rs. 2571 crore in the non-Plan expenditure and an *increase* of Rs. 209 crore in the Plan expenditure.

Non-Plan expenditure in the current year is placed at Rs. 147,404 crore. This represents a decrease of Rs. 2571 crore over the Budget estimates basically on account of saving of Rs. 3000 crore in the provision made for the likely impact of the recommendations of the Fifth Pay Commission. On the other hand, we have not got Rs. 4500 crore of anticipated receipts from disinvestment. Despite these constraints, I made an additional provision of Rs. 1700 crore for Defence during the year. On balance, therefore, I believe we have managed our receipts and expenditure within the Budget.

My greatest satisfaction is however on the Plan side. We saved a considerable amount in the Plan expenditure of the Central Government. It was, therefore,

possible for me to provide an additional Rs. 2500 crore to the States as Additional Central Assistance for externally-aided projects. I also provided Rs. 663 crore to Jammu and Kashmir during the year. As a result, total Plan expenditure has *increased* by Rs. 209 crore. If I have robbed Peter, the Central Government, it is only to pay Paul, the States Governments.

In October, 1996, the Prime Minister announced a package of initiatives for the North-East, including adequate funding for on-going projects, which will require over Rs. 6,000 crore. Government will allocate funds for these projects in the Ninth Plan. The Numaligarh Refinery is making good progress. I have provided Rs. 100 crore for the project in the RE for 1996-97 and over the next two years adequate funds will be fund to ensure its completion on schedule.

The overall gross tax revenue which was estimated at Rs. 132,145 crore in the Budget estimates will be marginally higher by Rs. 174 crore, although the net tax revenue of the Centre would be marginally less by about Rs. 100 crore from the Budget estimate of Rs. 97,310 crore.

Taking into account the Revised Estimates of revenues and expenditure, the Revenue Deficit has come down from the Budget estimate of 2.5% of GDP to 2.3% of GDP. There is no change in the Budget estimate of the fiscal deficit which would remain at 5% of GDP. I am profoundly sorry to disappoint my well-meaning critics.

What will we do without our critics? As Saint Tiruvalluvar said :

"Indipparai Illatha Emara Mannan  
Keduppar Ilanum Kedum"

(Behold the King who reposes not on those who can rebuke him/He will perish even when he hath no enemies.)

I now turn to the Budget Estimates for 1997-98.

The total expenditure is estimated at Rs. 232,481 crore of which Rs. 62,852 crore has been provided as budget support for Central, States and UT Plans and the balance Rs. 169,629 crore is for non-Plan expenditure. Hon'ble Members will be pleased to note that the increase in budget support for the Plan will be Rs. 7958 crore over RE 1996-97, which is the largest increase ever.

Budgetary support to the Central Plan is being concentrated on rural development, employment and poverty alleviation programmes and in the human resource development areas. For 1997-98, the outlay for the Ministry of Rural Areas and Employment is being increased to Rs. 9096 crore, an increase of Rs. 1271 crore over the RE for 1996-97. In 1997-98, Jawahar Rozgar Yojana is estimated to generate about 520

million mandays of employment. About 90,000 habitations will be provided safe drinking water under the Accelerated Rural Water Supply Scheme.

The outlay for the Social Services sector is being substantially enhanced from Rs. 11,785 crore in RE 1996-97 to Rs. 15,707 crore in BE 1997-98. Significant increases are under Urban Development (Rs. 775 crore), General Education (Rs. 1189 crore), Technical Education (Rs. 132 crore), Family Welfare (Rs. 282 crore) and Water Supply and Sanitation (Rs. 312 crore).

The Science and Technology sector is being provided Rs. 1870 crore as against Rs. 1584 crore in RE 1996-97.

The Maulana Azad Education Foundation is being given Rs. 40 crore. The National Minorities Development and Finance Corporation is being provided Rs. 41 crore.

Rs. 96 crore is being allocated to the National SC and ST Finance and Development Corporation. For the welfare of the handicapped, I am providing Rs. 90 crore and for the National Handicapped Finance and Development Corporation I am giving Rs. 28 crore. The National Backward classes Finance and Development Corporation is being given Rs. 47 crore.

Total non-Plan expenditure in 1997-98 is estimated to be Rs. 169,629 crore. The interest payments are estimated to be Rs. 68,000 crore.

Fertiliser subsidy on indigenous fertilisers is being enhanced to Rs. 5240 crore in 1997-98 from Rs. 4743 crore in RE 1996-97. In addition, subsidy on imported fertilisers is being increased to Rs. 1950 crore in 1997-98, as against Rs. 1350 crore in RE 1996-97. In addition the subsidy on sale of decontrolled fertilisers is being enhanced to Rs. 2000 crore in 1997-98 from Rs. 1674 crore in RE 1996-97.

An amount of Rs. 7500 crore is being earmarked for foodgrains and sugar subsidies in 1997-98 representing an increase of Rs. 1434 crore over Re 1996-97. When the dual card system under the Targeted PDS takes effect throughout the country, if more funds are required, I shall provide the same. I may not wear my heart on my sleeve, but my heart is in the right place.

I would like to make a special mention of the outlay for Defence. Rs. 35,620 crore is being provided which includes Rs. 3620 crore for implementing the recommendations of the Fifth Pay Commission. In the past, revenue expenditure of the Defence Services had been routinely underprovided. This year, I have requested the Ministry of Defence to fully provide for the revenue expenditure. On the capital account, for the present, I am providing Rs. 8907 crore which is Rs. 402 crore more than RE 1996-97, with a clear promise—and I make that solemn undertaking here—that any additional

requirement of Defence for capital expenditure will be adequately provided for during the course of the year. Mr Speaker, Sir, my head is also in the right place.

A provision of Rs. 4205 crore is being made for implementing the recommendations of the Fifth Pay Commission for employees other than Defence and Railway personnel for whom separate provisions have been made in this Budget and in the Railway Budget. The recommendations of the Pay Commission are being processed expeditiously according to established procedure.

The non-Plan provision for assistance to the public sector units has been on the increase. In 1996-97, we approved revival packages for Bharat Yantra Nigam, Bharat Bhari Udyog Nigam, Hindustan Paper Corporation, Scooters India, HEC and Bharat Refractories. For 1997-98, I am providing Rs. 1107 crore as non-Plan loans, and I expect that we will approve more restructuring proposals during the course of next year.

I now turn to the revenue receipts.

Gross tax revenues at the existing rates of taxation are estimated at Rs. 153,347 crore. After providing Rs. 40,254 crore as the States' share of taxes, the Centre's net tax revenue will be Rs. 113,094 crore. Non-tax revenues have also shown healthy buoyancy. The receipts under the head are expected to be Rs. 39,749 crore in 1997-98. I have taken credit for Rs. 3681 crore as license fee from private operators of cellular and basic telecom services.

The net revenue receipts for the Centre, including non-tax receipts, are expected to increase from Rs. 130,783 crore in RE 1996-97 to Rs. 152,843 crore in 1997-98.

In the area of capital receipts, market borrowings are placed at Rs. 34,425 crore. Net external assistance will be Rs. 2435 crore. I am also taking credit for receipts from disinvestment of equity in public sector enterprises of Rs. 4800 crore. Total receipts at the existing rates of taxation are estimated at Rs. 231,876 crore.

I shall come to the gross fiscal deficit in Part B of my speech.

Let me preface my tax proposals by saying that I have set for myself the goal of augmenting the net tax revenues of the Central Government by a healthy 15-16%; I believe that through the measures proposed by me we will attain this goal.

I shall begin with my direct tax proposals.

The CMP affirms that "the United Front Government will continue with tax reforms and take other steps to augment revenues legitimately due to the Government and to curb tax evasion." I believe that a good tax policy should aim at moderate rates, a wider tax base, simpler

procedural rules and securing greater compliance. Households and the corporate sector are our best savers; we must reward them. From another point of view, however, the tax to GDP ratio for the Central Government, which currently is only around 10.5 per cent, needs to increase to sustain the needs of public investment and social sector expenditure. Moreover, the proportion of direct taxes should increase in the total tax revenues of the Government.

It is inexplicable that in a country of over 900 million people, only 12 million people are assessed to income-tax and, what is worse, only about 12,000 assesseees are in the tax bracket of income above Rs. 10 lakhs. I intend to make a beginning in widening the tax net by an amendment of Section 139 of the Income-tax Act. My proposal is that residents of large metropolitan cities who satisfy any two of the following economic criteria, namely, ownership of a four-wheel vehicle, occupation of immovable property meeting certain prescribed criteria, ownership of a telephone and foreign travel in the previous year, should normally fall within the taxable slabs and should voluntarily file their tax returns. I appeal to them to cooperate in our endeavour. If anyone fails to do so, the Income-tax Department would serve upon him a notice obliging him to file his return so that taxes, if due from him, could be collected. Those who live in apparent comfort must have the satisfaction of finding their names in the records of the Income-tax Department.

With the same objective, I also propose to introduce a new Estimated Income Scheme for retail traders. The scheme will apply to persons engaged in the business of retail trade of any goods or merchandise having a total turnover of less than Rs. 40 lakhs. A trader with a turnover of less than Rs. 8 lakhs will stand exempted, given the present exemption limit. The income of the trader will be estimated at 5 per cent of the total turnover. Assesseees who file a return showing income less than 5% of turnover will be required to maintain books of account and get their accounts audited.

With the aforesaid steps, the existing presumptive scheme under section 115K, popularly known as the Rs. 1400 scheme, which has not yielded the desired results, is being discontinued.

Members may recall that, last July, I had reduced the income-tax rate for the first income slab from 20 per cent to 15 per cent. It was, I believe, a step in the right direction. If we look at comparative income-tax slabs in other developing Asian countries, it will be evident that tax rates in India are still high and constitute an important reason for tax evasion. It is now widely accepted that moderate rates of taxation encourage savings, foster growth and motivate voluntary compliance. I have received wise counsel from many Hon'ble Members. I have, therefore, decided to lower

the rates of personal income-tax across-the-board in a significant manner. The current rates of 15, 30 and 40 per cent are being replaced by the new rates of 10, 20 and 30 per cent. The rate will be 10 per cent in the first slab of Rs. 40,000 to Rs. 60,000, 20 per cent in the slab of Rs. 60,000 to Rs. 150,000 and 30 per cent for all incomes above Rs. 150,000.

#### 18.00 hrs.

The new tax rates are so moderate that there is now little justification for increasing the exemption limit. However, salaried persons deserve some relief. I, therefore, propose to increase the limit of standard deduction to Rs. 20,000, which will, henceforth, apply uniformly to all salaried taxpayers. An employee drawing a salary of Rs. 75,000 per annum and contributing 10 per cent thereof to the provident fund would have to pay no tax at all.

During the last meeting of the National Development Council, a suggestion was made that the Government should think of a scheme to harness 'black money' for productive purposes. I have balanced the economic and the ethical arguments. I have considered various options. And I believe that the time is opportune to introduce a Voluntary Disclosure Scheme. This would be a simple scheme where, irrespective of the year or the nature or the source of the funds, the amount disclosed, either as cash, securities or assets, whether held in India or abroad, would be charged at the revised highest rate of tax. Interest and penalty will be waived. Immunity would be granted from any action under the Income-tax, Wealth tax and the Foreign Exchange Regulation Acts. The date of commencement of the scheme will be notified separately, but the scheme will end on December 31, 1997. Of the total resources which can be secured under the Scheme, a substantial part - 77.5 per cent - will accrue to the State Governments. I hope they will cooperate in our endeavour in attracting people to avail of this new opportunity being offered to those who have shied away from paying legitimate taxes in the past. The share which becomes available to the Central Government will go entirely towards financing the Basic Minimum Services programme an infrastructure needs.

I also propose to give some further relief to our senior citizens. I propose to increase the rate of rebate available to them to 100 per cent, from the existing 40 per cent, subject to a limit of Rs. 10,000. Thus, a senior citizen having an income upto Rs. 1 lakh will not have to pay any tax. Senior citizens with higher incomes will also enjoy this exemption limit but will be taxed above the threshold level of Rs. 1 lakh.

Responding to demands from Chief Ministers, I propose to amend section 80G of the Income-tax Act to provide for 100 per cent deduction in respect of donations made to the Chief Minister's Relief Fund or Lieutenant Governor's Relief Fund.

Turning to corporate taxes, I had in my last budget reduced the rate of surcharge from 15 per cent to 7.5 per cent and had expressed the hope that I would take a similar step in my next budget. I propose to abolish the balance surcharge on companies.

Corporates should be encouraged to undertake new investments. Hence, I propose to reduce the tax rate applicable to both domestic and foreign companies. Here again I have received wise coanselling. The rate for domestic companies will now be 35 per cent and for foreign companies 48 per cent. The reduction in the corporate rates, apart from better compliance, should impart an added momentum to the growth process, create multiplier beneficial effects all around and also attract greater foreign investment.

There has also been a demand from the corporate sector that the tax rate of 30 per cent on royalty and technical services fees payable to foreign companies is too high and acts as a hindrance to the transfer of technology. I, therefore, propose to reduce this rate to 20 per cent.

I have received requests from non-resident Indians that the capital gains tax rate in their case arising on transfer of securities should be at par with the rate applicable in the case of FIIs. I see merit in their demand and, accordingly, propose that the rate be reduced from the existing 20 per cent to 10 per cent.

The Minimum Alternate Tax (MAT) on companies, which was introduced last year, has been the subject of extensive debate. A large number of representations have been received to repeal—or review—the provisions. The economic rationale for MAT has, I am afraid, not been altered and I am unable to accept the request that the provision introduced last year be totally withdrawn. However, there is a case for a review of the manner in which the tax is charged and collected. I, therefore, propose to make the following changes in the provisions of MAT :-

- (i) Export profits will be exempt from MAT and will be eligible for full deduction under section 80HHC.
- (ii) A system of credit will be introduced in respect of the payment of MAT. When a company pays MAT, the tax credit earned by it shall be allowed to be carried forward for a period of 5 assessment years and, in the assessment year when regular tax becomes payable, the difference between the regular tax and tax computed under MAT for that year will be set off against the MAT credit available. Thus, at the proposed new rate of corporate tax, every company including the zero tax companies, would have to pay income-tax of not less than 10.5 per cent on its books profits.

Another area of vigorous debate over many years relates to the issue of tax on dividends. I wish to end this debate. Hence, I propose to abolish tax on dividends in the hands of the shareholder.

Some companies distribute exorbitant dividends. Ideally, they should retain the bulk of their profits and plough them into fresh investments. I intend to reward companies who invest in future growth. Hence, I propose to levy a tax on distributed profits at the moderate rate of 10 per cent on the amount so distributed. This tax shall be an incidence on the company and shall not be passed on to the shareholder.

In order to encourage investments in Government securities, called gilts, I propose to abolish Tax Deducted at Source (TDS) on such securities. I also propose to include gilts for the higher deduction limit of Rs. 15,000 under section 80L of the Income-tax Act as is available in respect of income received from the units of UTI or approved mutual funds.

I have already announced that Telecommunication will qualify as an infrastructure. I, therefore, propose to extend the following benefits to this sector :-

- (i) Tax holiday under section 80 IA;
- (ii) Amortisation of licence fees; and
- (iii) Inclusion of investments made in debentures and equity shares of a public company providing telecommunication services for the purposes of tax rebate under section 88.

In order to encourage the development of tourism infrastructure, I propose to give a deduction of 50 per cent of the profits in respect of new hotels which are located in a hilly area or a rural area or a place of pilgrimage or a specified place of tourist importance. These hotels will also be exempted from the levy of expenditure tax. In respect of hotels located in other places, excluding the four metropolitan cities, the deduction shall be only 30 per cent of the profits.

Taxing financial intermediation goes contrary to the canons of sound public finance. Today, an interest-tax at the rate of 3 per cent is levied on the interest income of lending institutions, including banks and NBFCs. I propose to reduce the levy to 2 per cent and I hope to eliminate this levy progressively. This will help to keep down the cost of borrowing.

As a measure of simplification, I propose to amend Section 37 of the Income-tax Act to provide for the removal of artificial disallowances on account of advertisement, travelling, hotel expenses, entertainment expenses etc. incurred for legitimate business purposes.

I have also decided to eliminate a number of exemptions which continue to remain on the statute book and have since lost their relevance or rationale.

These include exemptions and deductions under section 10 (15A), 10 (26AA), 80GG and 80JJ.

Now, I turn to my indirect tax proposals.

In relation to indirect taxes the CMP has stipulated: "The progress towards the goal of bringing India's tariffs in accord with world levels will be measured and calibrated."

On more than one occasion, I have stated that we would achieve the average level of tariffs prevalent in ASEAN countries by the turn of century. This will give time to Indian industry to adjust to these changes. This year's proposals should be seen in this background.

I propose to reduce the peak rate of customs duty from 50% to 40%.

High levels of customs duties on capital goods are inconsistent with our policy of attracting the best technology. Greenfield investments in large projects should be globally competitive. I have tried to harmonise the needs of Indian industry with the requirements of the capital goods sector. I, therefore, propose a modest reduction in duty on capital goods from 25% to 20%. This reduced rate of 20% will also apply to project imports. Over the next two to three years these rates would need to be further adjusted to conform to levels prevalent in other developing Asian countries.

I also propose to exempt plans, designs and drawings from the levy of customs duty.

The customs duty on several inputs for the steel industry is being reduced. I propose to reduce the duty on coking coal (of ash content below 12%) from 5% to 3% and on coking coal of higher ash content, as well as coke, from 20% to 10%. I also propose to reduce the duty on nickel from 20% to 10%, on ferro alloys from 25% to 20% and on re-rollable steel scrap from 30% to 20%. All these measures should benefit the steel industry to reduce its cost of production.

Iron and steel products at present generally attract customs duty at 30%. I do not propose to make any major changes in the duty structure this year. However, I propose to reduce the duty on Cold Rolled Coils of iron and steel from 30% to 25% to help the engineering industry. I further propose to reduce the duty on ships brought for breaking from 10% to 5% and on pig iron from 20% to 10%.

I propose to reduce the duty on non-coking coal from 20% to 10%. This will help the power sector.

Chemicals constitute vital inputs for several downstream industries including the small scale sector. I propose to reduce the duty on organic and inorganic chemicals from 40% to 30%. I also propose to make the following reductions on certain essential chemicals :

- \* On linear alkylbenzene, from 30% to 20%.

- \* On methanol, from 30% to 20%.
- \* On naphthalene, from 30% 20%.
- \* On phenol, from 30% to 25%.
- \* On catalysts, from 30% to 25%.

I also propose to reduce the customs duty on dyes, pigments, paints and varnishes, glues, enzymes and modified starches from 40% to 30%. These reductions will significantly benefit our textile industry.

Mr. Speaker, Sir, the scheduled dismantling of quantitative restrictions under the Multi Fibre Agreement will expose all textile exporting countries to stiff competition. The Ministry of Textiles have created a "Technology Upgradation Fund" for both the textile and jute industries to enhance the competitive efficiency of these sectors. Our textile industry has, therefore, to upgrade its technologies in the shortest possible time. Last year, I had reduced the customs duty on several kinds of textile machinery to 10%. In order to improve the quality of our garments for exports, this year I propose to add some more processing machines to this category. However, to mitigate any adverse impact on domestic manufacturers, I have decided to allow them to import the components and parts of these machinery at a concessional duty of 10%.

As a relief to the woollen textile industry, I propose to reduce the import duty on apparel grade wool from 25% to 20%, on wool waste from 30% to 20% and on woollen and synthetic rags from 30% to 25%. On flax fibre, I propose to reduce the duty from 30% to 20%.

In order to conserve our forest resources, I propose to fully exempt wood logs, fuel wood, wood chips, etc. from customs duty.

The spread of "Information Technology" has radically altered conventional wisdom on growth strategies. I propose several measures to encourage this industry and to reduce costs. These include :

- \* Full exemption to computer software.
- \* Reduction of duty on computer parts, other than populated printed circuit boards, from 20% to 10%.
- \* Reduction of duty on cartridge tape drive and digital video disc drive from 20% to 10%.
- \* Reduction of duty on populated printed circuit boards from 30% to 20%.
- \* Reduction of duty on integrated circuits from 20% to 10%.
- \* Reduction of duty on colour monitor tubes from 20% to 10%.
- \* Reduction of duty on colour picture tubes from 35% to 30%.

- \* Reduction of duty on parts of cellular telephones and pagers from 30% to 20%.
- \* Reduction of duty on telecom equipment from 40% to 30% and on their parts from 30% to 20%.

Ham operators are presently eligible to import specified equipment upto a value of Rs. 50,000 at a concessional rate of duty. I propose to raise this limit to Rs. 75,000.

I propose to reduce the duty on watch parts and movements from 50% to 25% and on watch cases of base metals from 50% to 30%. I also propose to reduce duty on horological materials from 20% to 10%. This will help our watch industry to further enhance their quality.

We are all concerned about the menace of growing pollution. In order to help reduce the cost of CNG kits, I have decided to reduce the customs duty on such kits and their parts from 10% to a modest 5%. Similarly, I propose to reduce the customs duty sharply on catalytic converters and their parts to 5% from the existing rate of 25%.

To improve the quality of medical care, I propose to reduce the import duty on medical equipment from 30% to 20%; on linear accelerators of 15 MeV and above used for cancer treatment from 10% to 0%; and on ophthalmic blanks for making spectacle lenses from 50% to 20%.

To promote tourism, I propose to reduce the import duty on specified equipment required for hotels from 35% to 25% and on specified speciality food items used by ofreign tourists from 50% to 25%.

I also propose to give some relief to the film and photographic industry by reducing the import duty on cine films and other photographic films from 30% to 25% and on parts of cameras from 50% to 25%.

I propose to reduce the customs duty on baggage from 60% to 50%.

I now come to my proposals on central excise.

Out Central excise structure is far too complex. Till some time ago, we had a multiplicity of rates, innumerable end-use exemptions and other distortions. Considerable simplification has taken place. Last July, I promised that within three years we shall have a four rate tax structure. I find that, in the first instance, it is necessary to reduce the dispersion in excise rates. I believe that we can eventually gravitate towards a mean rate around 18 per cent. With this objective in view, I have introduced three new rates, namely, 8%, 13% and 18%. In the process I have done away with the rates of 20% and 10% (except in the case of some petroleum products). In the interest of revenue, I have perforce to

continue, for the time being, the rate of 15% which will apply to metals and a few other commodities.

However, the excise duty structure is still punctuated with many exemptions. All commodities, with some unavoidable exceptions, should be subject to excise duty at a minimum rate. I propose to undertake this exercise in the next year's budget.

Cotton yarn will continue to bear an excise duty of 5% only.

I propose to withdraw the exemption in a few cases like jams, jellies, sauces and soups where I propose to impose a nominal duty of 8%. Similarly, I propose to levy a duty of 8% on pens and ball point pens exceeding a value of Rs. 100 per piece and on non-power sun glasses. However, writing ink will be free from excise duty.

On a number of items of mass consumption like biscuits, sugar confectionery, laundry soap, tooth paste, tooth powder, kitchen and tableware of glass, and clocks and watches of a value upto Rs. 600 per piece, I propose to reduce the excise duty from 10% to 8%. The rate of 13% would be applied for watches and clocks above Rs. 600 per piece and other items like machinery and parts, tyres and tubes of two-wheeled motor vehicles, fluorescent tubes, and computers and parts thereof. The reduced rate of 13% will also apply to X-ray films, sanitary towels, napkins for babies and similar sanitary articles.

In respect of a large number of products, I propose to reduce the excise duty by percentage ranging from 2% to 7% and apply the mean rate. Accordingly, the mean rate of 18% would be applicable to many commodities including cocoa and cocoa preparations, instant coffee, sherbats, organic and inorganic chemicals, paints and dyes, electric wires and cables, toilet soaps, detergents, articles of leather, synthetic rubber, fibres and blended synthetic yarn, paper and paper board, plywood, travel goods and a host of consumer durables.

Agricultural and horticultural machinery are already fully exempt from excise duty. I propose to extend the exemption from excise duty to milking machines, dairy machinery and their parts.

In order to revive and give a thrust to the ailing jute industry, I propose to fully exempt all jute and jute products from excise duty.

At present, import of equipment and consumables by recognized research institutions is exempt from customs duty. In the interest of the domestic producer, I propose to allow the purchase of indigenous equipment and consumables by such institutions free of excise duty.

I also propose to reduce the duties of excise on certain items in order to bring about a more balanced

excise structure on the whole. The changes proposed are :

- \* Reduction of duty on taxis and cars for the physically handicapped from 30% to 25%.
- \* Reduction of duty on polyester filament yarn from 40% to 30%.
- \* Reduction of duty on cosmetics and toilet preparations from 40% to 30%.
- \* Reduction of duty on glazed tiles from 30% to 25%.
- \* Reduction of duty on airconditioners from 40% to 30%.

Mr. Speaker, Sir, smoking in public is banned in Delhi. The fight against cancer and respiratory diseases continues. My contribution will be to increase the excise duty on non-filter cigarettes, not exceeding 60 mm in length, popularly called mini cigarettes, from Rs. 75 per thousand to Rs. 90 per thousand. I have also increased the excise duty on other categories of cigarettes. The increases range from Rs. 20 to Rs. 70 per thousand. There has been no increase in the excise duty on biris since 1993. I, therefore, propose to increase the excise duty on biris from Rs. 5 per thousand to Rs. 6 per thousand. The impact of this duty change on the retail price — I am told — would only be 2 paise for a bundle of 20 biris. As regards cigarettes, the increase would be 15 times more for every mini cigarette.

SHRI SONTOSH MOHAN DEV : Are you happy, Mr. Speaker?

SHRI P. CHIDAMBARAM : The small scale sector makes an important contribution to our overall production, provides gainful employment and also contributes to our export effort. It is the declared policy of this Government to free the small scale industry from the rigours of cumbersome procedures. In line with this objective, I have radically simplified the scheme of excise duty concessions for the small scale industries. I intend to continue the full exemption from duty on clearances upto Rs. 30 lakhs in a financial year. Thereafter, a small scale unit would be required to pay a flat rate of excise duty on clearances beyond Rs. 30 lakhs and upto Rs. 100 lakhs, if the small scale unit does not avail of any modvat credit on duty paid inputs. The flat rate of duty will be 3% ad-valorem on clearances between Rs. 30 to Rs. 50 lakhs and 5% ad-valorem on clearances between Rs. 50 to Rs. 100 lakhs. The flat rate will apply for all specified goods to which the small scale exemption scheme is applicable. In the revised scheme of exemption, the small scale units will not be required to maintain complicated records for availing modvat. They will also not be required to determine the classification of goods.

In order to curb avoidance from payment of duty, I have decided to exclude a few items like cotton yarn and texturised man-made yarn from the purview of the SSI exemption scheme.

Mr. Speaker, Sir, while it is our policy to moderate the tax rates and simplify procedures, the Government is equally committed to curb evasion of taxes. It is reported that in some sectors, like induction furnace, steel re-rolling mills etc., evasion of excise duty is substantial and the production is not being reported correctly. I propose to tackle this problem by introducing collection of excise duty on the basis of their production capacity. Suitable legislative changes in the excise law for enabling the implementation of the aforesaid change are under consideration. The details of the proposals would be submitted to this House in due course.

The average citizen consumes a basket of commodities. As a result of my proposals — some increases and many reductions — I believe the basket will carry a significantly lower tax burden.

The services sector contributes nearly 40% to the GDP. 'Services' are products as much as 'manufactured goods'. Both must bear taxes. Hence, I propose to extend the service tax to cover a number of well known services like :

- \* Transportation of goods by road;
- \* Consulting engineers;
- \* Custom house, Steamer and Clearing and Forwarding agents;
- \* Air travel agents, tour operators and car rental agencies;
- \* Out-door caterers, pandal contractors and mandap keepers;
- \* Man-power recruitment agencies.

The proposals on service tax are estimated to yield a revenue of Rs. 1200 crore in a full year. However, for the financial year 1997-98, I am taking credit for Rs. 900 crore. I wish to inform the House that in order to improve our national highways, I propose to utilise the bulk of the proceeds realised from service tax on transportation of goods by road to augment the resources of the National Highway Authority.

On the conventional basis, my proposals relating to reduction in customs duties are estimated to result in a loss of Rs. 2625 crore in a financial year and, in the case of excise duties, my proposals are broadly revenue neutral. However, the buoyancy and the growth momentum that would be imparted to the economy would more than compensate for our losses computed through the conventional calculations.

I now have to say something on behalf of my colleague the Minister of Communications who has made a statement earlier today. A revision of tariffs for some postal services has become unavoidable. However, in doing so, we have kept in view the interest of the common man and the role of postal services in meeting wider social obligations. While there is no change for Registered Newspapers, the price for ordinary Post Card is being raised to 25 paise and printed Post Card to Rs. 1.50. The price for Inland Letter is also being raised from 75 paise to Re. 1 and for Envelope from Re. 1 to Rs. 2. Certain other changes are also being effected which is explained in the Memorandum circulated alongwith the budget documents. The changes will take effect from a date to be notified later. The proposed revisions are estimated to yield an additional revenue of Rs. 367 crore in a full year and Rs. 305 crore during 1997-98. This modest increase is necessary for the development of postal services and in partially bridging the deficit on the numerous services being provided by the Postal Department.

Copies of notifications giving effect to the above changes in customs and excise duties will be laid on the Table of the House in due course.

Mr. Speaker, Sir, as I come to the end of my labours, let me look at the final outcome. The revenue deficit in 1997-98 is placed at Rs. 30,266 crore or 2.1% of GDP. The fiscal deficit comes to Rs. 65,454 crore which is 4.5% of GDP. I have not wavered in my commitment to continue on the course of fiscal correction. With the support of this House, and as promised in the CMP, I hope to bring the fiscal deficit under 4% in the next budget.

Our goal must be to achieve rapid and broad-based growth which alone can ensure higher employment, better living standards and a humane and just society. The challenges that we face today are not unique to India. Other countries, including our friends in Asia, have faced similar challenges. Japan showed the way. Other Asian countries are surging ahead. And, finally, there is the example of China, powering its way to becoming the second largest economy in the world. These countries have shown that with courage, wisdom and pragmatism they can find their rightful places in the world.

Deng Xiao Peng, to whom we paid homage a few days ago, once said, "From our experience of these last few years, it is entirely possible for economic development to reach a new stage every few years. Development is the only hard truth." India's economy has also reached a new stage. Our beloved India is far stronger today than what she was six years ago.

I would appeal to this House, and to the Indian people, to heed the call of Gurudev Rabindranath

Tagore :

*Desha desha nandita kari mandrita tabha bheri,  
Aashilo jata birabrinda aashana tabha gheri.*

*Deen aagata oyi, Bharat tabu kayi?*

*Shay ki rahila lupta aaji shaba-jana-paschatay?*

*Luk bishwakarmabhar mili shabar shathay*

(Thy call has sped over all countries of the world  
And men have gathered around thy seat.

The day is come; but where is India?

Does the still remain hidden, lagging behind?

Let her take up her burden and march with all.)

Mr. Speaker, Sir, with these words, I commend the Budget to this august House.

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(Interruptions)

AN HON. MEMBER : Sir, the steel industry is facing serious crisis...(Interruptions)

DR. DEBI PROSAD PAL (Calcutta North-West) : Sir, everybody expected that MAT will be abolished because that is the greatest hindrance to the revival of capital market which is completely in a sluggish situation ... (Interruptions)

MR. SPEAKER : Now, the Minister to introduce the Finance Bill.

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18.26 hrs.

FINANCE BILL, 1997\*

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I beg to move for leave to introduce a Bill to give effect to the financial proposals of the Central Government for the financial year 1997-98.

MR. SPEAKER : The question is :

“That leave be granted to introduce a Bill to give effect to the financial proposals of the Central Government for the financial year 1997-98.”

*The motion was adopted.\*\**

SHRI P. CHIDAMBARAM : I introduce the Bill.

MR. SPEAKER : The Finance Bill, 1997 has been introduced.

*The House now stands adjourned till eleven on Monday.*

18.27 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, March 3, 1997/Phalgun 12, 1918 (Saka).*

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\* Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 28.2.97.

\*\* Introduced with the recommendation of the President.

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