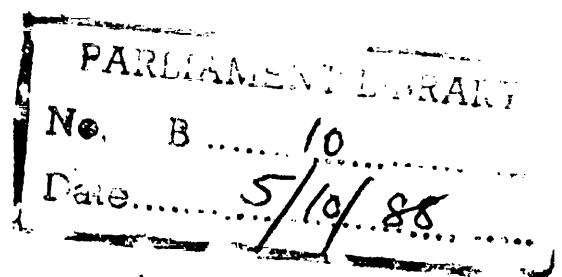


Eighth Series, Vol. XXXVIII, No. 31

Friday, April 8, 1988
Chaitra 19, 1910 (Saka)

LOK SABHA DEBATES (English Version)

**Tenth Session
(Eighth Lok Sabha)**



(Vol. XXXVIII contains Nos. 31 to 40)

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[*Eighth Series, Volume XXXVIII, Tenth Session, 1988/1910 (Saka)*]

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LOK SABHA DEBATES

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LOK SABHA

*Friday, April 8, 1988/Chaitra 19,
1910 (Saka)*

The Lok Sabha met at Eleven of the Clock

[MR. DEPUTY-SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Bilateral Textile Agreement Between India and Norway

*614. SHRI H.A. DORA :

SHRI GOPALA KRISHNA
THOTA :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that a bilateral textile agreement between India and Norway has recently been signed ; and

(b) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). A statement is given below.

Statement

(a) and (b). Government has concluded a Bilateral Textile Agreement with Government of Norway under which 7 garment/textile items have been placed under quota restrictions. In addition to handloom made-ups and fabrics which enjoy quota-free access, handloom garments have been exempted from quota restriction for the first time within a limited ceiling. Base levels and growth rates for items under restrictions have been substantially increased as compared to the previous Agreement.

SHRI H.A. DORA : I am happy to see the statement that has been laid on the Table of the House by the hon. Minister. But my question has not been answered by that particular statement. The first part of the question is very simple : whether there is any bilateral agreement signed between India and Norway. The second part of the question relates to the details of the said agreement which have not been disclosed by your statement. That is the reason why I am happy to know such answers from the Minister which are not at all related to the question. Therefore, I would like to know as to what are the terms and conditions of the agreement that has been concluded between India and Norway ?

SHRI RAM NIWAS MIRDHA : I have given broad features of the agreement in my answer, which mean there is an agreement with the Government of Norway under which 7 garments/textile items have been placed under quota restrictions. This is one detail of it. Another detail is that in addition to handloom made-ups and fabrics which enjoy quota-free access, handloom garments have been exempted from quota restriction for the first time. This is another important detail. Another detail is that base levels and growth rates for items under restrictions have been substantially increased as compared to the previous Agreement. The three main elements in this are that it is much more advantageous than the previous arrangement. The number of restricted articles has been reduced to 7. Handloom garments for the first time have been exempted under this quota restrictions within a limited ceiling ; and base levels and growth rates under restrictions have been substantially increased. These are broad features; these are details.

SHRI H.A. DORA : I am also happy to know that handloom garments have been exempted from quota restrictions for the first time in this country. But this exemption is governed by an adverbial clause within a limited ceiling. Why that ceiling is

imposed in exporting garments, handloom garments from this country? Do the terms and conditions that are there in the agreement bring about any colossal loss to the handloom garments industry in the country?

SHRI RAM NIWAS MIRDHA : The world trade in textiles, including garments, is governed by the GATT agreements and under those agreements we negotiate with each country or group of countries as to how much they will let us export to their country. The obvious reference is that they do not want unrestricted entry into their home markets of articles produced by us. Our effort on the other hand has been that in every revision of these agreements with the respective countries or group of countries like the EEC, we ask for higher and higher quotas of various varieties. Our approach in these negotiations has been that we should give more attention to handlooms, whether of garments or made-ups. And in this respect not only this agreement with Norway but lot of other agreements that we have negotiated during the last one year have been to the advantage of the handloom sector which was our aim when we started the negotiations.

SHRI H.A. DORA : Sir, he has not answered my question at all, as to why that ceiling is imposed and the reasons for imposing the ceiling.

SHRI RAM NIWAS MIRDHA : The ceiling has been imposed by the importing country. They agreed to have the handloom agreement, but they said, to start with they will have a ceiling. They do not want their home market to be swamped by our goods, even of handlooms. So, whatever little progress we have made is substantial and in the next round of negotiations we will ask that ceiling to be increased.

SHRI GOPAL KRISHNA THOTA : I would like to know from the hon. Minister, what are the seven garments, textile garments that have been placed under quota restrictions.

SHRI RAM NIWAS MIRDHA : These items are, jackets and blazers, trousers, T-shirts, etc., pull-overs and sweaters, etc., bed linen and ladies' blouses.

AN HON. MEMBER : We are importing Bofors guns from Sweden.

(*Interruptions*)

Total Authorisation and Utilisation of External Assistance

***615. SHRI SYED SHAHABUDDIN :** Will the Minister of FINANCE be pleased to state :

(a) the cumulative total authorisation and utilisation of external assistance in terms of loans and grants upto 31 March, 1977, 31 March 1980, 31 March, 1985 and 31 March, 1988 ;

(b) the total outstanding amount payable on the above mentioned dates ;

(c) the amount paid as principal and interest on external assistance during the last three financial years, year-wise ; and

(d) the estimated amount payable during the current financial year ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). A statement is given below.

Statement

(a) Information is given in the Annexure below.

(b) The total loans outstanding on Government Account, computed on the exchange rates prevalent on the relevant dates, is indicated below :

As on	(Rs. in Crores)
31-3-77	11089
31-3-80	12178
31-3-85	24004
31-3-88	Data not yet finalized

(c) and (d). The amount of principal and interest payable on these loans, year-wise is given below :

Year	Repayment of Principal	Payment of Interest (Rs. Crores)
1985-86	698	544
1986-87	1029	772
1987-88 (RE)	1275	1037
1988-89 (BE)	1383	1258

Annexure

Amount of Cumulative Authorisation and Utilisation of External Assistance (Loan and Grants)

Upto	Cumulative Authorisation			Cumulative Utilisation			(Rs. in Crores)	
	Loan	Grant	Total	Loan	Grant	Total		
1	2	3	4	5	6	7		
31-3-77	14146	1770	15916	12543	1336	13879		
31-3-80	18872	3113	21985	15310	2174	17484		
31-3-85	33716	4677	38393	24024	3954	27978		
31-3-88				Data not yet finalized.				

Note : 1. Amount of authorisation and utilisation in donor currencies have been converted into rupees at the Pre-devaluation exchange rate upto the end of 3rd Five Year Plan, post-devaluation rates upto 1970-71, at Pre-May 1971 rates for 1971-72 and at Central rates for 1972-73. Figures of authorisation for 1973-74 onwards have been worked out at by applying annual average rates. Utilisation figures for 1973-74 have been arrived at by applying the quarterly average exchange rate. For 1974-75, the average exchange rate for the respective month has been adopted and for subsequent period, the exchange rates applicable to the dates of transactions have been adopted.

2. Figures for utilisation are inclusive of supplier's credit and non-Government Loans upto 1977-78. Subsequent data are in respect of Government Account only.

SHRI SYED SHAHABUDDIN : I am handicapped because the latest figures with regard to the cumulative authorisations or cumulative utilisation on 31st March, 1988, or even of the total outstanding loans on that date have not been supplied. I appreciate that seven or eight days is too short a time to finalise the figures. But I imagine, in financial statistics there is something called "quick estimates". With your permission, I would like to make a quick estimate. I find that as for total loan outstanding between 1980 and 1985 it has doubled. So, I imagine, in the years between 1985 and 1988 it should have gone up by roughly about 60 per cent. That is to say, our liability on outstanding loans as of 31 March, 1988 should be of the order of about Rs. 40,000 crores; and similarly our cumulative utilisation on 31st March 1988, if we have roughly had the same level of utilisation as between 1980 and 1985 should be of the order of another say Rs. 6,000 crores or Rs. 7,000 crores which should take us to about Rs. 35,000 crores.

Now, with these two figures, it is easy to understand why there is a rising concern and disquiet in the country about our mounting debt liability. In fact, various economists have said that we are fast approaching the precipice and are going to fall into the debt trap. That has caused much concern in the country. Therefore, my first question to the hon. Minister would be, what steps is he taking in order to ensure that we do not fall into a debt trap?

SHRI EDUARDO FALEIRO : Sir, we have been taking steps not to fall into debt trap. We have always taken steps not to fall into debt trap. I say this in the context of the fact that we have a very high credit rating in the world. We have never defaulted in payment of our dues and whatever money we get for development purposes has yielded extremely good results. If the hon. Member wants to get an idea of how well we have managed our economy and how cautious we have been in borrowing, I am prepared to give him some figures which will indicate the position.

SHRI SYED SHAHABUDDIN : Confirm the estimates that I have given.

SHRI EDUARDO FALEIRO : You wanted to confirm something. Sir, he gave some quick estimates, which neither he nor

I can confirm for obvious fact that they are quick estimates.

I will just mention for the information of the hon. Member and the House. According to World Bank, the debt outstanding as a percentage of GNP in several countries, which the hon. Member has in mind when he spoke about debt trap. I had spoken on the last occasion when we discussed this issue in this House. Regarding the debt trap, it is of the order of 90 per cent and above as a percentage of GNP and ours is just 14.8 per cent.

So, there is no question at all of putting in the category of other countries which had fallen into debt trap. For the further elucidation of the hon. Member, I would like to say that the total debt servicing (public and publically guaranteed debt) as a percentage of export of goods and services is as follows :

India	18.1 per cent
Argentina	50.4 per cent
Brazil	33.2 per cent
Chile	30.8 per cent
Mexico	36.8 per cent
Indonesia	29.3 per cent
Pakistan	26.8 per cent
Algeria	51.5 per cent
Turkey	31.3 per cent

I can go on giving figures to show how well we have managed our economy. I would like to add that most of the money...
(Interruptions)

SHRI S. JAIPAL REDDY : Compare with the better placed countries.

SHRI EDUARDO FALEIRO : You compare with the better. Then, I will tell you how the position is.

Now, Sir, we have managed our money and our assistance very well. Our external assistance is tied up with projects. As a result of that, we have been able to increase our exports tremendously. I will just give the figures in a minute.

Sir, exports increased as a result of improvement in our infrastructure by 15.3 per cent in rupee terms, which is 10.4 per cent in US dollar terms in 1986-87. In the first nine months of 1987-88, it showed an increase of 24.7 per cent in rupee terms, that is, 22.4 per cent in dollar terms, compared to the corresponding period in 1986-87. This is the progress that we are making. As a result of the money that we have borrowed, we have utilised this for our projects, as I said, and we have increased our ratio of import substitution; we have strengthened several core sectors of our economy, like, fertiliser sector and power sector. I can give further information to show how we have managed well even compared to the period, if the hon. Member would like to know, during which his Government was in power.

SHRI SYED SHAHABUDDIN : Mr. Deputy-Speaker, I did not bargain for a full lecture on the economic management of our country. My question is related only to external assistance account. It does not cover the entire balance of payments account. What I am worried about is, do we borrow by one hand and give away by the other? Are the two amounts roughly balancing each other? Have we reached that point, where the net external assistance available to us is becoming meaninglessly small, because I find here that roughly speaking, from the figures that have been supplied, between 1980 and 1985, it went up from Rupees seventeen thousand and odd crores to Rupees twenty seven thousand and odd crores, that is roughly by another Rupees two thousand crores every year. This is the additional liability that is incurred. Now the payment that we have been making, as given here, on account of principal and interest, is of the order of Rs. 2500 crores. I would like to know the actual position as of now as to the level of our borrowing every year and the level of our repayment every year.

SHRI EDUARDO FALEIRO : The figures have been given. Now, the question of the hon. Member is whether our percentage or level of our external assistance is going up substantially or is decreasing. I would like to give this information to the House...*(Interruptions)*.

SHRI SYED SHAHABUDDIN : In relation to the repayment liability.

SHRI EDUARDO FALEIRO : As I have said, the repayment liabilities we have never defaulted. Our credibility is very high...*(Interruptions)*. You cannot deviate from facts...*(Interruptions)*.

DR. A.K. PATEL : You are avoiding the question.

SHRI EDUARDO FALEIRO : I am not avoiding anything. I am prepared to give you all the information and I will give you some further information because these facts must be known, how our dependence on external assistance is getting less and less...*(Interruptions)* I am giving this to show that our dependence on foreign assistance is getting less and less...*(Interruptions)*.

SHRI BASUDEB ACHARIA : What you borrow and what you pay every year?

SHRI EDUARDO FALEIRO : We do not borrow to pay. We pay whatever we owe out of our own exports and remittances. It is to the level of about 20 per cent...*(Interruptions)*

SHRI BASUDEB ACHARIA : How much you borrow and how much you pay every year?

SHRI EDUARDO FALEIRO : If the hon. Member has taken the elementary care to go through the statement attached to the question, he would have got the figures. If you look at the statement it says that the total loans outstanding on Government Account, computed on the exchange rates prevalent on the relevant dates, is indicated below. Then from 1977 to 80, 85 and 88 the information is given that the hon. Member wanted...*(Interruptions)*.

SHRI SYED SHAHABUDDIN : I am talking of annual loan and annual repayment.

PROF. MADHU DANDAVATE : Why do you not listen to the sharp question that he has asked?

SHRI EDUARDO FALEIRO : As far as 1986-87 is concerned, Rs. 4584 crores is the total amount as debt servicing and the repayment of principal and interest which amounts to 21.77 per cent as percentage of exports and gross invisible remittances. But I would like to make it clear that we

are depending less and less on foreign assistance for our plans. Figures are as follows : ...*(Interruptions)*

SHRI SYED SHAHABUDDIN : Nobody has asked that.

SHRI EDUARDO FALEIRO : He has asked.

MR. DEPUTY-SPEAKER : If he is not interested, you leave it.

SHRI RAM SINGH YADAV : The hon. Minister has just stated in reply to the question that the ratio of exports or percentage of exports has increased during the current year. If the ratio of exports has increased during the current year, then what has been the ratio of imports and what is the effect of it on the foreign exchange reserves ?

SHRI EDUARDO FALEIRO : Sir, the ratio of imports, we have said in this House, is much less than the ratio of exports. If the export is—I am quoting it from my memory—roughly at the rate of about 25, the import is at the rate of 13. So, this is a substantial improvement and, therefore, it contributes to improving our balance of payments position.

SHRI D.N. REDDY : Mr. Deputy-Speaker, Sir, the hon. Minister has given himself a very good certificate that the economy is doing very well. Unfortunately, the figures speak otherwise. May I know from the hon. Minister whether the interest on our borrowings, both external and internal, will next year go to about Rs. 14,000 crores, which is much more than the expenditure on our defence ? If this goes on like this, the country will almost become bankrupt and a day will come when all our earnings will go towards paying the interest only. Is it the way they are leading our country to the twenty-first century ? It does not show the efficiency of the Government, it is the greatest tragedy in the last twenty years. They always give a good certificate to themselves, but the actual figures are otherwise. The actual figures show that they are paying towards interest only more than what they are spending on defence in various years.

SHRI EDUARDO FALEIRO : Sir, I have already replied how much we are

spending on interest, how much we are paying on interest. The question has a specific scope. This relates to external assistance. If the hon. Member gives me a separate notice, I will reply to what the Member has asked...*(Interruptions)*.

MR. DEPUTY-SPEAKER : He is telling that afterwards he will provide the information...

(Interruptions)

MR. DEPUTY-SPEAKER : You give a separate notice and they will answer your question.

SHRI BRAJAMOHAN MOHANTY : Sir, as regards the loans, the payments are made at the prevailing exchange rate, but when the loans were borrowed, the exchange rate was quite different. I would like to know whether any exercise has been made to see whether there has been any loss or gain to India during the last ten years on account of changes in the exchange rate.

SHRI EDUARDO FALEIRO : Sir, the exchange rates are adjusted from time to time. We are tied to a basket of currencies. Some of these currencies go up or they godown. It varies from time to time. No definite statement at any point of time can be made for all that.

SHRI C. MADHAV REDDI : Sir, I notice from the statement that there is a gap between the cumulative authorisation of external assistance and cumulative utilisation. As far as the loan is concerned, it is O.K. If utilisation is less, we will be happy. But as far as the grants are concerned, while there is an authorisation, we utilise less. In the case of 1985, we have not utilised to the extent of Rs. 723 crores. Is it not a loss to us ? Would the hon. Minister kindly explain what is the reason for the low utilisation as against the authorisation ?

SHRI EDUARDO FALEIRO : Sir, the reason is that loans that we take are not for consumption purposes...*(Interruptions)*.

SHRI C. MADHAV REDDI : Loans and grants.

SHRI EDUARDO FALEIRO : Loans and grants also. But I am particularly on loan money that we have to pay. We get it

for building up of projects. Sometimes the projects take time to mature. There is a long procedure to be followed and, therefore, delays do take place. There is, however, no loss to the country because these moneys then go on for the next period.

PROF. MADHU DANDAVATE : Sir, while replying to the earlier supplementary from the hon. Member, the Minister has said that our position of exports has improved and there is a considerable increase in the export. I would like to know from him whether it is not a fact that because our currency has been linked up to a number of European currencies and because there has been a devaluation, therefore, apparently it appears as if our percentage increase in the export in terms of the rupee value is more. Also, is it not a fact that the U.S. dollar has declined but there is no commensurate change in the exchange rate, so, as a result of this also it appears as if our exports to U.S. have also increased? If you take these factors into account and in absolute terms try to calculate the export, is it not a fact that the progress is not as you are trying to interpret?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI) : Sir, I have had the opportunity of responding to this particular point earlier also. In all humility, may I point out—of course, it is a fact, a factor, to reckon with—that whenever such devaluations or adjustments take place in the international currency market, it is reflected on the increased amount of our export in rupee terms. But I may assure the hon. Member that in net volume, also our exports have gone up. It is not just because of rupee adjustment that our export has gone up.

Credit to Mauritius to Import Commercial Vehicles, etc.

*617. **SHRI H.N. NANJE GOWDA :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have allowed Mauritius to import commercial vehicles, machinery and equipment from India on credit;

(b) if so, the details thereof; and

(c) whether any formal agreement has

been signed in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). A statement is given below.

Statement

Government of India have extended credits to Mauritius to finance export of Indian goods and services, mainly capital goods, to that country. Export-Import Bank of India (EXIM Bank) has also extended lines of credit to Mauritius to facilitate export of Indian machinery and equipment including commercial vehicles. Recently, EXIM Bank signed an Agreement with the Government of Mauritius on 8-3-1988, providing for a line of credit for Rs. 5 crores for purchase of eligible capital goods, equipments, etc., from India by Mauritius. A list of eligible items under the line of credit is indicated below. The list, *inter alia*, includes machinery items, motor-vehicles and chassis, including three-wheelers.

Eligible Items under the Credit Line

1. Ships/barges, petrol boats.
2. Chemical and pharmaceutical plant and machinery.
3. Earth moving equipment like crawler tractors, shovels, excavators, loaders, dumpers, etc.
4. Electric motors, pumps and diesel/petrol engines.
5. Machine tools.
6. Material handling equipment like fork lifts, electric lifts, cranes, hoists, etc. add conveyor systems.
7. Motor vehicles and chassis, including three wheelers.
8. Rubber machinery.
9. Road and construction equipment including road rollers, tower boilers, continuous batch plants, stone crushers, asphalt mixers, concrete mixers and vibrators.
10. Agricultural implements and tractors.
11. Sugar machinery.

12. Textile machinery.

13. Plant and machinery required for setting up small and medium industries.

14. Initial spares for the above mentioned items.

SHRI H.N. NANJE GOWDA : Sir, as you are aware, our relationship with the Government of Mauritius is more than Government to Government because relationship is not only political but also cultural and historical and more than 50% of the population in Mauritius are of Indian origin. Now, in the eligible list of items under the credit line, only capital goods are mentioned, that is, all the 14 items are capital goods. I would like to know whether the Government would understand the needs of daily use of items like saris, garments, etc. which the population of Indian origin in Mauritius would like to get from India. Why don't you include these items also? Why don't you examine this point and know the necessity and requirements there, in their society, and include these items also?

SHRI EDUARDO FALEIRO : I agree with the hon. Member that our relations with Mauritius are not just good relations as we have with any other country. There are very good relations coming from historical ties, cultural ties and common perception of many issues. Now, these items are the items which are included by agreement of both the parties. If they want these particular items, then surely our Government will sit together and find some solution to the questions raised by the hon. Member.

SHRI H.N. NANJE GOWDA : Why don't you send a team at least to know what are the needs of daily use of those people?

SHRI EDUARDO FALEIRO : Teams are going and coming all the time, Sir.

SHRI H.N. NANJE GOWDA : Is there any proposal for joint venture scheme with Mauritius?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI) : May I supplement to what my colleague has just now said? Sir, we do have an Indo-Mauritius Joint Commission and I had the privilege of chairing on behalf of India the

Fourth Session of this Joint Commission at Port Louis in Mauritius last year and I have with me a copy of the proceedings of the Joint Commission in which we have catalogued whatever Mauritius wanted. It is for them, for our friends in Mauritius to say what they want and what is to be done by India for them and in the context we are doing whatever is possible and as mentioned by the hon. Member, we have already authorised release of credit of Rs. 5 crores and recently when Mr. Jadhu, Minister of Works, met me, I also assured him that once this five crores amount is utilised, we will be giving another line of credit through the Export-Import Bank. The Export-Import Bank will be giving them another Rs. 5 crores. So, it is up to them to identify the projects and frame the proposal for their development.

SHRI CHANDRA PRATAP NARAIN SINGH : Knowing our relationship with Mauritius, the hon. Minister of State in Finance talked of the cultural association. But I would like to state that Mauritius is dependent on goods from South Africa and the hon. Minister, when he was talking about apartheid, when he was Minister of State in the Ministry of External Affairs, knows that when we should have economic sanctions on South Africa. Thus it would be advisable for Government of India to provide assistance to Mauritius so that they would not be depending on trade and imports from South Africa.

MR. DEPUTY-SPEAKER : Already the hon. Minister has said that he is not putting any restrictions. Mr. Tiwari has explained this point. What do you want? You please tell me.

(*Interruptions*)

SHRI CHANDRA PRATAP NARAIN SINGH : If you are replying, I am satisfied. (*Interruptions*).

MR. DEPUTY-SPEAKER : No, I am not replying to the question. But don't make any such statement. You put the question.

(*Interruptions*)

SHRI CHANDRA PRATAP NARAIN SINGH : I don't question your intelligence.

MR. DEPUTY-SPEAKER : Don't make such kind of statement. You put the question. What do you want ? What is the question you are putting ?

SHRI CHANDRA PRATAP NARAIN SINGH : I am asking the State Minister regarding the external policy of the Government of India on imposing sanctions on South Africa. They are dependent on imports from South Africa. So, if the Indian Government supplies them things like rations—they import rice, wheat, spices, "daals", sarees, etc.—it would help in what we are talking as far as our External Affairs policy goes.

SHRI EDUARDO FALEIRO : Sir, as the Minister has already mentioned, it depends very much on them to decide what they want to buy from us. They are always open to us. Now, in view of the question specifically raised by the hon. Members, I would like to say that on the question of consumer goods, the consumer goods up to Rs. 1.25 crores are permitted under the Government of India credit of 1986 and they can be used for consumer goods. Apart from that, Sir, the Export-Import Bank of India, that is, the EXIM Bank has so far extended four lines of credit totalling Rs. 20 crores and further, in addition to EXIM Bank line of credit, the Government of India has also extended from time to time the Government credit to Mauritius. So far, four Government credits totalling Rs. 25 crores has been extended to them. This is the position.

Counter Trade by Private Sector

*619. CH. RAM PRAKASH : Will the Minister of COMMERCE be pleased to state :

(a) whether certain conditions have been laid down by Government for promoting the private sector trading houses to enter into counter trade deals ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). A statement is given below.

Statement

(a) and (b). Private sector trading houses

are free to enter into counter trade deals in respect of items which they are allowed for import and export under the prevalent Import and Export Policy.

Under para 46 (2) of the new Import and Export Policy for 1988-91, Government may also permit import of canalised items by Trading Houses in order to promote exports, subject to such conditions as may be stipulated by the Ministry of Commerce.

Peerless General Finance and Investment Company Ltd.

*620. KUMARI MAMATA BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether a few instances of defalcation of public money by some Directors of the Peerless General Finance and Investment Company Limited have come to the notice of Government ; and

(b) if so, the details in this regard and whether Government propose to conduct a C.B.I. enquiry into these cases of defalcation ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). A statement is given below.

Statement

Reserve Bank of India has reported that no case of any defalcation of public funds of Peerless General Finance and Investment Company Ltd. (Peerless) by a Director of the company had come to its notice. Income-tax authorities in Calcutta had, however, conducted a search on 15th October, 1987 at the premises of a person, who besides other companies, was a Director of Peerless also. This matter is being investigated by the Income-tax Department and there is no proposal to entrust it to CBI.

KUMARI MAMATA BANERJEE : Sir, it is really very surprising and I do not know why the source of information of Government is so poor. (*Interruptions*). It is a most important question. You don't interrupt me.

MR. DEPUTY-SPEAKER : Please

don't interrupt.

KUMARI MAMATA BANERJEE : Sir, the Minister has stated in his reply that the Reserve Bank of India has reported that no case of any defalcation of public funds of Peerless General Finance and Investment Company Ltd. by a Director of the Company had come to its notice. But I am giving you the information.

Sir, is it a fact that prior to leaving this Company, one of the Directors of the Board of Directors, ** diverted the Company's funds and invested about Rs. 100 crores in the other companies, namely, M/s. Peerless Drive, Peerless Builders, Peerless Financial Services, Peerless Developers etc. and if so, what step the Government has taken to stop misappropriating the public fund involving Rs. 700 crores which is a contravention to the Reserve Bank rules? And will the Minister freeze all the bank accounts of this Peerless Company and start an inquiry against this Board of Directors who are misusing this public money? Please reply to me categorically.

MR. DEPUTY-SPEAKER : The name of the Company Director won't go on record.

SHRI NARAYAN CHOUBEY : Don't put my name there

MR. DEPUTY-SPEAKER : I won't put your name, don't worry. Say, 'one of the Directors' and tell like that. Why are you putting his name there?

(Interruptions)

KUMARI MAMATA BANERJEE : What is the reply, Sir?

SHRI S. JAIPAL REDDY : Specially no allegation is implied.

(Interruptions)

MR. DEPUTY-SPEAKER : No, it is dragging the person in. When a person is not here, you cannot drag in his name.

(Interruptions)

PROF. MADHU DANDAVATE : Sir, when Sankaracharya of Puri was referred to,

his name appeared in the press.

MR. DEPUTY-SPEAKER : No, no. When the person is not here, how can you take his name?

SHRI BASUDEB ACHARIA : His name appeared in the newspaper.

MR. DEPUTY-SPEAKER : Name might have appeared, that is there. But when the person is not here to defend himself, you cannot take his name.

(Interruptions)

SHRI EDUARDO FALEIRO : Sir, I can say this for myself. I cannot comment on this allegation. But I can say this much, what the hon. Member has said and similar allegations will be looked into by the Reserve Bank of India. They have informed us that they will conduct a detailed enquiry and they will conduct this enquiry soon.

KUMARI MAMATA BANERJEE : I am not satisfied with the reply of the Minister because I asked categorically, will you freeze the bank accounts of this Peerless General Finance and Investment Company.

You please give a categorical reply because this is most important for us. You are also a public representative like me.

My second supplementary is, whether the Government is taking any steps to merge Peerless Company with LIC by taking over the management to protect the interests of 5 million depositors, field workers and employees. What steps is the Government taking to vacate the stay order given by the hon. High Court?

SHRI EDUARDO FALEIRO : About the stay order, the position is that the Supreme Court has given a verdict in January, 1987, that the schemes run by Peerless were not under the Chit Fund Banning Act, 1978.

As far as the L.I.C. or the Government taking over this company is concerned, now the hon. Member herself is making such allegations that this company is in such a bad position. Would she advise the Government to take it over? (Interruptions).

PROF. MADHU DANDAVATE : You took over the losing Maruti Udyog. You have nationalised it. (*Interruptions*)

KUMARI MAMATA BANERJEE : Why don't you make the appointment of new Board of Directors? They should be changed. (*Interruptions*)

SHRI EDUARDO FALEIRO : There is no intention on the part of the Government to take over this company, at this point of time. (*Interruption*)

KUMARI MAMATA BANERJEE : Will he not freeze that account? Sir, you please protect me. About 4 000 employees and Rs 700 crores are involved. This kind of Board of Directors is misusing the public fund. Why don't you put a new Board of Directors?

MR. DEPUTY-SPEAKER : That is your statement. Already he has informed you and replied to your question.

SHRI EDUARDO FALEIRO : I have already said it. The hon. Member is an hon. Member of this House and I have highest regard for her as well as for other Members of the House. They have made certain allegations. On the basis of allegations, we cannot freeze the account, just because allegations are made. What I am assuring the House is that the Reserve Bank of India will have a detailed enquiry into all these things, and then we will decide. (*Interruptions*)

SHRI BASUDEB ACHARIA : The allegation is against some Directors of the Company and not against the Company. There are about Rs. 800 crores of public money in this company and this money can be utilised by the Government.

About nationalisation or merger with the Life Insurance Corporation of India, this issue was raised in this House a number of times by various Members from this side and that side. In view of this, in order to utilise such huge amounts of Rs. 800 crores, whether the Government will consider—because the assurance was also given by the Prime Minister himself that the nationalisation or merger with the Life Insurance Corporation will be considered by the Government. The case was pending with the Calcutta High Court and the Calcutta

High Court had pronounced judgement that this Peerless Company does not come under the Chit Fund Banning Act. In view of this, I would like to know whether the Government will consider or think afresh to nationalise this Peerless Company or to merge with LIC.

SHRI EDUARDO FALEIRO : It is true what the hon. Member said that in the past there have been demands for nationalising the Company. A single Judge of Calcutta High Court had held that the activities of the Company came under the provisions of the Price, Fees and Money Circulation Schemes Standing Act, 1978. This Act created a sense of uncertainty specially among the employees and field agents of the Company. There were demands for nationalising and taking over the Company. These demands were mostly from the employees and field agents. However, this position underwent a change when the Supreme Court finally gave the verdict in January, 1987 that the Schemes run by the Peerless were not hit by the Standing Act, 1978. The present position I will reiterate, with all respect to the hon. Member, is that the Government has no intention at this point of time of nationalising the Company.

PROF. N.G. RANGA : Why?

SHRI ATISH CHANDRA SINHA : I would like to point out that in view of the fact that there is a great possibility of the present Board of Directors defalcating money, many of our MPs have been successful in convincing the Company Law Board and the Government to instal four Directors from the Company Law Board on the Board of Directors of this Company who can supervise the affairs of the Company so that the Directors cannot defalcate the money. I understand that the Company has gone to the Calcutta High Court and has obtained stay order against this Company Law Board's Order of putting four Directors there. I would request the hon. Minister to let us know what is the position and how much effort the Government is contemplating to get that order vacated so that the four Directors from the Company Law Board can sit there in the Board of Directors to prevent mismanagement that the Company is going through at the moment.

SHRI EDUARDO FALEIRO : I do not have immediate information at this moment.

I will let the Member know. I will collect the information and let the Member know.

SHRI PIYUS TIRAKY : I would like to know whether it is a fact that the Government has appointed one West Bengal MP to investigate into the defalcation case of the Peerless Company. It so happened that one of the Directors is his son. Is it a fact or not that one MP is appointed to investigate and submit the report to the Government? If so, what is the result?

SHRI EDUARDO FALEIRO : I have no information to this effect and I do not think it is correct because it is not the procedure to ask MPs to submit a report to the Government. I can make a definite statement that no M.P. has been appointed to investigate into the matter.

Regarding what I have said earlier in reply to the supplementary, Government initiated steps to nominate Directors on the Board of Peerless Company with a view to protect the interests of the depositors. The Company Law Board and the Government had appointed four Government Directors on the Board of the Peerless Company under the provisions of Section 408 of the Companies Act, 1956. The Company, however, obtained a stay order from the Calcutta High Court. The Department of Company Affairs is taking action to get the stay vacated.

SHRI THAMPAN THOMAS : The Peerless is only one example. Like Peerless, there is Aditya Financiers in which, in the same way, huge funds are involved. I asked that question and you gave the answer. There is Janapriya. There are many private companies coming under moneylender's licence and they are amassing wealth from the poor people and one fine morning they disappear. This has very seriously affected our economic system in this country. I would like to ask you whether you have conducted any serious study about it and whether you have started confiscating these huge amounts in such cheating cases and applied any quick stringent law provisions and taken any measures in this regard. Will you bring to the notice of this House what steps you have taken in this regard and do you propose to take any serious action in such matters after making a survey and thus save the poor depositors. For example, there is Sachaita Savings which is a private party in Delhi.

Crores of rupees are involved. As far as Aditya Financiers are concerned, crores of rupees are involved. Regarding Janapriya, crores of rupees are involved. What the Government is going to do as far as these things are concerned? Is the Government taking these matters seriously? Peerless is only one example.

SHRI EDUARDO FALEIRO : We will consider this point. I think it is a well-taken point.

Credit from Hungary

*621. **SHRI V. KRISHNA RAO :**

SHRI S.M. GURADDI :

Will the Minister of FINANCE be pleased to state :

(a) whether Hungary has offered a credit of \$ 200 million and is keen to participate in the development programmes of India;

(b) if so, whether credit offers were made by the Hungarian Foreign Minister who recently visited India; and

(c) the projects on which Hungary has agreed to help?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir. Government of Hungary have offered a mixed line of credit of US \$ 200 million comprising US \$ 150 million as Government-to-Government Credit and US \$ 50 million as Suppliers Credit for import of machinery and equipments.

(b) The Hungarian Foreign Minister during his visit to Delhi in February/March 1988, reiterated the above offer of the Hungarian Government for the credit.

(c) The Hungarian Government has shown its keen interest for financing supply of machinery and equipments for Thermal Power Station Projects of Neyveli Lignite Corporation. This will be taken into account at the time of taking an investment decision on the above project.

SHRI V. KRISHNA RAO : Sir, I would like to know whether the Government of India signed the agreement and if so the

details thereof. The Government of Hungary has offered a mixed line of credit of US \$ 200 millions comprising US \$ 150 million as Government-to-Government Credit and US \$ 50 million as Suppliers Credit for import of machinery and equipments. In view of this, whether the Government of India has studied and formulated any policy for using this facility mostly in the backward regions of this country.

SHRI EDUARDO FALEIRO : Towards the end of May 1987, the Hungarian Government forwarded a copy of the draft agreement on a proposed line of credit of US \$ 100 million from Government sector together with an equivalent demand from Hungarian Companies to co-finance the following projects in India : (i) extension of Neyveli Second Thermal Power Station—First Stage and extension of Neyveli First Thermal Power Station : and also Palana Thermal Power Station Project. Now, we are considering this. We have not taken a final decision on this matter. However, one matter that we are discussing with them is the possibility of counter-trade. We are pushing forward this idea as we are doing with most Governments in such matters that we must have counter-trade rather than paying in foreign exchange. On these lines, we are considering. No final decision has been taken yet.

SHRI V. KRISHNA RAO : I hope the hon. Minister is aware that the State of Karnataka is facing acute shortage of power. In view of this, I would like to know from the hon. Minister whether the Government of India is prepared to extend this facility to set up the Second Phase of Raichur Thermal Plant in the State of Karnataka.

SHRI EDUARDO FALEIRO : This matter concerns the Power Ministry.

(*Interruptions*)

MR. DEPUTY-SPEAKER : Next Question.

(*Interruptions*)

SHRI V. KRISHNA RAO : Sir, we are facing acute shortage of power.

MR. DEPUTY-SPEAKER : That is there.

(*Interruptions*)

SHRI G.S. BASAVARAJU : Sir, let the Minister give a categorical answer...(*Interruptions*). He has not taken note of the point. The Government has not done anything so far. (*Interruptions*)

SHRI EDUARDO FALEIRO : I will pass on the information to the Ministry concerned.

MR. DEPUTY-SPEAKER : Next Question. Question No. 624.

SHRI SAIFUDDIN CHOWDHARY : What happened to Question No. 623 ?

MR. DEPUTY-SPEAKER : That is postponed. That is transferred.

Price Stamping on Cloth

*624. **SHRI NARAYAN CHOUBEY :**

DR. B.L. SHAILESH :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government have decided to do away with price stamping on cloth ;

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

(c) how do Government ensure that the consumers get the cloth at reasonable price fixed by the mills ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). A statement is given below.

Statement

The Textile Commissioner's Notification No. CER/(14)87-CLB, dated 16th June, 1987, called the Textiles (Consumer Protection) Regulation 1987 was rescinded by Textile Commissioner's Notification No. CER/(19)88-CLB, dated 7-3-1988.

The Textile Commissioner's Notification No. CER/(18)88-CLB, dated 7th March, 1988, called the Textile (Consumer Protection) Regulation, 1988, has been published in the Gazette of India Extraordinary dated March 8, 1988. This Regulation is to come into force on 15th June, 1988.

The Regulation of 1988 does not stipu-

late price stamping of cloth. It was decided to do away with price stamping because experience in the past has been that marking of maximum retail price did not serve the purpose of consumer protection.

Adequate availability of fabrics through free competition among units of the organised sector and the decentralised sector, is expected to result in consumers getting cloth at reasonable prices.

SHRI NARAYAN CHOUBEY : Sir, the statement says: "The Regulation of 1988 does not stipulate price stamping of cloth". That is agreed. It further says: "It was decided to do away with price stamping because experience in the past has been that marking of maximum retail price did not serve the purpose of consumer protection ; the adequate availability of fabrics etc. etc." When did this wisdom dawn on this Government that stamping has been unhelpful to the consumers ? If so did the Government follow or were the Government following a wrong policy for so many years which was not helping the consumers to have their rights protected ? When did this wisdom dawn on them ?

SHRI RAM NIWAS MIRDHA : This regulation was enforced with a view to giving protection to the consumers. There is no statutory control on cloth in our country. When we stamped these prices, consumer protection movement was not satisfied. They said, "You make it statutory because this is not being followed." Producers of cloth said, "This is unrealistic. It does not help us in any way." So, neither the consumer protection people nor the producers' organisations were satisfied with this. They wanted to have price control which can be enforced. It was merely indicative which was neither here nor there.

Secondly, what we thought was that let the order stipulate not the price, but at least the blends. There was a serious complaint from the consumer movement people that the various types of blends were coming and manufacturers do not say how much of polyester, terylene is there, how much of cotton is there. They said, that should be ensured so that one who buys cloth at least knows what he is buying.

If one stamps wrongly the composition

of the cloth, he could be caught and hauled up under the Control Order. But he cannot be hauled up for stamping the price and not enforcing it because there is no statutory control on price of cloth. Considering all these representations, when no one was satisfied, the consumer movement itself was not satisfied, we removed the stamping of price and came to the stamping of the blends which can be enforced.

SHRI NARAYAN CHOUBEY : The reason given by the hon. Minister is the reason for the cloth magnates only. It is not the reason for safeguarding the interest of the consumers. Now, it means that the manufacturers can take any price and that can differ from place to place, from shop to shop and from area to area. All these things are there.

You have stated about the adequate availability of fabrics, free competition and availability in large quantity. Actually, the price of cloth is rising everyday. You don't find that due to competition prices have come down. Had it been so, perhaps, we would not have protested as much as we are doing today. Can you kindly tell actually in how many cases now you are stamping the fabrics and what you are mixing with what ? But now you are stamping that. You have claimed that you can catch them. May I ask you how many cases have come to your notice about false stamping ? How many cases have been taken up by your Department to bring the people to book in this matter. And what is the rate of price increase in last three years in the case of cloth ?

SHRI RAM NIWAS MIRDHA : I had occasion to mention this problem of prices of textiles when the Demands for Grants of the Textiles Ministry were discussed. I had said that after the promulgation of the Textile Policy in 1985, since then to date, the general position of price index has risen more than 17 per cent. Whereas, the increase in the price of cloth since the Textile Policy of 1985 is only six per cent. There is no other consumer commodity that I know of where rise in price is so little. So, we can very well say that the Textile Policy of 1985 has served the interest of the consumers and price rise has been minimal. Prices are not increasing as stated by the hon. Member.

As regards prosecution under the new regulation, it has just been enforced. We are not in a position to say how many prosecutions have taken place. This is the one which we can enforce. I will again request the Member that there has never been—in spite of this stamping order—statutory price control, which means, you can stamp anything and sell it at any price which did not serve any purpose. Therefore, we left that situation and came to the blends where it can be enforced.

[*Translation*]

SHRI MADAN PANDEY : Mr. Deputy-Speaker, Sir, it appears from the reply of the hon. Minister that pressure was put by the consumers not to stamp prices on the cloth. It has been my experience as a consumer that when the prices of cloth go up and the sellers raise the prices, they earn profit, because the selling price comes to be more than the prices stamped on the cloth. From my experience as a consumer what I understand is that the hon. Minister has been wrongly informed that consumers' interest cannot be protected if prices are stamped on the cloth. As regards saving expenditure on stamping prices, I would like to make a submission that stamping is already being made regarding the blend of the cloth. Hence if prices are stamped on the cloth, I think there will be no extra manpower involved in it. In view of this, it is the express opinion of the House that prices should be stamped on the cloth. I am sure that the hon. Minister will agree to this.

SHRI VIRDHI CHANDER JAIN :
Yes, it is the unanimous opinion.

SHRI RAM NIWAS MIRDHA : Sir, the stamping on cloth is made by the textile manufacturers. The question of more expenditure does not arise at all. Even now, they have to do stamping for the blend. Hence it is not the question as to how many persons will be engaged in the work. I have said about the consumers and consumer organisations. They do not get any relief by only stamping prices on the cloth. Some organisation wanted prices to be controlled by an Act. The Act should be enforced to ensure that the cloth is sold at the prices stamped on it and legal action is taken against the defaulters. But it is not the

policy of the Government to enforce statutory control on the prices of cloth, because the past experience is quite different in this regard. Under the present circumstance, it does not seem appropriate to lift the control. So far as consumers are concerned, they said that they do not get complete relief by mere stamping. They wanted us to enact a law complete in itself. I, therefore, said that they were also not satisfied to a certain extent. Mere stamping the retail price and the maximum wholesale price and not enforcing it in practice, gives rise to a lot of discontentment. Therefore, I told that thing which we can enforce. I, therefore, said that if the blend is different from the actual stamping, legal action can be taken.

[*English*]

DR. DATTA SAMANT : In the recent budget, concession of Rs. 30 and Rs. 10 were given to polyester fibre and filament yarn. If these concessions are to be passed on to the consumer then the rates of polyester cloth must go down by Rs. 2 per yard and that of saree by Rs. 10 to 12. The hon. Minister is not bothered about the workers but if these concessions are to pass on to the consumer then the rates must go down. As per my knowledge, the rates have not gone down. Government is insisting on monitoring. But are you successful in monitoring? That process is not going to work. Therefore, you withdraw whatever concessions you have given to the big houses like Reliance and pass on the same to the consumers.

[*Translation*]

SHRI RAM NIWAS MIRDHA : Sir, this is not the question. He has expressed his views. In spite of that, I can say that the concession will be made available to the consumers as has been made clear by the hon. Minister of Finance in his speech. Arrangements for monitoring are being made. All the meetings so far held were held for this purpose. I hope that the concessions announced will reach the consumers, because these concession were given with this intention.

SHRI VIR SEN : Mr. Deputy-Speaker, Sir, I would like to point out that by stamping the prices, the consumers get some idea as to what should be the price of the cloth.

If stamping is withdrawn, the consumer cannot know the actual price of the cloth and the shopkeeper can demand any price. Could I know from the hon. Minister as to on whose suggestion this proposal was accepted and the basis on which it was accepted, which goes totally against the interests of the consumers ?

SHRI RAM NIWAS MIRDHA : Sir, if we cannot enforce the prices statutorily and make the cloth available to the consumers at the stamped price, then it will give rise to more discontentment among the consumers. (Interruptions)

WRITTEN ANSWERS TO QUESTIONS

[English]

Reserve Bank Instructions Re : Advances to Joint Ventures

*616. **SHRI GANGA RAM :** Will the Minister of FINANCE be pleased to state :

(a) the instructions of the Reserve Bank of India to Indian banks with regard to securing their advances to joint ventures established by Indian promoters in foreign countries ;

(b) whether the Reserve Bank of India had given any specific instructions to the Indian banks, which financed such joint ventures in Indonesia ;

(c) if so, the details thereof ;

(d) whether the banks had adhered to the instructions referred to in parts (a) and (b) above ; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (e). For

securing their advances to the joint ventures established in foreign countries by Indian promoters, banks are required to follow the normal established banking practices and obtain the usual securities depending upon the nature of advance, and keeping in view the local laws and regulations laid down by the concerned monetary authorities. No separate instructions as such, have been issued in this regard by the Reserve Bank of India for joint ventures in Indonesia. Indian banks have generally adhered to the usual banking practices. Reserve Bank of India has, however, in January, 1988 advised Indian banks having overseas branches that in financing Indian joint ventures abroad, they should limit their exposure to a sum not exceeding 50% of the outlay entailed and that the balance should be financed either by other foreign banks or locally owned banks.

[Translation]

Shortage of Boring Rig Machines in States

*618. **SHRI K.N. PRADHAN :** Will the Minister of WATER RESOURCES be pleased to state :

(a) whether some State Governments have complained to Union Government about the shortage of boring rig machines ;

(b) if so, the details thereof ;

(c) whether it is a fact that Union Government have provided rig machines to States during 1987-88 ; and

(d) if so, the State-wise details thereof alongwith the types and numbers separately ?

THE MINISTER OF WATER RESOURCES (SHRI DINESH SINGH) : (a) and (b). Statement-I given details of the requests made by State Governments for the supply of rigs during 1987-88 is given below.

(c) and (d). Statement-II giving State-wise details of the type and numbers of rigs for which Central assistance has been provided in 1987-88 is given below.

Statement-I

Requests received from States during 1987-88 for the supply of drilling rigs

Sl. No.	State	No. of rigs requested		Total
		For drought relief work	For Strengthening of State Ground Water Organisations	
1	2	3	4	5
1.	Andhra Pradesh	4	11	15
2.	Assam	—	3	3
3.	Bihar	13	—	13
4.	Gujarat	6	—	6
5.	Haryana	3	1	4
6.	Jammu and Kashmir	4	4	8
7.	Karnataka	12	—	12
8.	Kerala	9	1	10
9.	Madhya Pradesh	36	—	36
10.	Maharashtra	5	1	6
11.	Mizoram	—	1	1
12.	Orissa	14	2	16
13.	Punjab	4	1	5
14.	Rajasthan	6	—	6
15.	Tamil Nadu	11	4	15
16.	Uttar Pradesh	42	15	57
17.	West Bengal	7	—	7
Total		176	44	220

Statement-II

Statewise Details of various types of drilling rigs assistance for the purchase of which was given by Government of India to States during 1987-88

(As on 30-3-88)

Sl. No.	State	Types of Rigs							Total
		Direct Rotary	Reverse Rotary	Down the Hole	Per- cus- sion	Combi- nation	In well	drilling	
1	2	3	4	5	6	7	8	9	
1.	Andhra Pradesh	1	—	4	—	—	10	15	
2.	Assam	—	3	—	—	—	—	3	
3.	Gujarat	—	—	3	—	1	—	4	
4.	Haryana	3	—	—	—	—	—	3	
5.	Jammu and Kashmir	2	—	2	1	—	—	5	
6.	Karnataka	—	—	3	—	—	—	3	
7.	Kerala	1	—	2	—	—	—	3	
8.	Madhya Pradesh	—	—	3	—	1	—	4	
9.	Maharashtra	—	—	3	—	1	—	4	
10.	Mizoram	—	—	1	—	—	—	1	
11.	Orissa	4	—	8	—	—	—	12	
12.	Punjab	2	1	—	—	—	—	3	
13.	Rajasthan	5	—	7	—	2	—	14	
14.	Tamil Nadu	4	—	2	—	1	—	7	
15.	Uttar Pradesh	2	—	1	—	—	14	17	
Total		24	4	39	1	6	24	98	

[English]

Export of Scarce Items

*622. SHRI RANJIT SINGH GAEK-WAD : Will the Minister of COMMERCE be pleased to state :

(a) whether scarce items like cement,

sugar, edible oil, etc. are still being allowed to be exported ;

(b) the details of export of the above commodities in quantity and value during 1986 and 1987 ; and

(c) the impact of such exports on

domestic prices?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI) : (a) and (b). Export of cement in the past had been allowed on merits or subject to a ceiling or other conditions to be specified from time to time. From November 1977 onward export of cement was stopped in view of huge gap between the demand and indigenous availability of cement excepting to neighbouring countries. Details of exports of cement are as follows :

Year	Qty. (in tonnes)	Value
1986	47820	Not available
1987	Nil	Nil

Export of sugar has been suspended from June 1984 onwards and only a limited quantity of sugar is exported in fulfilment of the preferential EEC/US quotas and some exports to Nepal and Maldives as per Government to Government understanding. Details of the exports of sugar are as follows :

Year	Qty. (in tonnes)	Value (Rs. crores)
1986	38,000	20.85
1987	24,000	14.68

Some supplies of imported edible oils have been arranged for the Government of Nepal ex-stock, the details of which are as follows :

Year	Qty. (in tonnes)	Value (in crores)
1985-86	3162	2.28
1986-87	2921	1.65

(c) Exports of these items constitute

only a negligible part of India's total production and have no appreciable impact on domestic prices.

Setting up of Tribunals under Customs Revenue Act

***625. SHRI SOMNATH RATH :** Will the Minister of FINANCE be pleased to state :

(a) whether the Appellate Tribunals under the Customs and Excise Revenues Appellate Tribunal Act, 1986 have been set up ;

(b) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). The Customs and Excise Revenues Appellate Tribunal will be set up after the Customs and Excise Revenues Appellate Tribunal Act, 1986, is brought into force and the necessary formalities, including issue of a notification, notifying the date from which it will come into force, appointment of members, etc. are completed.

Central Assistance to Curb Drug Offences in Goa

***626. SHRI SHANTARAM NAIK :** Will the Minister of FINANCE be pleased to state :

(a) whether Government of Goa has sought the assistance of Union Government to curb the increasing menace of drug offences in the State ; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). No specific proposal seeking any such assistance from the Union Government has been received.

Change in Textile Policy to benefit Handloom Weavers

***627. SHRI V. SREENIVASA PRASAD :**

SHRI BANWARI LAL PUROHIT :

Will the Minister of TEXTILES be pleased to state :

(a) whether the All India Handloom Weavers' Congress had demanded a change in the Government's textile policy seeking priority for the labour intensive sectors over capital intensive mechanised mills ;

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

(c) whether Government propose to provide a suitable change in the textile policy so as to benefit the handloom weavers and if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) and (c). Any Textile Policy of Government has to necessarily aim at harmonious development of different sectors of the textile industry. The Textile Policy, 1985, assigns a dominant role to the handloom sector and enunciates a number of steps designed to preserve the unique role of handlooms and also to enable this sector to realise its full potential and ensure higher earnings for the handloom weavers.

Proposal to Bring Yarn under Essential Commodities Act

*628. SHRI MULLAPPALLY RAMA-CHANDRAN : Will the Minister of TEXTILES be pleased to state :

(a) whether Union Government have received proposals from the State Governments of Tamil Nadu and Kerala requesting ban on export of yarn and for increased import of cotton and staple fibre to help the handloom industry ;

(b) if so, the decision taken by Union Government in this regard ;

(c) the other measures suggested by the said State Governments for the benefit of the handloom industry ; and

(c) whether Union Government propose to bring yarn under the Essential Commodities Act ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The State Government of Tamil Nadu has requested for ban on export of cotton yarn and for import of cotton and staple fibres. No such proposal has been received from the State Government of Kerala.

(b) In order to safeguard the interests of the handloom sector, Government have taken certain corrective measures to check the recent hike in prices of yarn. They are as under :

(i) The export of staple cotton has been suspended.

(ii) Export of hank yarn upto 60s count has been stopped.

(iii) Import of cotton against export of cotton yarn/cotton fabrics/made-ups on advance licence basis has been permitted.

(c) The other measures suggested by the State Government of Tamil Nadu are as under :

(i) Yarn and cotton should be declared as essential commodities to prevent their hoarding ;

(ii) a 10% compulsory levy on spinning mills should be ordered at prices that prevailed in June, 1987 ;

(iii) Increase of subsidy on production of Janata cloth ;

(iv) Polyester and cotton blended yarn and polyester filament yarn consumed by handloom weavers should be exempted from excise duty ;

(v) steps to be taken to control the credit facilities for yarn and cotton to prevent hoarding.

(d) Cotton yarn has already been declared as an essential commodity under the Essential Commodities Act, 1955 (10 of 1955).

[Translation]

Mica Scrap Export to Belgium

*629. DR. CHANDRA SHEKHAR VERMA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have seen press reports about certain alleged irregularities in Mica export to Belgium ;

(b) if so, the facts in this regard and the action taken, if any ; and

(c) whether the buy back policy of the Mica Trading Corporation of India Ltd. (MITCO) is being reviewed ?

THE MINISTER OF FINANCE AND MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI) : (a) Yes, Sir.

(b) and (c). M/s. COGEBI, Belgium had placed an order on Mica Trading Corporation (MITCO) for supply of 1000 tonnes of mica scrap in December 1987. M/s. Export Linkers were named as supply source for 800 tonnes of the total order, the balance 200 tonnes to be supplied by MITCO. MITCO negotiated the purchase from M/s Export Linkers who also agreed to counter purchase of mica powder from MITCO. M/s Export Linkers were able to supply 458 tonnes of mica as per specifications. MITCO's own production facilities were not ready in February 1988. Additional supplies were arranged, with the concurrence of the buyer, from other sources for 312 tonnes. A total of 770 tonnes has accordingly been shipped so far. MITCO's purchase, buy-back and other policies are constantly reviewed by the Government.

Sone River Commission

***630. SHRIMATI MADHUREE SINGH :** Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Sone River Commission constituted to assess the available quantity of surface water in the Sone river and to suggest measures for its appropriate utilisation has submitted its report ;

(b) if so, the details thereof ;

(c) whether his Ministry propose to appoint an impartial technical council and necessary regional technical units for its assistance in making arrangements for proper utilisation of water by the concerned States ; and

(d) the time by which this arrangement will be made ?

THE MINISTER OF WATER RESOURCES (SHRI DINESH SINGH) : (a) and (b). The Sone River Commission was constituted, *inter-alia*, to prepare a comprehensive basin and regional plan for optimum use of Sone

waters, including assessment of surface water availability, and the Commission has not yet submitted its report.

(c) There is no such proposal at present.

(d) Does not arise.

[English]

Credit Card Scheme of Dena Bank for Farming Community

***631. SHRI S.B. SIDNAL :** Will the Minister of FINANCE be pleased to state :

(a) whether the Dena Bank proposes to launch a new credit card scheme for the farming community ;

(b) if so, what are the main features of the proposed scheme ;

(c) the extent to which it will be helpful to the farmers ;

(d) whether in view of the successful implementation of the scheme, Government have asked all the nationalised banks to introduce such scheme ; and

(e) if so, the number of banks which have agreed to help the farmers ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Dena Bank has recently launched a scheme for issue of Dena Krishi Sakh Patra (DKSP) to farmers. The scheme provides for the issue of a credit card valid for three agricultural years to a farmer-borrower allowing him to make drawals as per the approved seasonal limits within his overall annual borrowal limits. Among other things the scheme provides the following facilities :

(i) DKSP will enable a cardholder to secure production credit instantly.

(ii) DKSP will dispense with procedural formalities such as making applications, furnishing land record certificates and documentation for every agricultural season.

(iii) DKSP will also dispense with the necessity to carry cash since the

farmer-borrower would be able to draw credit from identified bank branches within the district apart from the branch where he maintains the accounts.

(d) and (e). The scheme has been launched by Dena Bank on 18-3-1988 and subject to its working results, which would be available only after sometime, other public sector banks may also consider adopting it.

Loopholes in FERA

*632. SHRI BHATTAM SRIRAMA-MURTY : Will the Minister of FINANCE be pleased to state :

(a) whether Government intend to plug certain loopholes in FERA to effectively check the siphoning away of huge amounts to foreign countries ;

(b) whether any report on this behalf or recommendation has been received from the RBI or any of its offices ;

(c) in view of the absence of adequate or any Indian Revenue Intelligence net work abroad—how does the Government intend to secure external information apart from the foreign contacts ;

(d) whether Government have during the last one year taken any concrete measures on FERA violators or economic offenders ; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). A Working Group was constituted by the Government under the Chairmanship of Dr. A. Ghosh, Deputy Governor, RBI, to go into the various aspects of the implementation of the Foreign Exchange Regulation Act (FERA), 1973. In the light of experience gained in the administration of the Act and also taking into account the recommendations of the Working Group, Government is considering some suggestions to amend some provisions of the Act.

(c) Indian Missions abroad can be requested to offer necessary assistance.

(d) and (e). The performance of the

Directorate of Enforcement in respect of key items of work during 1987 (January to December) is given below :

Items of work	
No. of searches	2959
Seizure of I.C. (Rs. in lakhs)	410.11
Seizure of F.C. (Rs. in lakhs)	138.42
No. of persons arrested	213
No. of persons detained under COFEPOSA	65
No. of SCNs issued	7751
No. of cases adjudicated	5316
Amount of penalty imposed (Rs. in lakhs)	275.54
No. of prosecutions launched	147
Conviction	192

The main thrust area of detection and follow up investigation during this year was compensatory payments (Hawala transactions) and several big cases involving compensatory payment rackets were detected. Besides this other cases of FERA violations were also detected ; total amount involved in all such cases is approximately Rs. 126 crores. Some of these cases were also processed for detention under COFEPOSA ; 65 persons involved in several FERA violations were detained under COFEPOSA during this year.

Directions re. MMTC Exports

*633. SHRI G.S. BASAVARAJU : Will the Minister of COMMERCE be pleased to state :

(a) whether the Minerals and Metals Trading Corporation of India Ltd. (MMTC) has been directed by Government to double the exports by 1990 ;

(b) if so, the target set by the MMTC ; and

(c) the efforts being made by MMTC to achieve the doubled export target ?

THE MINISTER OF FINANCE AND

MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI) : (a) to (c). A review of Minerals and Metals Trading Corporation's (M.M.T.C.) performance was made by the Government in March '88. The Corporation was advised to develop a long term strategy for export of identified non-canalised commodities and manufactures to aim at achieving a level of Rs. 600 crores by 1990. Non-canalised exports in 1987-88 were Rs. 311 crores (Provisional).

MMTC plans to increase its non-canalised exports by formulating a long term strategy for export of identified commodities and projects.

Costing of Tea Before Marking

6267. SHRI SANAT KUMAR MANDAL : Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been drawn to a news-item captioned "Tata Tea Limited declares 45 per cent dividend" appearing in "The Telegraph", Calcutta, dated 26 February, 1988 ;

(b) if so, whether in view of the Tea Industry being a highly profit-oriented Industry, Government propose to refer the costing of the Tea to the Bureau of Industrial Costs and Prices so that some share of the Company's huge marketing profit is passed on to the consumers ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir.

(b) and (c), Tea being a plantation crop of seasonal nature is subject to price fluctuations depending on the demand and supply equation both in India and abroad. Tea as a commodity has been characterised both by booms and depression. The consumer interest in tea is being protected by closely monitoring the tea prices.

Pepper and Basmati Rice Consignments held up at U.S. Ports

6268. SHRI INDRAJIT GUPTA : Will the Minister of COMMERCE be pleased to state :

(a) whether consignments of pepper and

basmati rice have been held up at U.S. ports on health grounds ; and

(b) if so, the details thereof and Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir.

(b) Some consignments of pepper and basmati rice exported to USA from India were found contaminated.

The steps being taken to improve the quality of export of pepper and basmati rice include tightening of quality control inspection procedure, improving godown facilities of packers and of Port Trust Authorities, educating the growers on the need for better processing of their produce and emphasis on proper milling of paddy, etc.

Change in Rules Regarding Excise Concessions to Small Scale Industries

6269. SHRI MOHANBHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) the reasons for the recent change in the rules regulating excise concessions to Small Scale Industries using other companies' brand name ;

(b) whether a small scale unit can use the brand name of another small scale unit which is availing small scale concessions ; and

(c) if so, whether the sales of both the companies will be clubbed to determine whether it is below Rs. 1.5 crores (the limit for small scale concessions) ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The excise duty exemption schemes in respect of certain excisable goods were modified with effect from the 1st October, 1987 in order to reduce the chances of large manufacturers or traders deriving unintended benefit by getting goods manufactured under their brand name by units in the small scale sector.

(b) Yes, Sir.

(c) The eligibility limit for availing the duty concession for the small scale sector and the extent of availment is dependent upon the actual clearances made by that unit alone.

Audited Accounts of Financial Assistance to Punjab

6270. SHRI KAMAL CHAUDHRY : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have asked the Punjab Government to send audited accounts of financial relief assistance spent by them ;

(b) if so, the details thereof ;

(c) whether Government of Punjab have supplied the audited accounts relating to flood/drought relief expenses ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b). Government of India have asked all State Governments including Punjab to send audited accounts of relief expenditure incurred by them.

(c) and (d). Government of Punjab has not yet furnished audited accounts relating to expenditure on calamity relief.

Prawn Hatchery in Orissa

6271. SHRIMATI JAYANTI PATAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have a proposal to construct a prawn hatchery in Orissa ;

(b) if so, when such hatchery is going to be set up ;

(c) whether the construction of prawn hatchery would be completed by the end of 1988-89 ; and

(d) if so, the steps taken to expedite the work ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.

DAS MUNSI) : (a) to (d). The Marine Products Export Development Authority is establishing a prawn hatchery at Gopalpur-on-sea in Orissa. The civil works of the project are nearing completion and the commercial production will commence by the beginning of 1989.

Export of Dogs

6272. SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state :

(a) whether dogs are being exported ; and

(b) if so, the names of countries to which exported and the varieties of dogs that are being exported ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Dogs are allowed to be exported on decontrolled basis and as such Government have no information about their exports.

Excise Duty on Medicines

6273. SHRI MURLIDHAR MANE : Will the Minister of COMMERCE be pleased to state :

(a) the names of those medicines on which excise duty has been imposed/ enhanced ;

(b) whether it is a fact that Government have recommended concessions in customs duty on penultimates and and intermediates ; and

(c) if so, whether such a step is likely to discourage production from the basic stages ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Prior to this year's Budget, some patent or proprietary medicaments containing specified drugs did not carry any excise duty. Excise duty of 15% ad valorem was leviable on other patent or proprietary medicaments. In this year's Budget, the excise duty structure on medicines has been rationalised and aligned with the Drugs (Prices Control) Order, 1987. Patent or proprietary medicaments containing drugs

specified in the First Schedule of the Order have been fully exempted from excise duty. Further, such medicaments containing 26 specified life-saving drugs have also been fully exempted from excise duty. A concessional excise duty of 10% ad valorem has been prescribed for single ingredient formulations containing any drug specified in the Second Schedule of the Order. Other patent or proprietary medicaments are leviable to the tariff rate of 15% ad valorem. As a result of this alignment, some patent or proprietary medicaments, which were not leviable to duty prior to this year's Budget, have now become dutiable either because these do not contain any drug specified in the First Schedule of the Order or any of the 26 specified drugs. It will not be possible to list out the names of all the medicines in regard to which there has been alteration of duty consequent to the budgetary changes.

(b) and (c). As a follow-up action of the measures for rationalisation, quality control and growth of drugs and pharmaceuticals industry in India, announced in December, 1986, customs duty (basic and auxillary) on 235 drug intermediates has been reduced to 90%, i.e. less than the duty leviable on bulk drugs. This is intended to encourage cost efficient production of bulk drugs and of quality formulations.

Tax on Liquor and Beer

6274. SHRI HAFIZ MOHD. SIDDIQ :

SHRI MOHAN BHAI PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the liquor and beer is not taxed by Union Government ;

(b) if so, how will the price of aerated waters compare with the price of Maharashtra Government made liquor with the increase in excise on aerated waters ?

(c) whether it is Government's policy to encourage sale of alcoholic beverages and discourage soft drinks ; and

(d) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.

PANJA) : (a) Liquor and beer are not taxed by the Union Government.

(b) The Maharashtra Government does not own any liquor distillery. The prices of liquor and beer vary depending, among other things, on the alcoholic content and brand name. In Bombay, the retail prices of cheaper varieties of beer and country-made liquor are in the range of 125% to 215% of the price of soft drinks.

(c) and (d). Government's policy in this regard is contained in the directive principle of State Policy as laid down in article 47 of the Constitution of India.

Excise Duty on Fabrics

6275. SHRI JAGANNATH PATTNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have modified the classification structure and the rates of excise duty in the cases of some varieties of fabrics ; and

(b) if so, the details regarding the policy of Government in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Government have modified the duty structure in respect of excise duty on man-made fabrics with effect from the 19th January, 1988. The important changes brought about are :

(i) the rate of duty on viscose fabrics whether or not containing cotton, of weight not exceeding 100 grams per square metre and nylon fabrics, whether or not containing cotton or viscose of weight not exceeding 35 grams per square metre has been reduced to 75 paise per square metre as against Rs. 1.25 per square metre as applicable earlier ;

(ii) in the case of other fabrics of width exceeding 130 centimetres and of value exceeding Rs. 100 per square metre, the rates of duty have been raised from Rs. 15 per square metre as indicated below :

(a) where the value exceeds Rs. 100 but not exceed Rs. 150 —Rs. 20 per square metre.

(b) whether the value exceeds Rs. 150 per square metre—

Rs. 30 per square metre.

Contracts by Asian Development Bank

6276. SHRI R.M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that India has failed to make an appreciable dent in contracts awarded by the Asian Development Bank ; and

(b) if so, the details in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). No, Sir.

India's share in procurement of contracts pertaining to goods, related services and civil works under various ADB operations was 1.04% in 1984, 1.80% in 1985, 1.99% in 1986 and 6.29% in 1987.

Export to French Speaking Countries

6277. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have taken steps to promote exports to France and the French-speaking African nations ;

(b) whether the Trade Development Authority (TDA) is looking after promoting trade with these countries ; and

(c) if so, the steps taken by TDA in the above matter in 1985-86, 1986-87 and 1987-88 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) It has always been Government's endeavour to maximise exports to France as also to other important potential markets including French-speaking African nations. With this end in view, steps such as exchange of trade delegations, participation in exhibitions, holding trade talks etc. are being taken from time to time.

(b) Yes, Sir.

(c) Major steps taken by TDA to promote exports to French Speaking Countries during 1985-86, 1986-87 and 1987-88 are detailed below :

Organised 'India Promotion' with 3-Susses—the second largest mail order House of Western Europe, in 1985-86.

Organised a Contact Promotion with Au printemps of France and co-ordinated a visit of their delegation to India, in early 1986.

Organised a large exclusive India Fair in Paris, in 1986. Undertook a market assessment of Indian leather goods and Winter garments in 1987.

Deputed a six member leather Industry delegation to France, in 1987-88.

In addition to above, through its foreign offices in Frankfurt and Monorovia, TDA identified new buyers and potential products.

Irrigation Schemes in Himachal Pradesh

6278. PROF. NARAIN CHAND PARASHAR : Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 25 November, 1987 to the Unstarred Question No. 2820 regarding installation of Tube wells in Himachal Pradesh and state :

(a) the names of the 18 Tube wells the energisation work for which was in progress during the financial year 1987-88 and state the present progress of the work in each case ; and

(b) whether the potential for irrigation of 500 Hectares as per the advance plan assistance for Drought Relief during 1987-88 through minor irrigation has been created through formulation sanction and execution of irrigation schemes in the State of Himachal Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) A statement is given below.

(b) Irrigation potential of 353 hectares has been created from the completed works.

Statement

S. No.	Name of Scheme	Present status of work
1.	Tubewell at Gugwara Bharolian	Work in progress
2.	Tubewell 53 at Badoun	Completed
3.	Tubewell 71 at Jeetpur	Completed
4.	Tubewell 52 at Dhamandri	Completed
5.	Tubewell at Jankaur	Completed
6.	Tubewell 62 at Thathal	Completed
7.	Tubewell 60 at Malahat	Completed
8.	Tubewell 55 at Bathri	Completed
9.	Tubewell 87 at Panjawar	Completed
10.	Tubewell 56 at Bhera	Completed
11.	Tubewell 59 at Badoun	Completed
12.	Tubewell 58 at Barnoh	Completed
13.	Tubewell 86 at Badoh	Completed
14.	Tubewell 64 at Saloh	Work Completed except pumping machinery.
15.	Tubewell 45 at Bhanjhal	Work Completed except setting of pump and pump machine.
16.	Tubewell at Sagnai	Work completed except setting of pump and pump machine. Rising main.
17.	Tubewell 54 at Jalgran	Completed
18.	Tubewell 57 at Jalgran	Work taken up recently.

Fodder Loan Scheme of State Bank of Bikaner and Jaipur

March, 1988 ;

6279. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that despite the drought conditions in Rajasthan which is main area of operation of the State Bank of Bikaner and Jaipur, the deposits of the bank have risen by 20 per cent to Rs. 1,220 crores as reported in the Times of India of 15

(b) whether the bank's fodder loan scheme has been considered a model and has been highly praised ;

(c) whether Government propose to give directions to other banks to follow the policy of the State Bank of Bikaner and Jaipur ;

(d) if so, the details thereof ; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) State Bank of Bikaner and Jaipur (SBBJ) has reported that during 1987, aggregate deposits of the bank registered an increase of Rs. 203.47 crores to reach a level of Rs. 1220 crores which represented a growth of 20% over the aggregate deposits of Rs. 1016.64 crores as at the end of December 1986.

(b) SBBJ has reported that its scheme for providing fodder loan has been well received at the State Level Bankers' Committee (SLBC) meeting.

(c) to (e). The 'Financial Assistance Scheme for Fodder' prepared by SBBJ was discussed in a meeting of the Steering Committee of SLBC, Rajasthan, held on 12-10-1987. As decided in the meeting, the convenor, SLBC, Rajasthan has since circulated details of the Scheme to the other banks for their reference and for providing finance to the beneficiaries. According to information available, Oriental Bank of Commerce also has a scheme for providing fodder relief to migrating people in Sri Ganganagar District. Besides, Reserve Bank of India, in consultation with the Government, has issued instructions for giving fodder loans as supplementary assistance in the case of beneficiaries in Gujarat and Rajasthan who had received assistance under the Integrated Rural Development Programme (IRDP). Such loans would have subsidy-linkage as permissible under the IRDP and the amount of assistance will be for meeting the fodder requirements for a maximum period of six months upto 30-6-1988 at the rate of Rs. 4 per day per animal. These loans would carry interest at the rate of 10% per annum as applicable under IRDP.

Reservation for SC/ST in NABARD

6280. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether the reservations for Scheduled Caste and Scheduled Tribe officers for promotions in the National Bank for Agriculture and Rural Development were at par with those in the Reserve Bank of India till 1986, when they were disturbed ; and

(b) if so, when will the same be restored

to protect the weaker sections of society as per the accepted policy of Government ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). National Bank for Agriculture and Rural Development has reported that its policy on reservations for Scheduled Castes and Scheduled Tribes in promotions within the officers cadre is based on the instructions issued by the Ministry of Finance in respect of the public sector banks/financial institutions, which in turn are broadly based on the Brochure on Reservations for Scheduled Castes and Scheduled Tribes in Services issued by the Department of Personnel and Training.

Production of 5, 10 and 20 paise coins

6281. SHRI ANANDA PATHAK : Will the Minister of FINANCE be pleased to state :

(a) whether Government have decided to stop production of 5 paise, 10 paise and 20 paise coins ;

(b) if so, the reasons therefor ; and

(c) how Government are going to supplement it ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No, Sir.

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

Mahananda Left Bank Scheme of West Bengal

6282. SHRI PURNA CHANDRA MALIK : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the Mahananda left bank scheme of West Bengal is still pending with Union Government ;

(b) if so, the details thereof ;

(c) the reasons therefor ; and

(d) the time by which it is likely to be cleared ?

THE MINISTER OF STATE IN THE

MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) No, Sir.

(b) to (d). The scheme for construction of embankment on the left bank of river Mahananda (Barsoi Branch) costing Rs. 405 lakhs was examined in the Ganga Flood Control Commission and comments communicated to the State Government in January, 1977. Modified report prepared in the light of these comments is still awaited from the State Government.

Exports by Spices Board

6283. SHRI LAKSHMAN MALLICK : Will the Minister of COMMERCE be pleased to state :

(a) the details of exports made by the

Spices Board in 1986-87 and the value thereof ; and

(b) the total exports envisaged by the Spices Board for the year 1987-88 and the target achieved so far ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Spices Board is not making exports directly. However, in respect of export of spices from the country during 1986-87, statement I is given below.

(b) Figures for exports from April, '87 to March, '88 are not available. However, targets of exports for the year 87-88 and the achievements during the period April, '87 to February, '88 is given in the statement II below.

Statement-I

Export of Spices

Sl. No.	Item	1986-87	
		Qty. M.T.	Value (Rs. in lakhs)
1.	Pepper	36879	19915
2.	Cardamom (Small)	1447	1850
3.	Cardamom (Large)	194	96
4.	Chillies	4029	470
5.	Ginger	4742	550
6.	Turmeric	18744	1848
7.	Curry Powder	2575	391
8.	Misc. Spices	10833	1245
9.	Oils and Oleoresins of Spices	437	1475
Total		79786	27748

These figures are provisional.

Statement-II

Statement showing targets of export of spices and achievement during 1987-88

Sl. No.	Item	Targets for 87-88		Achievements during April-Feb., 88	
		Qty. M.T.	Value Rs. lakhs	Qty. M.T.	Value Rs. lakhs
1.	Pepper	30,000	16500	30390	18093.10
2.	Cardamom (Small)	2,000	3000	289	352.00
3.	Chillies	4,000	500	5430	721.50
4.	Dry Ginger	6,000	700	2750	445.40
5.	Turmeric	14,000	1400	7900	865.50
6.	Curry Powder	2,500	300	2277	359.50
7.	Oils and Oleoresins of Spices	425	1500	381	1324.10
8.	Other Spices	20300	2100	5632	754.11
Total		79,225	26000	55049	22915.21

These figures are provisional.

Engineering Goods Export

6284. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) whether there is an increase in the export of engineering goods during the year 1987-88 as compared to last year ; if so, the details thereof ;

(b) whether there is a decline in the export of certain items of engineering goods during the year 1987-88 as compared to last year ;

(c) if so, the names of those items and the reasons therefor ; and

(d) the steps being taken to increase export of those items during 1988-89 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir. As per figures

available with Engineering Export Promotion Council, the engineering exports during April-Jan. 1988 were Rs. 940 (E) crores as compared to Rs. 900 crores during the corresponding period of last year.

(b) and (c). During April to December 1987, exports of some items like food processing machinery, wagons and coaches, forgings, I.C. engines and parts, air compressors, sewing machines etc. have shown a decline as compared to that during the corresponding period of the preceding year. The decline has been due to a variety of factors including stiff competition in international market, import restrictions in some of the countries, attractive credit offered by developed countries.

(d) The Government has already taken a number of steps to increase the export of engineering goods including those mentioned above. These steps inter alia include liberalisation of licensing procedures and techno-

logy import, a new regime of Cash Compensatory Support (CCS) to compensate for the cascading effect of domestic taxation, access to raw materials and consumables at international competitive prices, reduction in the interest rates of pre and post shipment credit, interest rebate on new term loans to units which export more than 25% of their products assistance from export marketing fund for undertaking marketing activities abroad, introduction of new blanket exchange permit scheme to facilitate export promotion activities, grant of replenishment licences, duty drawback, etc.

Sunderban Delta Project

6285. SHRI MATILAL HANSDA : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the Sunderbans Delta Project in West Bengal is still Pending for clearance by Union Government ;

(b) if so, the reasons therefor ; and

(c) the time by which it will be cleared ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) No, Sir.

(b) and (c). The original Scheme costing Rs. 47.30 crores was received in the Ganga Flood Control Commission for examination in October, 1978. The Ganga Flood Control Commission have asked the Government of West Bengal to get a model study done for a dependable quantification of the likely siltation in the post-project condition. This study is awaited.

Lead Bank Scheme

6286. SHRI ZAINAL ABEDIN : Will the Minister of FINANCE be pleased to state :

(a) whether the main purpose of the Lead Bank Scheme is to increase co-ordination and co-operation among the financial institutions ;

(b) if so, whether the scheme has achieved that purpose ;

(c) if so, the details thereof ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). The Lead Bank Scheme (LBS) which was introduced in 1969 envisages designation of one of the banks as Lead Bank for each district to act as a leader bank for the purpose of identifying potential centres of growth and formulation of credit plans. The Lead Bank convenes the District Consultative Committee meetings ; take steps to prepare the Annual Action Plans and acts as leader for coordinating the efforts of all credit institutions for meeting the credit needs of priority sector. The Lead Banks have generally played the role of coordinators in the deployment of resources by institutional agencies in a planned manner in financing viable scheme of rural development in the district satisfactorily. The scheme has recorded fairly good success and constitutes an effective operational tool for purveying credit for priority sector through rural and semi-urban branches.

Shortage of Small Denomination Stamp and Stamp Papers

6287. SHRI SURESH KURUP : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to the notice of Government that there is a severe shortage of small denomination stamps and stamp papers all over the country ; and

(b) if so, the immediate steps Government propose to take in this direction ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). A sharp increase in demand had led to a shortage of small denomination stamps and stamp papers in some parts of the country in 1986. Action was taken immediately to step up production of these items. As a result the production in the first eleven months of 1987-88 reached 193 million pieces compared to only 75 million pieces in 1986-87. The distribution procedures were also streamlined and movement by special wagon loads introduced. The gap between supply and demand for these items has already narrowed down considerably and with the continued

implementation of these measures, the position would improve further in the coming months.

Non-Resident Indians Investment

6288. SHRI V.N. GADGIL : Will the Minister of FINANCE be pleased to state the total foreign exchange earned as a result of the investment by Non-Resident Indians in India ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : The investments made by Non-Resident Indians in India under different Schemes since April 1982 upto 31st December, 1987 are as follows :

(Rs. in crores)		
1.	Direct Investment (Proposals Approved)	1218.85
2.	Portfolio Investment (Actual purchases of Shares/Debentures)	64.66
3.	Deposits in Indian Companies	26.40
4.	Deposits in Bank Accounts (Outstanding Balances in NRE/FCNR Accounts)	9217.48

Export of Minor Forest Products

6289. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of COMMERCE be pleased to state :

(a) whether the Indian Institute of Foreign Trade has suggested setting up a panel to promote export of minor forest products ;

(b) if so, the details thereof and the action taken thereon ; and

(c) the present level of the exports thereof and the estimated potential ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). IIFT had

undertaken a Market Survey for Select Minor Forest Products in France, U.K., USA and Japan. The Study has suggested setting up of a high powered Coordination Committee under the Chairmanship of Addl. Secretary in the Ministry of Commerce and comprising of representatives from Ministry of Social Welfare, Department of Forests, and Tribal Welfare/Forest Departments of concerned State Government which will take expeditious decisions on various matters concerning the export of minor forest products.

The Survey Report is being examined by Government.

(c) Export of some of the minor products during 1985-86 (April-December) were as under :

(i)	Sal Oil	6091 tonnes
(ii)	Gum Karaya	1884 tonnes
(iii)	Myrobalams & Myrobalam Extracts	152 tonnes
(iv)	Tamarind Seed & Tamarind Seed Powder	2347 tonnes
(v)	Soapnuts	255 tonnes

The prospects for export of these items as per the IIFT Study are not bright.

Waiver of Penal Interest by State Bank of Hyderabad

6290. SHRI MANIK REDDY : Will the Minister of FINANCE be pleased to state :

(a) the criteria for imposing the penal interest by the nationalised banks ;

(b) whether there have been any cases where the State Bank of Hyderabad had waived the penal interest on its loans to sick industries ;

(c) if so, the details thereof for last three years, case-wise ; and

(d) the number of such applications pending with the State Bank of Hyderabad for the waiving of penal interest, the details thereof ?

THE MINISTER OF STATE IN THE

DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Reserve Bank of India (RBI) has issued instructions to Public Sector Banks to charge penal rate of interest on following grounds :

- (i) Default in repayment of loans ;
- (ii) Irregularities in cash credit accounts ;
- (iii) Non-submission of stock statements ;
- (iv) Default in borrowing covenants ;
- (v) Non-payment of demand on due date/Non-acceptance of usance bills of exchange on presentation ; and
- (vi) Excess borrowing arising out of excess current assets.

The banks may charge in the above circumstances penal rate of interest varying from 1 per cent to 2.5 per cent over and above the normal rates applicable to advances subject to the condition that in no case it should exceed 2 per cent over the ceiling rates on advances prescribed by RBI. However, no penal interest is to be charged for loans upto Rs. 25,000/-.

(b) State Bank of Hyderabad has reported that no penal interest has been charged by the bank on sick industries.

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

Monitoring Cell for MMTC

6291. SHRI HARIHAR SOREN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to set up a monitoring cell for the Minerals and Metals Trading Corporation (MMTC) ;

(b) if so, the main functions of such a cell ;

(c) whether it would help reduce the cost of imports and augment export earnings from non-canalised items ; and

(d) the other monitoring functions of the cell ?

THE MINISTER OF STATE IN THE

MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (d). Government do not propose to set up a monitoring cell for MMTC. However MMTC has been advised to set up a monitoring cell which will—

- (a) constantly review import procedures to reduce cost of imports.
- (b) Prepare long-term strategy paper for imports.
- (c) Suggest strategy for maximising earnings particularly of non-canalised exports and prepare strategy paper for it.

Burglary Claims Received by Oriental Insurance Company Limited, New Delhi

6292. SHRI UTTAMBHAI H. PATEL :

SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI :

Will the Minister of FINANCE be pleased to state :

(a) whether the office of the Oriental Insurance Company Limited at 88, Janpath, New Delhi has received letters and claims of burglary and such other types from customers during 1 January, 1986 to 29 February, 1988 ;

(b) if so, the details of the claims and letters ;

(c) the action taken in the matter ;

(d) the outcome thereof ;

(e) the amount paid to such claimants during 1 January, 1986 to 29 February, 1988 and the details thereof ;

(f) the number of claims disposed off during the above period and the target fixed for the disposal of the same during 1 April, 1988 to 31 December, 1988 ; and

(g) the norms, procedure, policy and guidelines for the disposal of burglary and such other claims and time taken for the disposal of such claims ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) to (e). The required information is given below in the statement.

(f) Out of 20 claims reported during the period 1-1-1986 to 29-2-1988, 16 have been disposed of. Of the remaining four cases, one is expected to be disposed of shortly while others could not be processed in the absence of information/documents to be furnished by the insureds.

(g) On receipt of claim intimation, the insured is asked to complete the claim form and furnish all relevant information and documents including copy of FIR. The claim is, thereafter, settled according to the terms and conditions of the policy on the basis of the Surveyor's Report. The claim is settled with the least possible delay after completion of all requirements by the claimant.

Statement

S. No.	Name of the Insured	Date of intimation of Claim	Status position of the Claim
1	2	3	4
1.	Ms. Narang Printers, 15/119, Geeta Colony, Delhi	11-01-86	Amount claimed by the insured is Rs. 8,500/- Loss could not be assessed as the documents/information required by the Surveyors are not forthcoming from the insured.
2.	Shri K. Chellappa, Delhi	08-03-86	Claim settled and amount of Rs. 360/- paid on 4-2-1987.
3.	Shri M.K. Vijayan, D-20, Kalkaji, New Delhi	05-03-86	Claim settled and amount of Rs. 8,535/- paid on 4-8-1986.
4.	Shri D.N. Saini, WZ-572 M, Naraina, New Delhi	17-03-86	Claim settled and amount of Rs. 2,308/- paid on 19-5-1986.
5.	M/s. Simran Video, 7A-36, W.E.A., Karol Bagh, New Delhi	06-03-86	Claim repudiated as it was found to be fraudulent.
6.	M/s. Sachdeva Cloth House, A-4C/161, Janakpuri, New Delhi	13-03-86	Claim settled and amount of Rs. 2,361/- paid on 14-6-1986.
7.	M/s. Anne Marya, P-51, South Extension Pt.-II, New Delhi	21-03-86	Claim settled and amount of Rs. 10,572/- paid on 22-5-1986.
8.	M/s. Subh Vihar Co-op. Group Housing Society Ltd., A-4, Paschim Vihar, New Delhi.	30-06-86	Claim not admitted as it was beyond the scope of the cover under the policy.
9.	Mrs. Pushpa Pandaya, 17, Fire Brigade Lane, New Delhi	22-07-86	Amount claimed was Rs. 20,000/-. Claim not admitted as the theft occurred after the expiry of the policy.

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10. Mrs. C.L. Narayan, 30C, Dilsad Garden, Delhi	22-09-86	Claim settled and amount of Rs. 5,949/- paid on 12-6-1987.
11. Shri G.C. Sharma & Mrs. Avinash Pandit, B-24/B, Maharani Bagh, New Delhi	14-11-86	Claim approved for settlement for Rs. 61,700/-.
12. Shri S.P. Singh, 575/21, S P. Marg, New Delhi	14-05-87	Claim settled and amount of Rs. 8,190/- paid on 5-10-1987.
13. Shri R.K. Arora, G-69, Mansarovar Garden, New Delhi	09-06-87	Amount of claim was Rs. 410/-. Claim not admitted as the item stolen was not covered under the policy.
14. Shri Prem Nath Dhinani, A-188, Defence Colony, New Delhi	16-06-87	Claim settled and amount of Rs. 240/- paid on 7-8-1987.
15. Shri S K. Jochi, 5/60, W.E.A., Karol Bagh, New Delhi	23-06-87	Claim settled and amount of Rs. 369/- paid on 28-10-1987.
16. M/s. Tulok Saree Kendra, Nai Sarak, Delhi	03-07-87	Amount claimed was Rs. 11,200/-. Claim not admitted as the cause of loss was beyond the scope of the cover.
17. Shri V.V. Subramanian, C-2/97, Janakpuri, New Delhi	11-08-87	Claim settled and amount of Rs. 27,890/- paid on 14-12-1987.
18. M/s. Sunit Appliance, C-16, Wazirpur Industrial Area, Delhi	10-09-87	Loss could not be assessed as the documents/information required by the Surveyors are not forth- coming from the insured.
19. Shri V.R. Sonam, C-2D/33-A, Janakpuri, New Delhi	21-09-87	Claim is under scrutiny.
20. Shri S.P. Parthy, 1286-18C, Chandigarh.	23-02-88	The information/documents re- quired by the Company from the insured still awaited.

**Investigation into the Affairs of Certain
Industrial Group**

6293. DR. A.K. PATEL :

SHRI C. JANGA REDDY :

SHRI DAULATSINHJI JADEJA :

**SHRIMATI USHA CHOU-
DHARY :**

Will the Minister of FINANCE be
pleased to state :

(a) whether the Directorate of Enforcement and Central Board of Direct Taxes have investigated the affairs of Shri Goenka of Indian Express Group, Shri A.K. Jain of Times of India Group, Shri Ambani of Reliance Group, Bachchan Brothers and Shri L.M. Thapar group of companies ;

(b) if so, the findings of the investiga-
tions ; and

(c) how many raids have been conducted and notices have been issued in case and whether prosecutions also have been launched ; if so, in which case and when ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). As a result of investigations under FERA, 31 Show Cause Notices to Thapar Group of Companies and 3 show cause notices to M/s. Indian Express News-Papers (Bombay) Pvt. Ltd. and Shri R.N. Goenka have been issued. Investigations made in the case of Shri A.K. Jain have not revealed any violation of FERA. The other investigations are in progress. The launching of prosecution under FFRA is normally examined after completion of adjudication proceedings.

Investigations under Income-tax against Shri R.N. Goenka have been completed and prosecutions launched. The matter has been stayed by the Bombay High Court. In regard to the other cases mentioned, findings of the investigations under Income-tax will be known, only after the assessments are completed in individual case.

Prices of Soft Drinks

6294. SHRI E AYYAPU REDDY :

SHRI SOMNATH RATH :

Will the Minister of FINANCE be pleased to state :

(a) whether the All India Soft Drink Manufacturing Association has offered to Government that it could sell soft drinks at 1.50 per bottle, if Government was willing to reduce the excise duty ; and

(b) if so, the reaction of Government to this offer ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The All India Soft Drink Manufacturers' Association had in a representation dated the 21st December, 1987 stated that it would be possible to sell soft drinks in retail at Rs. 1.50 per bottle, if soft drinks and printed crown corks are fully exempted from excise duty.

(b) The Government have not found it possible to accept the request of the Association in this behalf.

Withdrawal of Excise Concessions to Large Companies

6295. SHRI Y.S. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Department of Electronics has represented against withdrawal of excise concessions to large companies for marketing electronic items manufactured by small scale units as these items do not attract excise duty if marketed by small scale units themselves ;

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

(c) the steps being taken to ensure that small scale units produce more and more electronics items of requisite quality to increase their share in exports ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) A representation in this regard was received by the Government with particular reference to the difficulties faced by women's cooperatives situated in rural and backward areas.

(b) In this year's Budget, Government have introduced a new scheme providing for full excise duty exemption in respect of specified excisable goods, including some electronic goods, manufactured in the rural areas by registered cooperative societies, including women's societies or by the Khadi and Village Industries Commission or by the State Khadi and Village Industries Boards.

(c) The Government's liberal policy for promotion of electronics industry in the sphere of foreign collaboration is available to the small scale sector. For improving the quality of production, Government have created infrastructural facilities in the form of testing and development centres. The small scale units are expected to take advantage of this infrastructure to improve quality which would help them increase their share in exports.

Commissions Offered by Nationalised Banks to Secure Deposits of Government Departments

6296. DR. V. VENKATESH : Will the Minister of FINANCE be pleased to state :

(a) whether some of the leading nationalised banks have been indulging in the practice of offering commissions to secure the large deposits of Government bodies/departments ; and

(b) whether Government propose to initiate an enquiry into procurement of large deposits by some leading nationalised banks from Government departments/bodies on short term basis to make up their yearly deposit targets ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India has reported that it has not come across any specific instances of any of the nationalised banks adopting the practice of offering commissions for obtaining deposits from public sector undertakings.

Reserve Bank of India has advised the banks' Chairmen to ensure that while soliciting deposits, the banks do not resort to any undesirable practices and if some staff are found to be indulging in such activities they should be closely watched and stern action taken against them.

[Translation]

Widening of Nazafgarh Drain

6297. SHRI BHARAT SINGH : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Government have made Nazafgarh drain wide and deep to prevent flood ;

(b) whether there is a proposal to construct a bridge on Nazafgarh drain to connect Nilothi Village with Vikaspuri ; and

(c) if so, the time by which it would be constructed so that the people of villages could easily go to Janakpuri and other adjoining colonies ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir, a scheme for widening the Nazafgarh drain is under execution.

(b) and (c). Delhi Administration have proposed construction of an aqueduct cum bridge across Nazafgarh drain as a component of the Keshopur Effluent Scheme to connect the Nilothi Village with Vikaspuri, Tilak Nagar and Janakpuri. The bridge is likely to be completed by 1990 subject to approval of the Scheme and availability of funds.

[English]

Proposal for More Irrigation Projects from Gujarat

6298. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Government have received any proposal for more irrigation projects during the last 3 years from Gujarat Government ;

(b) if so, the details thereof and the action taken in this regard ;

(c) the total irrigation land is at present in Rajkot and other districts of Gujarat ; and

(d) how much land will come under irrigation in Gujarat during 1988-90 ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Two modernisation projects namely Dantiwada and Bhadar Projects were received. Comments on Dantiwada Project have been sent to the State Government for compliance.

(c) and (d). Till the end of Sixth Plan, an irrigation potential of 2.94 million hectares was created in Gujarat. This is likely to be increased by 0.5 million hectares during the current plan.

Export of Wild Animals

6299. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of wild animals and rare species are exported illegally ;

(b) if so, the details of such animals exported to various countries during the last three years and the States from where they were illegally exported ;

(c) whether some arrests have been made in this regard, if so, the details thereof ; and

(d) the steps being taken to prevent illegal export of wild life ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A K. PANJA) : (a) to (d). Intelligence available with the Directorate of Revenue Intelligence does not indicate any illegal export of wild animals and rare species.

[*Translation*]

Financial Assistance to Textile Mills

6300 SHRI ASHKARAN SANKHAWAR : Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills running in loss at present ;

(b) the number of mills, out of them, taken over by Union Government ;

(c) the number of mills provided financial assistance ; and

(d) the details of the financial assistance provided in each case ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The Union Government does not maintain such information.

(b) No textile mill has been taken over by the Union Government recently.

(c) and (d). In view of reply to (a) above, it is not possible to give this information.

[*English*]

Board for Industrial and Financial Reconstruction

6301. SHRI SHARAD DIGHE : Will

the Minister of FINANCE be pleased to state :

(a) whether the Board for Industrial and Financial Reconstruction set up in terms of the Sick Industrial Companies (Special Provisions) Act, 1985 has started functioning ;

(b) if so, the number of cases upto the end of February, 1988 in which the Board has exercised powers to appoint a special director on the sick company in case of mismanagement ; and

(c) the number of cases upto the end of February, 1988 in which the Board has exercised powers to debar company management and all other units of the same management from credit facilities from the organised sector for a period of ten years or for any other period ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The Board for Industrial and Financial Reconstruction (BIFR) set up under the Sick Industrial Companies (Special Provisions) Act, 1985 became operational with effect from 15th May, 1987.

(b) and (c). The BIFR has reported that as at the end of February, 1988 Special Directors have been appointed in 156 sick companies under section 16(4) of the Sick Industrial Companies (Special Provisions) Act, 1985. The BIFR had not passed any orders debarring company management from credit facilities from banks, financial institutions, etc. under section 24(2) of the said Act as at the end of February, 1988.

Joint-Ventures in Third Countries

6302. SHRI C. MADHAV REDDI : Will the Minister of COMMERCE be pleased to state :

(a) the names of the countries with whom India has set up or propose to set up joint ventures in the third countries ;

(b) the fields in which such joint ventures have been set up or are proposed to be set up ; and

(c) the terms and conditions of such joint ventures ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). One Indo-Senegal Joint Venture has been set up in Senegal by Government of India in collaboration with the Governments of Cameroon, Ivory Coast, Nigeria and Senegal in the field of manufacture of phosphoric acid and phosphatic fertilizers. At present no other proposal of that kind is pending for consideration.

Main terms and conditions of the Indo-Senegal Joint Ventures are : (i) Total equity of the project shall be CFAF 32,234.38 Million, (ii) the equity share of Indian Consortium shall be CFAF 5876.02 Million, (iii) The Indo-Senegal joint venture would make available to India 110,000 tonnes of phosphoric acid (in terms of P2 05) per annum for a period of 15 years, and (iv) Earnings by way of dividends etc. shall be repatriated to India in free foreign exchange.

[Translation]

Declaration of Gorakhpur as B-Class City

6303. SHRI MADAN PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Gorakhpur has been declared as a B-Class city by State Government ;

(b) whether Union Government have also received any suggestion for declaring the above city as B-Class city ;

(c) if so, whether the proposal has been considered by Government ; and

(d) the time by which Gorakhpur is likely to be declared as B-Class city and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b). Representations have been received to the effect that the State Government has upgraded Gorakhpur as a B-2 Class city for payment of House Rent and Compensatory (City) Allowances to their employees. Therefore, similar upgradation of Gorakhpur for the grant of such allowances to Central Government employees has been requested for.

(c) and (d). Under the extant criterion, cities and towns are classified for payment of HRA and CCA to Central Government employees on the basis of their population as revealed in the decennial Census figures. The current classification of cities is based on the population figures of 1981 Census. On this basis, Gorakhpur did not qualify for classification as a B-2 city as its population fell short of the population limit of over 4 lakhs required for classification of a city as B-2 class. In the matter of classification of cities for grant of HRA and CCA, Government of India follows its own criterion and is not guided by the criterion/orders of State Government.

[English]

Prosecution Against Reliance Industries Limited

6304. SHRI RAM BAHADUR SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Central Bureau of Investigation has recommended prosecution of Reliance Industries Limited on charge of importing PTA (purified terephthalic acid) worth about Rupees one hundred crores ;

(b) whether Government have initiated any prosecutions against Reliance Industries Limited in this regard ; and

(c) if so, when and the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The report of the investigation made by the Central Bureau of Investigation into transactions relating to opening of letters of credit by banks for import of PTA (purified terephthalic acid) is presently under examination.

[Translation]

Trade Collaboration between Birla Group and Cuba

6305. SHRI KALI PRASAD PANDEY : Will the Minister of COMMERCE be pleased to state :

(a) whether trade collaboration between

Birla group of industries and Cuba has substantially increased in recent years ;

(b) if so, the details of the trade collaboration and transactions between Cuba and Birla group of industries during the last three years ;

(c) whether Union Government have given any concession or relaxation to this group of industries ;

(d) if so, the year-wise details thereof ; and

(e) the details of benefits that accrued to India thereby during the said period, year-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). CIMMCO International, a company of the Birla Group, has over the years, developed trade and economic ties with Republic of Cuba. Besides exporting engineering and consumer products, CIMMCO International has entered into technical collaborations for bringing about improvement in the production process of a textile complex and renovation/modernisation of a rayon plant in Cuba during the last three years.

(c) No, Sir,

(d) Does not arise.

(e) As per information furnished by CIMMCO International, the value of contracts concluded by them with Cuba during the last three years is given below :

Year	Rs./Millions
1985	280.06
1986	6.58
1987	83.11

[English]

Conversion of an Island into Duty Free Port

6306. SHRIMATI D.K. THARA DEVI SIDDHARTHA : Will the Minister of COMMERCE be pleased to state :

(a) whether there is a proposal to make one of the Islands of India into a Duty Free Port to encourage tourism ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Some suggestions have been received for development of a free port in Andaman & Nicobar Islands. No decision has been taken on the proposal which requires to be evaluated indepth having regard to various issues.

U.S. Drought Aid

6307. SHRIMATI USHA CHOU-DHARY : Will the Minister of FINANCE be pleased to state :

(a) whether any discussions have recently been held with United States Officials regarding a package of assistance programme for providing drought relief ;

(b) if so, the details of discussions held ; and

(c) the outcome thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) and (c). As a result of the discussions held, the U.S. Government have offered the following assistance towards drought relief :

(i) 5200 MT of butter oil to Indian Dairy Corporation as grant (agreement has been signed on 29th September, 1987) ;

(ii) 3 lakh tonnes of Edible oils under the Export Enhancement Programme. S.T.C. has already finalised contracts for the import of 1 lakh MT worth US \$ 45.69 million ;

(iii) 4 lakh tonnes of Corn for import by NAFED and NDDB under Section 416 of the US Agricultural Adjustment Act as grant (Against this, agreement has been signed for 1 lakh tonnes on 10th February, 1988) ;

(iv) The U.S. have also sanctioned \$ 50

million by way of advance for the projects being funded under the U.S. Aid bilateral assistance programme.

[*Translation*]

Allocation of Fund under Drought Relief Programme to U.P.

6308. SHRI RAJ KUMAR RAI : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the Planning Commission has sanctioned additional amount to various States for several irrigation schemes under the Drought Relief Programme ; and

(b) if so, the additional amount sanctioned to Uttar Pradesh for irrigation schemes under the said programme ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). The Planning Commission has sanctioned additional outlays to 14 States under drought relief assistance, to expedite certain irrigation projects in drought-prone areas. An amount of Rs. 28 crores has been sanctioned to Uttar Pradesh, 50% of which is in the form of drought relief assistance and the balance as additioality.

[*English*]

Increase in Non-Development Expenditure

6309. DR SUDHIR ROY : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the news-item in Business Standard dated 12 January 1988 regarding increase in non-development expenditure ; and

(b) if so, the reasons for such increase ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) Yes, Sir. The news-item in the "Business Standard" dated 12-1-88, refers to the increase in Non-developmental expenditure of Central and State Governments between 1985-86 and 1986-87.

(b) So far as the Centre is concerned

the main items contributing to the increase in expenditure are interest payments, defence and subsidies. The details have been explained in the Budget documents of respective years.

Promotion of Indian Exports to France

6310. SHRIMATI BASAVARAJESWARI : Will the Minister of COMMERCE be pleased to state :

(a) whether major French companies have pledged to promote Indian exports to France and the French-speaking African nations ;

(b) if so, whether any formula for agreement has been reached with these companies ;

(c) if so, the details of the same ;

(d) the steps being taken to implement the same ; and

(e) to what extent India's export will get a boost as a result thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Some of the French companies have shown interest in promoting Indian exports to France and other Franco-phone markets.

(b) to (e). No specific formula has been evolved in this respect. A delegation of French buying companies visited India in February 1988, some of whom are reported to have placed trial orders on some Indian companies. The French buying mission carried a few samples of Indian products for further assessment and evaluation. Such an interaction among the business enterprises of the two countries is expected to help augment bilateral trade exchanges, although it is difficult at this stage to assess their precise impact on trade flows.

[*Translation*]

Amount for Construction of Indira Gandhi Canal

6311. SHRI VIRDHI CHANDER JAIN : Will the Minister of WATER RESOURCES be pleased to state :

(a) the amount so far provided by Union Government for construction of the

Indira Gandhi Canal under the Border Area Development Programme ; and

(b) the amount proposed to be provided for the above canal during 1988-89 ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) An amount of Rs. 15 crores was released to the Government of Rajasthan during 1987-88 as grant-in-aid under the Border Areas Development Programme linked to the Indira Gandhi Nahar Project.

(b) The State Government has indicated an availability of Rs. 125 crores for 1988-89 including Rs. 21 crores provided by the Government of India under the Border Areas Development Programme for this canal.

[English]

Proposal to Reduce the Foreign Shareholdings

6312. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to reduce the foreign share holdings of the share holders of cigarette, textile, aluminium and shipping companies ;

(b) if so, the details thereof ; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No, Sir.

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

Development of Sericulture in Orissa

6313. SHRI RADHAKANIA DIGAL : Will the Minister of TEXTILES be pleased to state :

(a) whether Union Government propose to take steps for the development of Sericulture in the country.;

(b) if so, the plan drawn up therefor during the Seventh Five Year Plan ;

(c) whether any such sericulture deve-

lopment scheme has been introduced by Government in Orissa ; and

(d) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) The raw silk production target for the terminal year of VIIth Five Year Plan is 10,900 tonnes. The Central Silk Board assists the State Governments for development of sericulture industry in the country by extending R & D, extension and training support. For the VII Five Year Plan period, an outlay of Rs. 70 crores has been approved for the sericulture industry under the Central Sector.

(c) and (d). The Government of India has approved during 1986-87 the implementation of a bivoltine mulberry sericulture development project in Ganjam district of Orissa at a total cost of Rs 4.27 crores, spread over a period of 4 years. The project aims at covering 1,000 acres with high yielding varieties of mulberry in compact blocks in the district of Ganjam inhabited largely by tribal communities. It is expected to provide employment to 5,000 beneficiaries and to produce 1.8 lakh Kg. of bivoltine cocoons to yield 17,000 Kgs. of silk.

Water Quality Survey of Ganga System

6314. SHRI UTTAM RATHOD : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the status report, 1978-85 of the Water Quality Survey (Ganga System) has observed that the water quality network in Central Water Commission constitutes forty per cent of the total hydrological work ;

(b) whether nearly 200 Scientists i.e. Research Assistants who are mainly responsible for water quality analysis, sedimentary and bed-material work, have only seven (7) posts of A.R.Os to look forward to as promotional avenue and that some of these Scientists have already put in 20 to 25 years of services. ; and

(c) whether merging of the Scientists Wing with the Central Board of Prevention of Water Pollution in the Ministry of Environment and Forests is under consideration ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir.

(b) At present there are 183 posts of Senior Research Assistant and Research Assistant and 9 posts of Assistant Research Officer sanctioned for sediment and water quality analysis in the Central Water Commission. Some of the Research Assistants have put in 20-25 years of service in that Grade.

(c) No, Sir.

Involvement of Foreign Diplomats in Smuggling Activities

6315. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether in view of the recent incidents regarding involvement of some foreign diplomats in smuggling racket, Union Government propose to examine the existing procedure of allowing the diplomats to receive the goods imported by them through private agents and through agencies of doubtful integrity ; and

(b) if so, the corrective steps contemplated by Government to remove the lacuna with a view to checking smuggling activities by foreign diplomats in the country ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The foreign missions and diplomats are authorised to import goods as per norms laid down in the Vienna Convention on Diplomatic Relations, 1961. The foreign missions have the option to import and effect clearance of goods directly or through private agents/agencies of their choice. This choice is neither controlled nor regulated.

There have been only a few cases in which discrepancies were noticed in the items declared and items actually imported by diplomats. In such cases, stern action is taken which includes : confiscation of contraband goods and wherever necessary asking for the withdrawal of the diplomats concerned.

Yarn Price Fixation Committee

6316. SHRI PRAKASH V. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether the State Government have been asked to set up Yarn Price Fixation Committees for supply of yarn at reasonable price to the handloom sector ;

(b) if so, the names of the States which have set up such Committees and those which are yet to do it ;

(c) how does the yarn cost supplied to handloom and powerloom in Maharashtra compared with big centres producing handloom products ; and

(d) to what extent such Committees have helped in keeping the cost of yarn under check ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) The State Governments of Andhra Pradesh, Orissa and Tamil Nadu have constituted Yarn Price Fixation Committees to fix the prices of yarn for supply to the handloom sector. The other States have yet to constitute the Committees.

(c) In Maharashtra, a Yarn Price Fixation Committee has been constituted to fix prices of cone yarn for supply to powerloom sector. A statement showing the prices of cone yarn fixed by the Committee for supply to powerloom sector as compared to the prices prevailing in major yarn markets during the period from 31-7-87 to 15-2-88 is given below.

(See columns 87—92).

(d) The setting up of Yarn Price Fixation Committees has proved beneficial to handloom weavers as yarn is made available regularly and at prices which are normally lower than the ruling market rates.

Workers' Representation on Panel to Monitor Jute Fund Use

6317. SHRI BASUDEB ACHARIA :

SHRI HANNAN MOLLAH :

Will the Minister of TEXTILES be pleased to state :

Statement

Comparative Statement of Yarn Prices

(Rate per kg. in Rs.)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14
15-1-88	20s	28.00	30.00	30.00	33.00	50.20	31.50	—	—	29.60	31.00	26.00	26.40	
	24s	30.00	32.40	—	—	—	—	—	—	32.40	32.40	29.00	35.00	
	34s	37.00	41.00	38.00	38.43	37.00	38.50	—	—	38.60	40.00	—	—	
	40s	41.00	44.60	43.70	46.50	—	—	—	—	43.60	43.60	—	—	
	60s	55.00	59.25	57.00	58.00	—	—	—	—	60.00	60.00	—	—	
15-1-88	20s	31.00	32.00	33.30	34.10	32.30	32.40	—	—	31.00	31.50	—	—	
	24s	32.00	32.00	—	—	—	—	—	—	35.00	35.00	—	—	
	34s	44.00	47.00	39.00	41.30	40.70	41.18	—	—	46.00	47.00	—	—	
	40s	48.00	53.00	47.00	48.60	—	—	—	—	43.00	43.00	—	—	
	60s	60.00	60.00	60.50	62.50	—	—	—	—	60.00	60.00	—	—	
15-2-88	20s	30.00	30.00	37.20	37.20	32.50	33.00	—	—	31.20	32.60	26.00	32.40	
	24s	30.00	31.00	—	—	—	—	—	—	34.20	34.20	29.00	37.00	
	34s	42.00	47.50	41.00	41.00	42.20	43.70	—	—	46.00	50.00	—	—	
	40s	46.00	53.00	49.30	53.50	—	—	—	—	—	—	—	—	
	60s	70.00	70.00	63.50	65.50	—	—	—	—	—	—	—	—	

(a) whether Government have any plan to include workers representative in the proposed panel to monitor Special Jute Development Fund use ; and

(b) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). No, Sir. However, the interests of the jute mill workers for whom schemes have been drawn up under the fund are being taken care of by having representation on this Committee from the Ministry of Labour, Government of India as also Secretary, Department of Labour, Government of West Bengal.

Economic Offenders

6318. SHRI R.P. DAS : Will the Minister of FINANCE be pleased to state :

(a) in what circumstances and to what extent, an unconditional apology by an economic offender can be a sufficient ground for being pardoned ; and

(b) how many of such offenders have been pardoned during the last three years ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Information is being collected and will be laid on the Table of the House.

Raids at the Premises of Industrialists in Calcutta

6319. SHRI VIJAY KUMAR MISHRA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Income-tax authorities investigated and raided premises of several industrialists in Calcutta during the last six months ;

(b) if so, the details thereof ;

(c) whether several video cassette sets alongwith jewellery worth Rs. 2 crore and Rs. 10 lakhs cash were also seized in these raids ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Yes, Sir. During the last six months period ending 29-2-1988, the Income-tax Department in Calcutta conducted searches inter-alia, on the following Groups of Industrialists :

- (a) Shri M.L. Rajgoria and others,
- (b) Shri M.P. Poddar and others,
- (c) Shri M. Swaroop and others, and
- (d) Shri S.V. Mohota and others.

These searches resulted in the seizure of prima facie unaccounted assets such as Cash, Jewellery and others amounting to Rs. 644.56 lakhs. During the course of these searches, one of the persons searched admitted concealment of income of Rs. 41.35 lakhs.

(c) and (d). In one case, 7 video cassette sets were also seized besides other assets as mentioned above.

Outstanding Wealth-tax Against Film Producers etc.

6320. SHRI SOMJIBHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) the names of film line artists and film producers, against whom demands of Wealth-tax above rupees one lakh, is outstanding at present ; and

(b) the details of action taken in each case to realise the outstanding amount ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The names of the film line artists and film producers, against whom demands of Wealth-tax above rupees one lakh is outstanding, and the details of action taken in each case to realise the outstanding demand are being collected and will be laid on the Table of the House.

Export of Bengal Deshi Cotton

6321. SHRI SHAMINDER SINGH : Will the Minister of TEXTILES be pleased to state :

(a) the total export of all varieties of

cotton in 1987-88 season ;

(b) whether it is a fact that only the Cotton Corporation of India was allowed to export Bengal Deshi ; and

(c) the reasons for not allowing this export to the State Marketing Federations of all such States which grow Bengal Deshi variety ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) 4779 bales of Bengal Deshi.

(b) Yes, Sir.

(c) The quota released for export was very small.

Raising of Administered Prices

6322. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government are contemplating to give a share of the revenues realised by raising the administered prices to States ;

(b) if not, the reasons therefor ; and

(c) the amount that has been realised through Administered Prices in 1987-88 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The increase in administered prices is not a revenue measure, and the question of sharing the proceeds with the States does not arise.

Proposal for Development of Poor Villages by Big Industrial Houses

6323. DR. DATTA SAMANT : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal for consideration of Government to hand over the economically poor villages to big industrial houses for their development ; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.

PANJA) : (a) There is no such proposal under consideration.

(b) Does not arise.

Accounts of Export Inspection Agency and Export Inspection Council

6324. SHRI RAM DHAN : Will the Minister of COMMERCE be pleased to state :

(a) whether all the Inspection Agencies established under the Export Inspection and Quality Control Act, 1963 for carrying over preshipment inspection work are at par with each other ;

(b) if so, whether Export Inspection Council is utilising the funds of Export Inspection Agencies only ;

(c) if so, the details of the funds utilised by the Export Inspection Council for the funds of Export Inspection Agencies for the last three years ; and

(d) whether the Export Inspection Council is authorised to utilise the funds of Export Inspection Agencies ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The Export Inspection Agency (EIA) at Bombay, Calcutta, Cochin, Delhi and Madras established by the Central Government under Section 7 of the Export (Quality Control and Inspection) Act, 1963, are carrying out pre-shipment inspection work in accordance with the rules and instructions of the Central Government and the Export Inspection Council (EIC).

(b) to (d). The expenses of the EIC are met essentially through Government grants. With the approval of the Ministry of Commerce, Export Inspection Council also received small amounts from the Export Inspection Agencies (EIAs). The amounts received during the last three years were as under :

Year	Government grant (Rs. in lakhs)	From EIAs (Rs. in lakhs)
1985-86	21.19	0.71
1986-87	29.60	0.72
1987-88	33.00	Nil

SC and ST Employees in Nationalised Banks

6325. SHRI BANWARI LAL BAIRWA : Will the Minister of FINANCE be pleased to state :

(a) the total number of branches of the nationalised banks and the State Bank of India including its subsidiaries, bank-wise in India, as on 31 December, 1987 ;

(b) the total number of employees in these banks in officers, clerical, sub-staff and sweepers cadres as on 31 December, 1987 ; and

(c) the number of Scheduled Caste and STs.

Scheduled Tribe employees in the above cadres as on 31 December, 1987 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Reserve Bank of India (RBI) has reported that as at the end of December, 1987, 37107 branches of 28 Public Sector Banks were functioning in the country as per details given in the statement below. According to the available information, the total number of employees in the cadre of Officers, Clerical and sub-staff working in these banks, as on 1-1-1987 was 8,13,182 of which 1,46,020 belonged to SCs and STs.

Statement

Details of branches of 28 Public Sector Banks as at the end of December, 1987

Sl. No.	Name of Bank	No. of Branches
1	2	3
1.	State Bank of India	7537
2.	State Bank of Bikaner and Jaipur	638
3.	State Bank of Hyderabad	630
4.	State Bank of Indore	284
5.	State Bank of Mysore	461
6.	State Bank of Patiala	534
7.	State Bank of Saurashtra	303
8.	State Bank of Travancore	589
9.	Allahabad Bank	1389
10.	Andhra Bank	865
11.	Bank of Baroda	1973
12.	Bank of India	1950
13.	Bank of Maharashtra	1003
14.	Canara Bank	1863
15.	Central Bank of India	2569

1	2	3
16.	Corporation Bank	411
17.	Dena Bank	1014
18.	Indian Bank	1126
19.	Indian Overseas Bank	1096
20.	New Bank of India	564
21.	Oriental Bank of Commerce	487
22.	Punjab National Bank	2561
23.	Punjab & Sind Bank	650
24.	Syndicate Bank	1441
25.	Union Bank of India	1668
26.	United Bank of India	1090
27.	UCO Bank	1731
28.	Vijaya Bank	680
Total		37107

Pending Court Cases of State Bank of Hyderabad

6326. SHRI MANVENDRA SINGH :
Will the Minister of FINANCE be pleased to state :

(a) the number of court cases pending/lost by the State Bank of Hyderabad during the years 1985, 1986 and 1987, year-wise, and the amount involved ;

(b) the reasons thereof ;

(c) the details of the action taken by the bank against the erring officials/employees/bank-lawyers ; and

(d) the details of the steps proposed to be taken by the bank to avoid loss of the cases ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). The information is being collected and to the

extent available will be laid on the Table of the House.

[Translation]

Transfer of Officers in Punjab National Bank

6327. SHRI NIRMAL KHATRI :
Will the Minister of FINANCE be pleased to state :

(a) the rules with regard to transfer on promotion of scale-I and scale-II officers in the Punjab National Bank ;

(b) whether these rules are being strictly adhered to ;

(c) whether these rules have been followed in the case of recent transfers made for Delhi ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). Punjab

National Bank has advised that an officer on promotion to a higher grade can be posted anywhere depending upon the needs of the bank. However, as per practice followed by the bank, Officers on promotion are retained in the same zone to the extent of available vacancies in that zone in order of their seniority. The remaining officers i.e. surplus officers who could not be retained in the same zone, are allocated to deficit zones in accordance with their position in the approved list i.e. officers placed higher in the panel allocated to nearby zones and juniors to farther zones. The bank has also advised that these rules are being strictly adhere to and have duly been followed in the case of recent transfers made for Delhi.

Black Money in Circulation

6328. SHRI RAM PUJAN PATEL : Will the Minister of FINANCE be pleased to state :

- (a) the amount of currency in circulation and the amount of currency in the form of black money in the country ;
- (b) whether the economy of the country is getting shattered due to the increase in the black money ; and
- (c) if so, the arrangements being made by the Government to check the black money ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The value of the amount of currency in circulation as at the end of May, 1986 was Rs. 27,522.55 crores. There is no official estimate of the amount of currency in the form of black money.

(b) and (c). The Government is aware of the effects of black money on the national economy and is fully committed to curb the menace. All possible measures legislative, administrative and institutional are taken from time to time to arrest the generation, growth and use of black money.

Export of Jute to European Countries

6329. SHRI SHANTI DHARIWAL : Will the Minister of TEXTILES be pleased to state :

- (a) whether it is a fact that India had

been exporting forty lakh bales of jute to European Countries till 1970 ;

(b) if so, whether it is also a fact that only three lakh bales are being exported at present ;

(c) if so, whether Union Government propose to modernise the jute industry and increase its export again ; and

(d) the steps taken so far by Government for the removal of difficulties being faced by the jute industry ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). India is not a regular exporter of raw jute in the world market. Export of a limited quantity of raw jute is allowed to some East European countries against annual Trade Plans.

(c) and (d). A statement is given below.

Statement

Some of the important measures taken for the removal of difficulties faced by the jute industry are :

- (i) Setting up of Jute Modernisation Fund of Rs. 150 crores with effect from 1st November, 1986 for modernisation of jute mills.
- (ii) Setting up of a Special Development Fund of Rs. 100 crores for restructuring/re-opening/rehabilitation of jute industry as well as for development of jute agriculture.
- (iii) Enactment of a legislation i.e. Jute Packaging Material (Compulsory Use in Packing Commodities) Act, 1987, for mandatory usage of jute packaging material for certain sectors of the economy ;
- (iv) Waiver of Customs Duty on import of certain specified items of jute machinery and accessories with a view to encouraging modernisation programme of jute mills.
- (v) Providing cash compensatory support for export of jute goods ;
- (vi) Purchase of jute goods for Government sector directly from jute mills

at cost plus basis.

(vii) A buffer stock scheme of raw jute is in operation for bringing stability in raw jute prices.

[English]

Appointment of Non-official Directors in Nationalised Banks

6330. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state the criteria adopted in nominating non-officials on the Board of Directors of the nationalised banks ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : Appointments of non-official directors on the Boards of Nationalised Banks are made in accordance with the criteria for selection and procedure laid down under Clause 3 of the Nationalised Banks (Management and Miscellaneous Provisions) Schemes, 1970 and 1980.

Zonal Office of Jute Corporation of India in Assam

6331. SHRI ABDUL HAMID : Will the Minister of TEXTILES be pleased to state :

(a) whether Union Government are aware that a zonal office of the Jute Corporation of India is in great demand in the North Eastern Region particularly in Assam which is the Second Jute Producing State ; and

(b) if so, the steps taken by Union Government ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). The Jute Corporation of India has 16 Regional Offices, each headed by a Regional Manager, to control the field set-up of a clearly demarcated region. Of the 16 Regional Offices three are located in Assam at Nagaon, Guwahati and Shubri. The work of the Regional offices is supervised by the Corporate office at Calcutta. As the existing arrangements are working satisfactorily there is no proposal to set up a zonal office in Assam.

Benefits from West German Exhibition

6332. SHRI P.M. SAYEED : Will

the Minister of COMMERCE be pleased to state the main benefits which accrued to India as a result of West German exhibition/show held in Delhi from 14 to 20 March, 1988 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : Information is being collected and will be laid on the Table of the House.

[Translation]

Kanwarsain Committee on Floods in Kosi River in North Bihar

6333. SHRI CHANDRA KISHORE PATHAK : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether a Kanwarsain Committee was constituted to resolve the problems of floods in Kosi River in North Bihar ;

(b) if so, the date when this Committee was constituted and the recommendations made by the Committee to Government ; and

(c) the action taken by Government on the recommendations of the Committee ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir.

(b) The Committee constituted in 1965 made the following recommendations :

(i) Construction of a second barrage at Dagmara ;

(ii) River training works ;

(iii) Dredging and bandolling as river conservancy measures ; and

(iv) Flood warning system and comprehensive silt conservation plan for the river Tamur, a tributary of the Kosi.

(c) While the Central Water Commission have set up flood forecasting stations on the Kosi, the action on other recommendations concerns the State Government.

(English)

House Building Advance Scheme of State Bank of India

6334. SHRI SRIBALLAV PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) whether the house building advance scheme of the State Bank of India was restricted to its staff only ;

(b) whether State Bank of India has now revised its rule, lifted the restriction and extended its areas ;

(c) if so, whether all the employees including employees of State Governments and Central Government are now being extended advance by the State Bank of India for building houses ;

(d) if so, the norms fixed including instalments and interest etc. ; and

(e) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (e). The house building advance scheme of public sector banks including State Bank of India is applicable only to the employees of the Banks. Person other than the employees of the banks are not entitled to any advance for house building under this scheme. No change has been made by SBI in so far as this scheme is concerned. However, SBI is permitted financing of housing for the members of the public and this is governed by RBI directions. The interest rates structure under this housing finance scheme is as follow :

	Amount	Interest
1.	Upto Rs. 5,000/-	
	(a) for SC/ST	4%
	(b) others	12.5%
2.	Rs. 5,000—50,000/-	13.5%
3.	Rs. 50,000 and above	15%

Housing loans are repayable over a period of not more than 10 years.

Gandak River Drainage Scheme

6335. SHRIMATI PRABHAWATI GUPTA : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether there is any proposal under consideration of Government to start Gandak River Drainage Scheme to protect the lives and property of the people of East and West Champaran and North Bihar from flood every year ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). The Government of Bihar prepared a Scheme for Rs. 111.60 crores for drainage works in Gandak and Kosi Projects to cover

inter-alia the areas in East and West Champaran districts of North Bihar also and submitted it to the Planning Commission in January, 1988.

Export of Electronics Goods

6336. SHRI VIJAY N. PATIL : Will the Minister of COMMERCE be pleased to state :

(a) the total export of electronics goods during 1987 ;

(b) whether India has been facing tough competition from China in the field of electronics export ; and

(c) if so, the steps Government are taking to face challenges of electronics export from China and other countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.

DAS MUNSI) : (a) The export of electronic goods during 1987 was about Rs. 312 crores.

(b) and (c). Exports of electronic goods from China have been progressively increasing. However, the principal competitors in the international market are USA, Japan, the European Economic Community, South Korea, Hong Kong, Singapore and Taiwan. Government have taken various policy initiatives to make the Indian electronic industry export competitive. Besides identifying and licensing capacities of manufacture for the various items having export potential and providing input support, an Export Promotion Council for Electronics and Computer Software has been set up. Efforts have also taken to step up export production in the Electronics Export Processing Zone at Santa Cruz, Bombay and in the other Export Processing Zones. Import Replenishment Licences, Cash Compensatory Support and Duty Drawback are granted to encourage the export of specific items. Other steps taken include identification of target markets, participation in buyer-seller meets, seminars, fairs etc. The Trade Fair Authority of India is organising an International Exhibition "Electronics India '88" between 6—11 September, 1988 to project India's capabilities in the electronics sector.

Memo from Unions and Associations of India Government Mint, Calcutta

6337. SHRI SAIFFUDIN CHOWDHARY :

SHRI MANIK SANYAL :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have received any memorandum dated 30 October, 1987 from the Steering Committee of Unions and Associations, India Government Mint, Calcutta ;

(b) if so, the details thereof ; and

(c) the action taken by Government on

the said memorandum ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Yes, Sir. In the Memorandum dated 31-10-87, the Steering Committee have conveyed their apprehension about likely retrenchment of workers in case the Government decided to go ahead with the modernisation of the mints, involving inter alia, entrustment of the work of manufacture of stainless steel coin blanks to any agency, other than the mints and discontinuation of manufacture of Aluminium-Magnesium 5 paise and 20 paise coins.

(c) The main points raised in the memorandum would be taken into account while taking a decision on the proposals for the modernisation of the mints.

[*Translation*]

Export of Agricultural Items

6338. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the names of agricultural products exported by India during the last three years and the value thereof ;

(b) the names of the major countries exporting these products ; and

(c) whether this export has helped in earning foreign exchange after the establishment of the Agricultural and Processed Food Products Export Development Authority (APEDA) ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Major agricultural products exported from India include cereals, tobacco, spices, cashew, sugar, oil-cakes and processed foods. Exports of these items in the last three years have been as follows :

(Value : Rs. crores)

Products	1985-86	1986-87	1987-88 (Apr.-Dec.) (Provisional)
Cereals	228.72	282.91	301.20
Tobacco	160.29	171.84	99.15
Spices	282.52	277.48	175.73
Cashew	216.77	335.14	293.20
Sugar	18.62	18.19	17.75
Oil cakes	160.22	231.65	162.01
Processed foods	286.00	298.58	253.54

Our main competitors are USA, Brazil, Canada, Philippines, UK, Australia, Romania, New Zealand, Pakistan, Ivory Coast, France, Mexico, Mali, Thailand, Argentina etc. in respect of one or the other agricultural products mentioned above.

APEDA provides an institutional framework for export promotion of the products mentioned in the schedule to the APEDA Act, 1985. There has been a steady growth in the exports of most of these products.

[English]

Panel for Cotton Monopoly Procurement Scheme

6339. SHRI BALASAHEB VIKHE PATIL : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to appoint any high level Committee to pinpoint the deficiency or lacunae in the cotton monopoly procurement scheme ;

(b) if so, whether the Committee had submitted its report in June, 1987 ;

(c) if so, whether any decision has been taken on its recommendations ; and

(d) if so, the salient features thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) No, Sir.

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

[Translation]

Pucca Dam over Pun-Pun River in Bihar

6340. SHRI RAM SWARUP RAM : Will the Minister of WATER RESOURCES be pleased to state :

(a) the details of the progress made in the construction of a 'pucca dam' over Pun-Pun river at Hamid Nagar (Goh) in Bihar ; and

(b) the time by which it will be completed ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). There is no outlay for the construction of this Project in the Seventh Plan of Bihar State.

[English]

Study on Employment in Irrigation Projects

6341. SHRI K. RAMAMURTHY : Will the Minister of WATER RESOURCES be pleased to state the results of the study conducted by the Central Water Commission regarding actual generation of employment by projects in the irrigation sector, requirements and surpluses of different categories of manpower from 82 irrigation projects in the country ?

THE MINISTER OF STATE IN THE

MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SANI) : Studies carried out on a few projects on the basis of data received from them indicate that employment generation per crore of rupees spent is of the order of 70 technical persons and 240 others. No study on surpluses or deficiencies of different categories of manpower has been made by the Central Water Commission.

Powers of Central Board of Direct Taxes and Central Board of Excise and Customs

6342. SHRI RAM BAHADUR SINGH :

SHRI ANAND SINGH :

CH. RAM PRAKASH :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have divested some of the powers of the Central Board of Excise and Customs and the Central Board of Direct Taxes (CBDT) ;

(b) if so, the details thereof ; and

(c) the reaction of the Central Board of Direct Taxes to this step ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) No, Sir.

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

Frauds in State Bank of Indore Branches at Fort, Bhuleshwar and Worli in Bombay

6343. SHRI C. JANGA REDDY : Will the Minister of Finance be pleased to state :

(a) whether cases of bungling/irregularities/frauds have been detected in the matter of Cash Credit Loan/Letter of Credit/Hundi Bills (DAR) during the period January, 1981 to December, 1984 and June, 1985 to 31st March, 1988 in the branches of State Bank of Indore at Fort, Bhuleshwar and Worli in Bombay ;

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

(c) the total amount involved in each

case and the number of employees found guilty therein ; and

(d) the present position of the cases ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). State Bank of Indore has reported that 11, 2 and 3 cases of bungling/irregularities/frauds etc. involving Rs. 237.29 lakhs, Rs. 45.22 lakhs and Rs. 0.33 lakhs respectively have been detected in the matter of cash credit loan/letter of credit/Hundi bills (DAR) during the period January, 1981 to December 1984 and June 1985 to 31st March 1988 at its Fort, Bhuleshwar and Worli branches in Bombay. An amount of Rs. 209.39 lakhs has been recovered so far. The bank has further reported that it has also filed civil suits for the recovery of its outstanding dues which are pending in the Courts. The Bank has also reported that 13 officials, who were found involved in these cases, have been awarded punishments as indicated below :

(1) Dismissed from Bank's service	5
(2) Removed from Bank's service	3
(3) Withholding of promotion for one year	1
(4) Withholding of one increment with cumulative effect	1
(5) Censure	2
(6) Warning	1

Export Processing Zone in Cochin

6344. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) the present stage of export free zone in Cochin ;

(b) the number of factories which have started production in that zone ; and

(c) the steps taken to improve the production in this export free zone ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE SHRI P.R. DAS MUNSI) : (a) to (c). Infrastructural

facilities under the first phase of the Cochin Export Processing Zone have been completed. Twenty-seven projects have been approved for establishment in the zone of which two have commenced production. Five more units are under construction. Exports from the zone have been about Rs. 470 lakhs so far. Applications received for starting units are expeditiously cleared and due publicity is being given to attract entrepreneurs to establish industries in the zone.

[*Translation*]

Export of Apples and Fruits

6345. SHRI HARISH RAWAT : Will the Minister of COMMERCE be pleased to state :

(a) the value of apples and the fruits of the same species exported during the last three years ;

(b) whether Government propose to prepare any special scheme to increase export of fruits of such species and to get its benefit direct to the producers ; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The value of Apples and Fruits exported during 1984-85, 1985-86, 1986-87 and April '87-December '87 is as follows :

(Value : Rs. in crores)

Year	Value
1984-85	22.79
1985-86	24.30
1986-87*	25.00
1987-88*	26.70
(April, '87—Dec., '87)	

*Provisional

(b) No such scheme has been prepared by the Government. Exports of fruits is freely allowed. To increase exports, C.C.S. at the rate of 22% by air and 10% by surface transport is presently allowed besides Import Replenishment of 10%.

(c) Does not arise.

[*English*]

Cashew Nut Prices in World Market

6346. PROF K.V. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether the price of cashew nut in the world market has decreased ;

(b) if so, the reasons therefor ;

(c) whether this fall in price has affected the export ;

(d) how many cashew nut factories in Kerala have been closed down ; and

(e) the steps taken to help the cashew industry ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). There has been slight fall in the prices of cashewnuts in the world market in the later part of 1987 owing to increased supply of cashewnuts from Brazil and fall in demand from buyers. This has effected our exports of cashew kernels adversely.

(d) As per information available presently almost all cashewnut factories in Kerala are closed due to lack of supply of raw cashew.

(e) The Ministry of Agriculture is taking several steps to increase availability of raw cashew, such as development of new varieties, pest control and extension work.

Credit Policy of Nationalised Banks

6347. DR. G.S. RAJHANS : Will the Minister of FINANCE be pleased to state :

(a) whether the nationalised banks have decided to give more relaxations and facilities in their credit policy ;

(b) if so, the new concessions and facilities proposed to be provided for giving loans in the rural areas and to educated unemployed persons ; and

(c) what will be the number of branches of banks throughout the country in the rural

areas by the end of the current Five Year Plan ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). The public sector banks have been providing loans in rural areas and also to educated unemployed persons. The flow of agriculture credit is mostly in rural areas and the Government has recently decided to increase the share of direct agriculture advance in total bank credit from 16 per cent to 17 per cent to be achieved by the end of March, 1989. Further, the interest rates on crop loans upto Rs. 15,000/- have also been reduced with effect from March 1, 1988 ;

(c) Reserve Bank of India has reported that if the banks are able to open branches at all the centres allotted to them during the current policy period, the number of rural branches in the country may be around thirty six thousand by the end of Seventh Five Year Plan.

Implementation of Lead Bank Scheme

6348. SHRI ANIL BASU : Will the Minister of FINANCE be pleased to state :

- (a) the details of concept of Lead Bank Scheme, coordination of planning and implementation of the scheme ;
- (b) whether the scheme has been successful ; and
- (c) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Lead Bank Scheme (LBS) which was introduced in 1969 envisages one bank, designated as Lead Bank for the district, to act as the leader in identifying potential growth centres and formulating suitable schemes in the priority sector. Under the LBS, the Lead Banks convene the District Consultative Committee meetings ; take steps to prepare the Annual Action Plans and act as leader for coordinating the efforts of all credit institutions for meeting the credit needs of priority sector. The Lead Banks have generally played the role of coordinators in the process of deployment of resources by institutional agencies in a planned manner in financing viable schemes. The Scheme has recorded fairly good success and constitutes an effective operational tool for purveying credit to priority sector through rural and semi-urban branches.

Coffee Production

6349. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

- (a) whether Government are taking steps to increase production of Coffee ;
- (b) if so, the target set for production of Coffee in last three years ; and
- (c) the actual quantum of Coffee produced in these years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Yes, Sir. The targets set for production of coffee for the last three years and the actual production during this period is as under :

(Qty. in tonnes)

Year	Target	Actual
1985-86	146,000	122,000
1986-87	154,000	191,000
1987-88	162,000	120,000 (E)

(E) Estimated.

Distribution of Imported Silk Through Co-operative Societies

6350. SHRI NARSING SURYAVANSI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Karnataka small scale powerloom weavers action committee has urged Union Government to consider the problems of small sector powerloom units ;

(b) whether they have also urged for distribution of imported silk through Co-operative societies by allowing at least 60% of imported silk to Karnataka weavers and allow weavers to import raw silk directly under actual users formula ; and

(c) if so, the response of Union Government thereto ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) Yes, Sir.

(c) The import of silk is allowed only for or against exports. Import of silk for indigenous consumption is, however, not encouraged to protect the indigenous silk industry, and is allowed only as and when required, as a canalised item through the Central Silk Board. As such, it is not possible to allow weavers to import raw silk for indigenous consumption directly under actual users scheme. Further, 100 tonnes of raw silk being imported by the Central Silk Board as a price stabilisation measure is proposed to be released through the Board to the identified handloom weavers organisations of various State Governments for distribution to actual users.

Prawn Export

6351. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of prawns is facing stiff competition from Taiwan ;

(b) whether it is a fact that there has been a set back in the export of prawns ;

(c) if so, the details thereof ; and

(d) the steps being taken by Government to make our export more competitive ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir ; particularly in our major markets, namely Japan and USA.

(b) and (c). No, Sir ; our export of prawn during the period from April '87 to January '88 stood at 43165 tonnes valued at Rs. 335.09 crores, as compared to the export of 41688 tonnes valued at Rs. 321.89 crores during the corresponding period in the previous year.

(Source : Marine Products Export Development Authority, Cochin)

(d) Steps being taken by Government to make our export more competitive include encouragement of production of value added items like IQF (Individually Quick Frozen) shrimps and acquisition of latest machinery and equipments for upgrading the processing technology and improving the quality of seafoods.

Cases Instituted Against FERA

6352. SHRI TARIQ ANWAR : Will the Minister of FINANCE be pleased to state :

(a) the number of cases instituted under FERA during the period of 1985-86 and 1986-87 ;

(b) how many of them have been disposed of ; and

(c) how many persons have been convicted ?

THE MINISTER OF STATE, IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) During 1985-86 and 1986-87, the Directorate of Enforcement had initiated adjudication proceedings in 4524 and 6278 cases respectively.

(b) and (c). During the same period, 3444 and 4573 cases were adjudicated under FERA and 428 and 386 persons were convicted by the Courts of Law.

Review of Performance of EPCs

6353. SHRI SYED SHAHABUDDIN : Will the Minister of COMMERCE be

pleased to state :

(a) whether the performance of the Export Promotion Councils has been reviewed recently ;

(b) if so whether any effort has been made to eliminate the overlap in terms of export items among various Councils ;

(c) the Council-wise grant-in-aid by Government during the last three years ; and

(d) the Council-wise exports by value year-wise during last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (d). A statement is given below.

(See columns 121—128).

[*Translation*]

Permission to Close Down Textile Mills

6354. SHRI NARSINH MAKWANA : Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills lying closed in Gujarat and the number of workers rendered jobless as a result thereof ;

(b) the action taken by Union Government thereon ;

(c) whether there is any apprehension of closure of other textile mills also and whether any appropriate action is being taken by Union Government to check the closure of such mills ;

(d) whether permission of Union Government is obtained before closing down the mills ;

(e) if not, the reasons for not making provisions for obtaining such a permission ; and

(f) the reasons for not taking stern action by Government to cure this sickness of textile industry ?

THE MINISTER OF TEXTILES (SHRI

RAM NIWAS MIRDHA) : (a) As on 31-1-88 there were a total of 32 cotton/man-made fibre textile mills employing 51525 workers lying closed in Gujarat.

(b) and (c). The possibility of closure of textile mills is dependent on various factors and such closures therefore cannot be ruled out totally. Government had constituted a Nodal Agency to examine sick textile mills. The Nodal Agency evolves and manages rehabilitation packages for mills found by it to be viable. A Textile Modernisation Fund has also been set up to meet the modernisation needs of weak but viable units. Non-viable units may have to close down permanently.

(d) and (e). Granting of permission before a mill can be closed down is statutorily within the competence of the State Government/Union Territories Administration concerned.

(f) Government have already taken various steps as indicated in parts (b) and (c) above to combat the problem of sickness in the textile industry.

[*English*]

Proposal to Levy Advertisement Tax

6355. SHRI P.A. ANTONY : Will the Minister of FINANCE be pleased to state :

(a) whether the large industrial houses are spending huge amounts on advertisement of their monopoly products ;

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

(c) whether Government propose to levy some advertisement tax on them ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) No such information is being maintained.

(b) Does not arise.

(c) No such proposal is presently under consideration.

Statement

Export Performance of the Export Promotion Councils is reviewed from time to time. No overlap in terms of export items among various Councils has come to notice. Information relating to grant-in-aid from MDA and exports by value year-wise during last three years in respect of various Export Promotion Councils is given below :

S. No.	Name of the Export Promotion Council	Grant-in-aid from MDA (In Rs. lakhs)	Exports (In Rs. crores)
1	2	3	4
1.	Basic Chemicals, Pharmaceuticals & Cosmetics E.P.C.	1984-85 1985-86 1986-87	34.81 35.86 33.00
2.	Chemicals & Allied Products E.P.C.	1984-85 1985-86 1986-87	64.40 30.00 44.91
3.	Plastics & Linoleum E.P.C.	1984-85 1985-86 1986-87	22.51 17.16 15.41
4.	Engineering E.P.C.	1984-85 1985-86 1986-87	134.00 198.91 192.90

1	2	3	4
5.	Overseas Construction Council of India	1984-85 1985-86 1986-87	2.00 5.76 8.56
6.	Electronics & Computer Software E.P.C.	1984-85 1985-86 1986-87	— — 2.00
7.	Gem & Jewellery B.P.C.	1984-85 1985-86 1986-87	28.20 41.51 42.49
8.	Council for Leather Exports	1984-85 1985-86 1986-87	27.01 33.70 41.85
9.	Sports Goods B.P.C.	1984-85 1985-86 1986-87	6.68 8.42 14.38
10.	Cashew B.P.C.	1984-85 1985-86 1986-87	7.79 9.44 11.33

These figures indicate the value of contracts secured.

The Council has been set up recently and the value of exports of items covered by this Councils are included in the export figures of Engineering E.P.C.

1304.92

1507.94

2132.27

583.74

662.51

930.77

25.90

27.90

28.37

180.37

215.27 (Provisional)

334.10 (-do-)

11.	Shellac E.P.C.	1984-85	7.61	29.73
		1985-86	3.84	41.33
		1986-87	10.98	25.77
12.	Apparel E.P.C.	1984-85	—	943.72 Apparel E.P.C. is not receiving any grant from MDA since 1-4-85. The amount of Rs. 3.11 lakhs released during 86-87 pertains to final grant for 1983-84.
		1985-86	—	1096.14
		1986-87	3.11	1503.68
13.	Wool & Woollens E.P.C.	1984-85	10.98	88.20
		1985-86	8.97	86.75
		1986-87	12.58	76.00
14.	Handloom E.P.C.	1984-85	4.17	168.36 Release of grant in aid to Handloom E.P.C. has been stopped.
		1985-86	—	161.34
		1986-87	—	165.67
15.	Synthetic & Rayon Textiles E.P.C.	1984-85	17.40	60.92
		1985-86	10.00	53.92
		1986-87	19.34	72.78
16.	Cotton Textiles E.P.C.	1984-85	—	471.56 Cotton Textiles E.P.C. does not voluntarily receive any grant-in-aid from MDA.
		1985-86	—	469.59
		1986-87	—	560.56
17.	Indian Silk E.P.C.	1984-85	13.27	129.05
		1985-86	15.00	159.82
		1986-87	6.00	201.42

1	2	3	4
18.	Carpet E.P.C.		
	1984-85	6.20	174.81
	1985-86	4.42	219.92
	1986-87	9.22	171.64 (Provisional)
19.	E.P.C. for Handicrafts		
	1984-85	—	299.33
	1985-86	—	283.27
	1986-87	7.97	243.84 (Provisional)

E.P.C. for Handicrafts has come into existence in 1986 and therefore, grant-in-aid from MDA has been released during 1986-87 only. The export figures for the earlier years relate to export of Handicrafts.

Export of Spices

6356. PROF. P.J. KURIEN :

SHRIMATI N.P. JHANSI LAKSHMI :

Will the Minister of COMMERCE be pleased to state :

- (a) the main spices which are exported ;
- (b) the earnings from export of spices during 1987-88, spice-wise ;
- (c) whether a demand has been made that the Spice Board Act, 1986 should be amended to enable the Board to undertake developmental move in respect of all spices ; and
- (d) if so, the reaction of Government

thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The main spices, being exported from India include Pepper, Turmeric, Chillies, Cardamom (small), Ginger and their oils and oleoresins and curry powder.

(b) Figures for export of spices for the entire year 1987-88 are not available. However, provisional figures for exports during April-Feb. 1988 spice-wise are indicated in the statement below.

(c) and (d). According to the Allocation of Business Rules, the Ministry of Commerce is concerned with the agricultural aspects of Cardamom alone, and other spice crops are the concern of the Ministry of Agriculture. Accordingly, the Spices Board is concerned with all aspects of development of cardamom and export promotion of spices.

Statement*Export of Spices*

(Value in Rs. lakhs)

(Qty. in M. Tons)

Sl. No.	Item	April-Feb., 88	
		Qty.	Value
1.	Pepper	30390	18093.10
2.	Cardamom (Small)	289	352.10
3.	Cardamom (Large)	142	62.66
4.	Chillies	5430	721.50
5.	Ginger	2750	445.40
6.	Turmeric	7900	865.50
7.	Curry Powder	2277	359.50
8.	Misc. Spices	5490	691.45
9.	Oils and Oleoresins of Spices	381	1324.10
Total		55049	22915.21

These figures are provisional.

Import of Coconut Oil

6357. SHRI K. MOHANDAS : Will the Minister of FINANCE be pleased to state :

(a) whether import of coconut oil is still made for industrial use ;

(b) if so, the quantity imported during 1987-88 ; and

(c) whether the coconut oil available in the country is not enough to meet the industrial demand ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). The import of coconut oil is canalised through State Trading Corporation/Hindustan Vegetable Oils Corporation. During 1987-88 no import of coconut oil has been made by State Trading Corporation. However, against the export of fatty acids/fatty amines, import of coconut oil alongwith other products, is allowed to a small extent.

Kuriakutty-Karappara Project of Kerala

6358. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Government of Kerala has sent the revised plan for Kuriakutty-Karappara project ;

(b) if so, whether Union Government have considered it ; and

(b) by what time clearance is likely to be given to this project ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) No, Sir.

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

Modernisation of Textile Mills in Gujarat

6359. SHRI CHHITUBHAI GAMIT :

SHRI UTTAMBHAI H. PATEL :

Will the Minister of TEXTILES be pleased to state :

(a) whether Union Government propose to modernise some National Textile Corporation mills and other textile mills in Gujarat ;

(b) if so, the details thereof ; and

(c) the details of the amount spent on modernisation of various textile mills in Gujarat during the last three years, mill-wise details ?

THE MINISTRY OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). The Union Government does not undertake modernisation of non-NTC mills. As regards NTC mills, modernisation is a continuous process. An amount of Rs. 685.77 lakhs was spent on the renovation/modernisation of 11 NTC mills during the years 1984-85 to 1986-87 as per mill-wise details given below :

S. No.	Name of the Mills	Amount (Rs. in lakhs)
1	2	3
1.	Ahmedabad Jupiter Textile Mills	25.55
2.	Anmedabad New Textile Mills	55.95
3.	Himardri Textile Mills	47.88
4.	Jahangir Textile Mills	83.52
5.	New Manekchowk Textile Mills	36.29
6.	Rajnagar Textile Mills 1 & 2	203.93
7.		

1	2	3
8.	Mahalaxmi Textile Mills	102.43
9.	Petlad Textile Mills	77.90
10.	Rajkot Textile Mills	25.19
11.	Viramgam Textile Mills	27.13
Total		685.77

Tea Production

6360. SHRIMATI N.P. JHANSI LAKSHMI: Will the Minister of COMMERCE be pleased to state :

(a) the tea production in the North and South India, separately, in 1984-85, 1985-86 and 1986-87 in million kgs. ;

(b) the quantities of black tea exported, unit value realised and the foreign exchange

realisation for 1984-85, 1985-86 and 1986-87 ; and

(c) the measures taken to increase export of tea ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) The tea production in the North and South India during 1984-85, 1985-86 and 1986-87 is as follows :

(Qty. M. Kgs.)

Year	North India	South India
1984-85	496.50	143.04
1985-86	502.00	146.04
1986-87*	493.74	131.46

*Provisional.

(b) Exports of black tea from India during 1984-85, 1985-86 and 1986-87 are as follows :

Year	Quantity (M. Kgs.)	Value (Rs. crores)	Unit Price (Rs./Kg.)
1984-85	217.40	771.39	35.48
1985-86	214.23	647.98	30.25
1986-87	196.23	579.48	29.53

(c) Some of the important measures taken by Government to increase export of tea are as follows :

1. Tea Board have been undertaking generic and uninternational promotional

campaign in different countries for promotion of Indian tea.

- Excise duty rebate of 50 paise on all teas exported.
- Full excise duty rebate on teas going

into packets as well as the duty on packets.

4. Provision of 10% of FOB realisation for advertising and promotion by individual companies abroad.
5. Sanction of schemes under the Brand Promotion Fund and under Warehousing Subsidy Scheme.
6. A committee to formulate long-term strategy and plan for tea has been constituted.
7. A National Committee on Tea Research has been constituted.
8. A corpus of Rs. 10 crores for tea research has been initiated.
9. Leading Tea exporters have been asked to draw up their export plan as a part of their corporate plan for the next 5 years.

Major and Medium Irrigation Projects of Bihar

6361. SHRI YOGESHWAR PRASAD YOGESH : Will the Minister of WATER RESOURCES be pleased to state :

(a) the details of major and medium projects of Bihar being held up by the Central Water Commission indicating the name of the project cost, command area, location, date of submission and the reasons for not clearing the projects so far ; and

(b) the steps being taken to clear these projects ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Out of 12 major and 13 medium irrigation projects costing about Rs. 2400 crores and envisaging irrigation to about 12 lakh hectares, 4 major and 9 medium projects are included in the VIIth Plan. 8 medium projects have been techno-economically appraised but State Government has not obtained clearance under Forest (Conservation) Act, 1980. Comments sent on other projects to the State Government are yet to be incorporated in the proposals.

Investment in Public Sector Bonds by NRIs

6362. SHRI BRAJA MOHAN

MOHANTY : Will the Minister of FINANCE be pleased to state :

(a) whether non-resident Indians and persons of Indian origin and overseas corporated bodies owned at least to the extent of 60 per cent by them have been allowed to invest in public sector bonds on non-repatriation basis ;

(b) if so, the details thereof ; and

(c) the total amount so far invested by NRIs in Public sector bonds ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Non-Resident Indians/Persons of Indian Origin and Overseas Corporate Bodies owned at least to the extent Sixty per cent by them are allowed to invest in Bonds issued by Public Sector undertakings, on non-repatriation basis.

(c) Information is being collected and shall be laid on the Table of the House.

[Translation]

Recovery of Bank Loans

6363. SHRI K.D. SULTANPURI : Will the Minister of FINANCE be pleased to state :

(a) the amount of loan disbursed State-wise by the nationalised banks in the country during the last three years ; and

(b) the details of achievements with regard to the recovery of these loans ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) State-wise data of outstanding advances of 28 Public Sector Banks as at the end of December 1985, December 1986 and September 1987 is given in statement-I below.

(b) Data regarding recovery is available only for direct agricultural advances of Public Sector Banks. State-wise percentage of recovery to demand of direct agricultural advances of Public Sector Banks for the years ending June 1984, June 1985 and June 1986 are given in statement-II below.

Statement-I

State-wise Advances of Public Sector Banks

(Amount in Rs. crores)

State/Region/Union Territory	December	December	September	
	1985	1986	1987	
	1	2	3	4
I. Northern Region	10183	11109	10923	
Haryana	1010	1181	1230	
Himachal Pradesh	215	250	271	
Jammu and Kashmir	149	163	176	
Punjab	2013	2353	2491	
Rajasthan	1240	1445	1523	
Chandigarh	1364	1235	854	
Delhi	4183	4481	4377	
II. North-Eastern Region	620	740	793	
Assam	464	545	595	
Manipur	22	29	32	
Meghalaya	33	39	39	
Nagaland	28	40	44	
Tripura	46	50	54	
Arunachal Pradesh	8	12	13	
Mizoram	7	9	10	
Sikkim	10	15	17	
III. Eastern Region	5878	6855	7565	
Bihar	1343	1572	1742	
Orissa	774	933	1053	
West Bengal	3753	4340	4760	
Andaman and Nicobar Islands	8	10	10	
IV. Central Region	5246	6134	6668	
Madhya Pradesh	1723	2137	2306	
Uttar Pradesh	3523	4015	4362	

	1	2	3	4
V. Western Region		15238	16735	16918
Gujarat		2867	3424	3611
Maharashtra		12139	13044	13021
Goa, Daman and Diu		227	263	281
Dadra and Nagar Haveli		5	4	5
VI. Southern Region		12736	15208	16730
Andhra Pradesh		3449	4224	4415
Karnataka		3275	3832	4380
Kerala		1630	1892	2156
Tamil Nadu		4316	5179	5688
Pondicherry		63	79	90
Lakshadweep		1	1	1
All India		49902	56779	59609

Note : 1. Data are provisional.

2. Total may not add up due to rounding differences.

Statement-II

State-wise Percentage of Recovery to Demand of Direct Agricultural Advances of Public Sector Banks

State/Region/Union Territory	June	June	June
	1984	1985	1986
1	2	3	4
I. Northern Region	55.6	60.9	61.5
Haryana	57.3	58.9	59.9
Himachal Pradesh	50.7	50.6	50.9
Jammu and Kashmir	36.3	43.1	30.9
Punjab	61.3	70.9	72.1
Rajasthan	47.3	48.2	48.3
Chandigarh	14.8	41.1	35.0
Delhi	46.8	39.9	47.9

	1	2	3	4
II. <i>North-Eastern Region</i>		38.5	39.3	35.7
Assam		34.2	35.2	34.4
Manipur		19.9	21.2	20.9
Meghalaya		46.6	55.7	44.4
Nagaland		66.7	44.4	41.7
Tripura		33.5	31.7	32.5
Arunachal Pradesh		42.1	51.0	52.9
Mizoram		38.6	51.9	56.6
Sikkim		78.7	71.6	49.9
III. <i>Eastern Region</i>		36.1	37.9	43.1
Bihar		38.2	37.6	42.5
Orissa		36.4	43.4	46.1
West Bengal		33.8	33.9	41.5
Andaman and Nicobar Islands		23.2	18.4	28.7
IV. <i>Central Region</i>		50.4	51.2	53.1
Madhya Pradesh		42.1	44.0	44.7
Uttar Pradesh		53.9	54.3	57.0
V. <i>Western Region</i>		46.0	47.3	50.1
Gujarat		52.8	53.0	51.2
Maharashtra		41.9	44.0	49.4
Goa, Daman and Diu		39.4	41.8	50.4
Dadra and Nagar Haveli		66.2	29.0	39.2
VI. <i>Southern Region</i>		56.0	58.6	60.6
Andhra Pradesh		55.9	57.4	59.9
Karnataka		48.4	50.4	53.4
Kerala		68.1	69.9	70.3
Tamil Nadu		58.3	62.9	63.8
Pondicherry		63.6	54.0	57.6
Lakshadweep		75.5	63.8	60.9
All India		51.6	54.2	56.5

[*English*]

Loans to Government and Semi Government Employees for Purchase of Consumer Goods

6364. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the State Bank of India has launched a scheme to provide loans to Government and Semi-Government employees for purchase of consumer and household items upto rupees twenty thousand ;

(b) if so, details in this regard ;

(c) the rate of interest chargeable ; and

(d) the number of instalments in which the loan amount is to be repaid and the manner in which it is to be recovered ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). State Bank of India have reported that they had introduced in Jamshedpur branch of the bank in 1987 a scheme for granting loan by way of overdrafts upto Rs. 20,000/- to eligible employees of TISCO for purchase of consumer durables of reputed makes. The advances granted are repayable in equated monthly instalments over a period of 30 months which carry an interest rate of 16.5% p.a. The monthly instalments are to be remitted by TISCO out of the salary of borrower—employees.

State Bank of India have further reported that they have since introduced a regular scheme for granting loans for purchase of consumer durables to clients at Metropolitan/Urban branches. Under the scheme, loans between Rs. 5,000/- and Rs. 1 lakh can be granted to eligible permanent Government employees and employees of public sector undertakings, Corporations and Private Sector Companies, Defence and Police personnel, reputed organisations, establishments as well as professionals and self-employed persons against hypothecation of the consumer durables of reputed makes to be purchased. The repayment period for loan above Rs. 10,000/- is based on the value of the assets to be purchased and the capacity of the buyer to repay the loan, the maximum

period allowed being 60 months normally. Loan repayable within 36 months carry an interest rate of 16.5% p.a. Loans exceeding 36 months classified as "term loans" are charged interest at 15% p.a. as per Reserve Bank of India's guidelines.

[*Translation*]

Purchase of Mica from Mica Producers by MITCO

6365. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether the regional management of the Mica Trading Corporation of India (MITCO), Jhoomri Tilaiya (Bihar) have acquired about 8 tonne of mica from mica traders which is lying in its godowns and the payment therefor has not been made so far ;

(b) whether financial conditions of dealers belonging to weaker sections can be saved from worsening due to the pending payments ; and

(c) if not, whether Government propose to streamline the purchase policy of MITCO ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) In anticipation of expected export order Mica Trading Corporation of India (MITCO) floated a trade circular against which Mica dealers have tendered 17.8 tonnes of mica condensed films in MITCO's premises for inspection and purchase. Since, expected order for this item of mica did not materialise, no purchase has been effected so far. As such no payment is pending against purchases made by MITCO from mica dealers.

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

[*English*]

Financial Viability of Jaipur Udyog Limited

6366. SHRI VIJAY KUMAR YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the Board for Industrial and Financial Reconstruction had asked the Industrial Reconstruction Bank of India to investigate the financial viability of Jaipur

Udyog Limited at Sawaimadhopur and Kanpur Jute Udyog, Kanpur ;

(b) if so, whether the IRBI has submitted its report ; and

(c) if so, the details thereof and reaction of Government thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The Board for Industrial and Financial Reconstruction (BIFR) has reported that the Industrial Reconstruction Bank of India (IRBI) was appointed as operating agency in the case of Jaipur Udyog Limited under Section 7(3) of the Sick Industrial Companies (Special Provisions) Act, 1985. IRBI has since submitted a report to the BIFR. The matter stands before the BIFR for processing in accordance with the provisions of the Act.

Early Completion of Major Irrigation Projects

6367. SHRI G. BHOOPATHY : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether steps have been taken by Government for early completion of major irrigation projects not completed within the scheduled time ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Irrigation projects are planned, funded and implemented by State Governments and they have been advised to prioritise the projects for optimal allocation of available resources and lay stress on completion of ongoing projects. The steps being taken by the Central Government include earmarking of outlays for identified projects, monitoring of progress of important projects, assistance to States for procuring adequate supply of scarce material and equipment, and arranging external assistance, wherever feasible to step up the resources.

[*Translation*]

Seizure of Information Concerning Banks' Private Depositors and Loanees by Police

6368. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to

state :

(a) whether provisions of the Public Financial Institution (obligation as to Fidelity and Secrecy) Act, 1983 also apply to nationalised banks and regional rural banks ;

(b) if so, whether under section 91/94 of Criminal Procedure Code, 1973 Police can demand or seize the documents and information concerning these banks' private depositors and loanees without any orders or warrants of a court or a Magistrate ;

(c) if not, whether Government propose to issue any directive to State Governments with a view to save various banks from the day-to-day harassment caused by police ; and

(d) if so, the conditions on which the information of accounts of private depositors and the duplicate copies of loan documents and accounts of loanees can be given to the police ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). The provisions of the Public Financial Institutions (Obligation as Fidelity and Secrecy) Act, 1983 do not apply to the Nationalised Banks and Regional Rural Banks, which are governed by the provisions contained in the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980 and the Regional Rural Banks Act, 1976 respectively. The aforesaid statutes provide that the banks shall not divulge any information related to or to the affairs of their constituents except in circumstances in which in accordance with law or practices and usages customary among bankers it is necessary or appropriate for the banks to divulge. Reserve Bank of India have reported that a police officer cannot demand production of documents or seizure of documents without issuing requisite order under Section 91 or obtaining search warrant under Section 94 of the Code of Criminal Procedure, 1973. In the event of banks being asked by the police authorities to produce documents/divulge information on the basis of orders issued under Section 91 or 94 of the Code of Criminal Procedure, 1973 or under the provisions of any other law, the banks would be statutorily required

to comply with the same. While demands for information made by competent authorities under statutory powers vested in them would have to be complied with by the banks, it is open to bank customers to approach appropriate police authorities in case they have any grievance in the matter.

[*English*]

Credit Cards Scheme

6369. SHRI GURUDAS KAMAT : Will the Minister of FINANCE be pleased to state :

(a) whether some of the nationalised banks and private sector banks have introduced credit cards scheme ; and

(b) if so, the response from the public ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) While the response is generally reported to be good, it is usually varying with the conditions governing the Credit Card and the extent of its acceptability in the market.

Setting Up a Corporation for the Construction of Sardar Sarovar Project by Gujarat Government

6370. SHRI MAHENDRA SINGH : Will the Minister of WATER RESOURCES be pleased to state :

(a) the Gujarat Government proposed to set up a Corporation for the construction of Sardar Sarovar Project ;

(b) if so, the Government of Madhya Pradesh has raised objection to setting up such a corporation or agency and made a representation to Union Government in this regard ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). Yes, Sir.

(c) Gujarat has proposed some modifications but no agreement has been reached.

Indian Investment Abroad

6371. SHRI BHATTAM SRIRAMA-MURTY : Will the Minister of COMMERCE be pleased to state :

(a) the Indian investment abroad by way of equity participation in various countries by different industrial houses ;

(b) the amounts involved in each country ;

(c) whether any long term policy is likely to be formulated in respect of participation of Non-Resident Indians in various industries ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) As on 31st Dec. 1987, 21 industrial houses registered under the MRTP Act, 1969 have made an investment of Rs. 65.23 crores by way of equity participation in 24 countries.

(b) A statement is given below.

(c) and (d). Setting up of Indian Joint Ventures abroad are governed by the existing guidelines. At present, there is no proposal for formulation of any separate long-term policy for purposes of participation by Non-Resident Indians in setting up Indian joint ventures abroad in various industries.

Statement

(Indian Rs. in Crores)

1.	Indonesia	9.09
2.	Malaysia	9.89
3.	Thailand	8.86
4.	Nigeria	6.71
5.	Uganda	0.28

6.	Kenya	10.55
7.	Philippines	0.41
8.	U.K.	2.16
9.	U.S.A.	0.52
10.	Singapore	2.47
11.	Saudi Arabia	0.15
12.	Sri Lanka	5.53
13.	Oman	0.08
14.	U.A.E.	0.23
15.	Zambia	0.56
16.	Switzerland	4.23
17.	Hongkong	0.01
18.	Senegal	2.30
19.	Mauritius	0.06
20.	West Germany	0.30
21.	Nepal	0.35
22.	Australia	0.07
23.	Egypt	0.17
24.	Greece	0.25
Total		65.23

Export of Shoes and Chappals

6372. SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state :

(a) whether leather industry of Kanpur has been exporting shoes and chappals ; and

(b) whether leather dresses are manufactured for export by these industries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir.

(b) A few units in Kanpur region also

export leather garments.

Exemption of Essential Drugs from Customs Duty

6373. SHRI MURLIDHAR MANE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have announced relief to the people by exempting essential medicines from customs duty ;

(b) whether the objective of giving relief by Government is being implemented properly ; and

(c) if so, the details thereof and if not,

the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (c). Specified life saving drugs and medicines are wholly exempted from customs duty. In Budget 1988, no fresh relief in basic or auxiliary customs duty in respect of essential medicines has been announced. However, the list of exempted drugs and medicines is reviewed from time to time, keeping in view factors such as essentiality and protection to the indigenous industry. The duty exemption is available to all importers. No difficulty in implementation of the customs duty exemption has been reported.

Customer Service in Nationalised Banks in Goa

6374. SHRI SHANTARAM NAIK : Will the Minister of FINANCE be pleased to state :

(a) the steps, if any, taken by the various nationalised banks in Goa with regard to the improvement in customer service ;

(b) whether all the banks in Goa are following all the guidelines issued in this connection by the Reserve Bank of India ; and

(c) if not, the guidelines which are not followed and by which banks ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Since the middle of 1985, public sector banks, on the advise of Reserve Bank of India and Government, have taken various steps to improve the customer service in their branches including those located in Goa. These steps include evolution of time norms for rendering common services, speedier clearance of cheques through clearing houses, speedier collection of outstation cheques through increasing use of courier services, creation of machinery for quick redressal of customers' grievances, extending small depositors the facility of immediate credit of outstation cheques upto Rs. 2500/-, payment of interest at Savings Bank rate for delayed collection of outstation cheques beyond 14 days, and bringing about increased interface between

customers and bank executives with a view to facilitating quick redressal of grievances and also promoting mutual understandings.

All the public sector banks having branches in Goa are following the guidelines on Customer Service.

Opening of Bank Branches in Himachal Pradesh

6375. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Himachal Gramin Bank, Punjab National Bank, State Bank of India, State Bank of Patiala, Central Bank of India, Oriental Bank of Commerce and United Commercial Bank have identified a number of unbanked centres for opening of new branches of these banks during last five years (second half of Sixth Five Year Plan and first half of Seventh Five Year Plan) and forwarded their requests directly or through Government of Himachal Pradesh to the Reserve Bank of India for the sanction of licences ;

(b) if so, the details thereof, district-wise, for each bank ;

(c) the names of the centres at which branches have been sanctioned for each bank in Himachal Pradesh, district-wise, and the likely date by which a decision on the pending cases would be taken, branch-wise ; and

(d) the likely dates by which the branches would be opened ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India (RBI) has reported that during the second half of Sixth Five Year Plan and first half of Seventh Five Year Plan, banks had applied to Reserve Bank of India for allotment of 189 centres in Himachal Pradesh for opening their branches. The District-wise and bank wise details of these centres are set out in Statement I below. (See columns 155-156).

(c) and (d). Out of the 189 centres for which the banks had applied, RBI allotted 36 centres according to the norms prescribed

under the relevant branch licensing policies. District-wise and bank-wise details of these 36 centres allotted by RBI are set out in statement-II below. (See columns 157—162). At the allotted 36 centres, according to the information available with RBI, branches have so far been opened at 34 centres. It is not possible to indicate the likely dates by which branches would be opened at remaining two centres since it would depend upon availability of requisite infrastructural facilities.

Composition of Inter-Ministerial Committees

6376. PROF. NARAIN CHAND PARASHAR : Will the Minister of COMMERCE be pleased to state :

(a) the names of the members of the Inter-Ministerial Committees in existence as also the details of the Authorities for each of the exports processing zones in existence as on date ; and

(b) the frequency of the meetings and the satisfaction level regarding the solution of the problems referred to the Committee and the Authorities during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). A common inter-Ministerial Board of Approvals has been constituted with representation to the concerned departments of the Central Government and the respective State Government for all the Export Processing Zones to consider applications received for establishing industrial units in the Zones and to grant the necessary approvals. The meetings of the Board of Approvals are normally held whenever applications become ripe for consideration. On an average, the frequency is between 45 to 60 days. The Additional Secretary in the Ministry of Commerce is the Chairman of the Board of Approvals.

Inter-Ministerial authorities, under the Chairmanship of the Secretary to the Government of India, Ministry of Commerce, have been constituted for each of the Export processing Zones with representatives of the concerned departments and agencies of the Central Government and the respective State Government. These authorities are non-statutory coordinating bodies, meetings of which are held from time to time depending

on the need and in order to facilitate the expeditious and integrated development of the Zones and their infrastructure. In all, since 1984, 13 meetings of the different authorities for the six Export processing Zones have been held. These meetings have been purposeful in resolving issues and local problems and in assisting in the expeditious realisation of the Zone facilities.

Lifting of Water from Gobind Sagar Lake by H.P.

6377. PROF. NARAIN CHAND PARASHAR : Will the Minister of WATER RESOURCES be pleased to refer to the reply given on 23 April, 1984 to Unstarred Question No. 8417 regarding objections raised by B.B.M.B. on Utilisation on Water in Himachal Pradesh and state :

(a) the reasons for asking Himachal Pradesh Government to lift 40 Cusecs of water from the Gobind Sagar Lake on payment basis, when the lake is located within the territorial jurisdiction of Himachal Pradesh and the State suffered a lot on account of the formation of this lake resulting in the sub-merging of existing roads, bridges, drinking water sources and uprooting of thousands of families ;

(b) if so, whether the matter would be reviewed by keeping in view the rights of riparian States and water would be allowed without any payment ;

(c) if so, the likely date by which it would be done ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) In the 73rd meeting of the Bhakra-Beas Management Board held on 23-2-78, it was *inter-alia* decided that Himachal Pradesh had no right to a share in the water stored in the Bhakra Nangal Project (Built at the expense of Punjab, Haryana and Rajasthan). However, the Board agreed to let Himachal Pradesh to lift 40 cusecs of water with payment of water rate of Rs. 6 per acre of land irrigated.

(b) to (d). The Government of Himachal Pradesh can take up the matter again with the other partner States in the Bhakra Beas Management Board meetings.

Statement-I

District-wise and bank-wise details of centres applied for by banks in Himachal Pradesh during the second half of Sixth Five Year Plan and first half of Seventh Five Year Plan

	Himachal Gramin Bank	Punjab National Bank	State Bank of India	State Bank of Patiala	Central Bank of India	Oriental Bank of Commerce	UCO Bank
1. Hamirpur	—	13	2	3	—	—	2
2. Kangra	8	10	6	6	—	1	17
3. Kinnaur	—	—	—	—	—	—	1
4. Kulu	3	5	1	2	—	—	—
5. Mandi	3	4	2	3	—	—	1
6. Una	—	9	2	—	1	—	6
7. Bilaspur	—	—	1	—	—	—	7
8. Shimla	—	5	8	6	—	—	12
9. Sirmour	—	8	1	1	—	—	3
10. Solan	—	4	2	7	—	—	2
11. Chamba	—	—	1	—	4	—	5
12. Lahul & Spiti	—	—	—	—	—	—	1
Total	14	58	26	28	5	1	57

Statement-II

District-wise names of centres allotted by RBI to banks in Himachal Pradesh during the second half of 6th Five Year Plan and first half of 7th Five Year Plan out of centres for which the banks had applied during this period

Name of District	Name of Centre	Name of Bank		
		1	2	3
1. Kangra	1. Peersluhi 2. Bankhandi* 3. Sansarpur Terrace*	Himachal Gramin Bank Punjab National Bank -do-		
2. Kulu	4. Ghalour* 5. Gharab 6. Pong Dam	State Bank of India -do-	Himachal Gramin Bank Punjab National Bank Himachal Gramin Bank -do-	
3. Mandi	7. Sarsari* 8. Manali 9. Leda*			Punjab National Bank State Bank of India State Bank of Patiala
4. Solan	10. Dhalwan* 11. Jamani* 12. Sandhol*			-do-
	13. Chatrokhari 14. Jhabli* 15. Baddi 16. Sultanpur			UCO Bank

1

2

1

5. Hamirpur

17. Mair	18. Salauni	19. Jungle-Beri	20. Cha butra	21. Dhanned	22. Dera Parol	23. Tal*	24. Lambloo	25. 'Nalti*	26. Bahli	27. Taklech	28. Kupri	29. Dhambrali	30. Thana Kalan	31. Pandoga	32. Haropurdhah	33. Mangarh	34. Saloh	35. Thathal
Punjab National Bank	-do-	-do-	-do-	-do-	-do-	-do-	-do-	-do-	State Bank of India	UCO Bank	-do-	-do-	Punjab National Bank	-do-	UCO Bank	Punjab National Bank	UCO Bank	

6. Shimla

7. Sirmour

8. Una

9.	Chamba	—	—
10.	Bilaspur	—	UCO Bank
11.	Lahul and Spiti	—	—
12.	Kinnaur	—	—

* Denotes centres for which banks had applied initially and which were allotted by RBI subsequently as these centres were also included in the list of identified centres received from the State Government under the current Branch Licensing Policy for 1985-90.

Nickel Prices

6378. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether Bombay Metal Exchange (BME) has urged the Union Government to bring down the unrealistic high customs tariff of 112.75% on nickel prices in order to provide relief to the nickel-user industries like telecommunications, stainless steel, fertilisers and chemicals as reported in the Times of India dated 15 March, 1988 ;

(b) whether the sharp rise in nickel prices by over 119% in the last ten months, was mainly due to unaffordable duty structure comprising of 40 per cent basic duty, 45 per cent ancillary duty and CVD at 15 per cent ; and

(c) if so, the action Government propose to take to bring down the nickel prices ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) and (c). The selling prices of nickel have increased from Rs. 1,14,000 per tonne in May, 1987 to Rs. 2,50,000 per tonne in March, 1988 and Rs. 3,50,000 per tonne in April, 1988. The international prices of nickel have shown variations in the past few years depending upon the demand and supply position. The increase in indigenous selling prices of nickel is due to increase in the international prices and changes in the exchange rate. The rate of Customs duty on nickel has not been changed since the 1st March, 1986 except for the drought surcharge of 5% ad valorem imposed on the 20th September, 1987. The rate of customs duty on nickel cannot be considered as high as compared to the rates applicable to other non-ferrous metals.

Location of New Tea Export Markets

6379. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) the names of tea producing countries which are exporting tea ;

(b) whether export of Indian tea has

been steadily declining to the European Economic Community market due to competition with other tea exporting countries ; and

(c) the steps being taken to locate more markets to boost tea export in future ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The major tea producing countries which are exporting tea are India, Sri Lanka, Kenya and China.

(b) According to International Tea Committee Statistics, total imports by European Economic Community countries and imports of teas of Indian origin by these countries during the past few years have not shown any significant increase or decrease.

(c) A number of promotional campaigns have been undertaken in thrust markets to boost export of Indian tea and value added teas. In addition Tea Board also participates in exhibitions/fairs etc. in potential markets abroad.

Schemes of Peerless General Finance and Investment Company

6380. KUMARI MAMTA BANERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether the Peerless General Finance and Investment Company is functioning satisfactorily within the general directives issued by Government from time to time ;

(b) whether the various schemes run by the company do not give handsome benefits to members of the investing public ; and

(c) if so, whether Government propose to scrutinise the various schemes and persuade the company to improve the terms and conditions of these schemes ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Reserve Bank of India (RBI) have issued a fresh set of directions in May, 1987 known as "Residuary Non-Banking Companies (Reserve Bank) Directions, 1987" which are applicable to the schemes being conducted by M/s. Peerless General Finance and

Investment Company Limited. These directions, inter-alia, provide for the minimum and maximum period for which the deposits can be accepted, the rate of interest, bonus or other advantages by whatsoever name called payable on these deposits, and the manner in which the deposits are to be invested. These directions have been issued to provide safe returns on the investments and security to the depositors.

The RBI has reported that the Peerless General Finance and Investment Company Limited has brought out two new schemes in August, 1987. A perusal of the new schemes reveals that the rate of interest payable and the period of deposits are in accordance with the directions of the Reserve Bank.

Mograhat Drainage Scheme of West Bengal

6381. SHRI ANANDA PATHAK : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the Mograhat drainage scheme of West Bengal is awaiting clearance from Union Government ;

(b) if so, the details thereof ;

(c) the time by which it is likely to be cleared ; and

(d) the reasons for the delay in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) No, Sir.

(b) to (d). A revised estimate for East Mograhat drainage basin scheme costing Rs. 1407.76 lakhs in 24 Parganas of West Bengal was examined in the Ganga Flood Control Commission and comments sent to West Bengal Government in 1987 and 1988 for which the compliance is still awaited.

Opening of Branches of Allahabad Bank in Orissa

6382. SHRIMATI JAYANTI PATAIK : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of Allahabad Bank functioning in Orissa ;

(b) whether Government have a proposal to increase the branches of Allahabad Bank ;

(c) if so, the number of new branches proposed to be opened at different places in Orissa during 1988-89 financial year ; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Reserve Bank of India (RBI) has reported that as at the end of September, 1987, 37 branches of Allahabad Bank were functioning in Orissa.

(b) to (d). RBI has reported that under the current Branch Licensing Policy 1985-90, 9 centres were allotted to Allahabad Bank for opening branches in the rural and semi-urban areas of Orissa. Out of these, Allahabad Bank has already opened branches at 4 centres. RBI has advised the bank that the branches at the allotted centres should be opened in a phased manner during the remaining period of the current Policy which is upto March, 1990.

Steps to Unearth Black Money

6383. SHRI MOHANBHAI PATEL :

SHRI AMARSINH RATHAWA :

Will the Minister of FINANCE be pleased to state :

(a) whether the National Institute of Public Finance and Policy has made certain suggestions for combating tax evasion and unearthing black money ; if so, the details thereof ;

(b) whether these suggestions have been implemented and how far they have been found effective ;

(c) any other measures being taken to unearth black money in the country ;

(d) the total amount of black money unearthed during the year 1987-88 so far ; and

(e) the number of persons apprehended during this period ?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The National Institute of Public Finance and Policy conducted a study and their report titled 'Aspects of the Black Economy in India', was submitted in 1985. The views of the Members of Parliament on the suggestions made were invited, which have been reflected in the Long Term Fiscal Policy. The suggestions on which action has already been taken include, *inter alia*, liberalisation of summary assessment scheme and stepping up of searches, surveys and prosecutions. The task of simplification and rationalisation of the Direct Tax Laws was also undertaken on the basis of the recommendations contained in this report which resulted in the enactment of Direct Tax Laws (Amendment)

Act, 1987. The suggestions on which action was to be taken by the State Governments have been brought to their notice. The revenue collections have shown an upward trend as a result of the measures undertaken.

(c) Combating tax evasion is a continuous process. All possible measures legislative, administrative and institutional are taken from time to time to arrest the generation, growth and use of black money.

(d) The details of searches conducted, *prima facie* unaccounted assets seized and the concealed income admitted during the course of searches in the financial year 1987-88 and earlier two years are as under :

Financial Year	No. of searches conducted	Value of <i>prima facie</i> unaccounted assets seized (Rs. in crores)	Amount of concealed income admitted during the searches* (Rs. in crores)
1985-86	6,431	50.32	—
1986-87	7,054	100.70	36.85
1987-88 (upto 29-2-88)	7,767	124.45	97.69

*The explanation to section 271 (1) (c) was amended to enable surrender of concealed income in the course of search operation w.e.f. 10-9-1986.

(e) There is no provision under the Direct Taxes Laws for arresting any persons.

against them ;

Confiscation of Foreign Goods

6384. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) the quantity and value of gold, silver and other foreign goods which have been confiscated during the year 1987 ;

(b) the number of persons apprehended in each case and the number of foreigners out of them ;

(c) the action Government have taken

(d) the details of such items which are being smuggled out of the country ;

(e) whether Government have any strict check on them ; and

(f) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) During the calendar year, 1987, the quantity and value of gold and silver seized and the total value of goods seized is given below :

	Quantity (in Kgs.)	Value (Rs. in crores)
Gold	2254	65.44
Silver	16992	9.06
All goods including gold and silver	—	250.02

Figures are provisional.

(b) 2480 persons were arrested during the calendar year 1987 out of which 348 were foreign nationals.

(c) The arrested persons are penalised in departmental adjudications and also prosecuted in Courts of Law.

(d) Narcotic drugs, Indian and foreign currency and snake skins are the main items sensitive to smuggling out of the country.

(e) and (f). The anti-smuggling drive has been intensified throughout the country. The anti-smuggling machinery throughout the country particularly in the vulnerable areas of the sea-coast and the land borders and the international airports and seaports has been geared up. Close co-ordination is maintained with all the agencies concerned in the prevention and detection of smuggling into and out of the country.

Reduction of Excise Duty to Various Filament Yarn Industrial Houses

6385. SHRI BHATTAM SRIRAMA-MURTHY : Will the Minister of FINANCE be pleased to state :

(a) the amounts realised by Government from the various filament yarn industrial houses by way of excise duty and the amount of their gross sales during the last three years ;

(b) the amount of excise duty for the same ;

(c) whether it is proposed to be reduced

and if so, to what extent ;

(d) what would be the loss of revenue to Government in case any concessions are given ; and

(e) the amounts likely to be gained thereby by various such industrial houses ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The amount of Central excise revenue realised from man-made filament yarns during the last three years is given below :

Year	Central Excise Revenue (Rs. crores)
1984-85	666.95
1985-86	775.73
1986-87 (Provisional)	959.10

As excise duty rates on man-made filament yarns are specific and are not dependent on value, the value of gross sales are not compiled for excise purposes and are not available.

(b) to (d). The Government have already reduced the excise duty rates on some of the major man-made fibres and yarns in this year's Budget as indicated below :

Excise duty (basic plus additional)

	From	To
Polyester filament yarn	Rs. 83.75 per kg.	Rs. 53.75 per kg.
Nylon filament yarn below 750 deniers	Rs. 70.00 per kg.	Rs. 40.00 per kg.
Polyester staple fibre	Rs. 25.00 per kg.	Rs. 15.00 per kg.
Acrylic fibre	Rs. 10.00 per kg.	Rs. 8.00 per kg.

In addition special excise duty is leviable at 5% of basic excise duty. The estimated net revenue effect of the excise duty concessions announced in the Budget in respect of man-made fibres and yarns is Rs. 236.84 crores in a year.

(e) The industry associations of man-made fibres and yarns have informed the Government that their member units have passed on the duty relief given in the Budget to their consumers.

Identification of Select Export Items

6386. SHRI SYED SHAHABUDDIN : Will the Minister of COMMERCE be pleased to state :

(a) whether the export items which have recorded a decline during the current year in exports by more than ten per cent over the last year have been identified ;

(b) whether the countries whose import from India has recorded a decline of more than ten per cent during the current year as compared to the preceding year have been identified ;

(c) if so, the names of such items and countries ; and

(d) whether any special efforts is being made to promote the export of these items and to maximise our exports to such countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). The principal commodities which have recorded a decline in exports by more than ten per cent during the period April-December 1987 as com-

red to April-December 1986 include Coffee, Tobacco, Oil cakes, Cotton Raw, Jute manufactures, Mill made carpets etc.

The principal countries in respect of which India's exports recorded a decline of more than ten per cent during this period include Hungary, Yugoslavia, Malaysia, Nepal, Iraq, Yemen Peoples Democratic Republic, Algeria etc.

(d) The Government has initiated a series of measures to export the items in processed and value added forms rather than in traditional bulk form to increase the export earnings. The steps taken to increase exports to specific markets include setting up of Joint Business Councils, exchange of delegations, market surveys, participation in fairs and exhibitions, etc.

Per Unit Export Decline

6387. SHRI SYED SHAHABUDDIN : Will the Minister of COMMERCE be pleased to state :

(a) whether the items on which per unit export earnings in real terms have recorded a decline of more than ten per cent over the preceding year have been identified ; and

(b) if so, the names of such items and the reasons for the decline and the steps taken, individually or collectively, with the coordination of other exporting countries to restore or upgrade the per unit export earning ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). The principal items of export in respect of which the unit value realisation has registered a decline of

more than ten per cent during April-December 1987 as compared to April-December 1986 include coffee and shellac. The decline in per unit export earnings in respect of coffee was due to crash in international market and over supply by other coffee producing countries like Brazil, Columbia, etc. The reintroduction of quota system by the International Coffee Organisation has since helped in stabilisation of the prices. In view of the diverse usages and availability of substitutes, the unit value realisation in respect of Shellac is dependent on the market forces and demand and supply factors, including level of usage of synthetic substitutes.

Irrigation Potential

6388. SHRI SYED SHAHABUDDIN : Will the Minister of WATER RESOURCES

be pleased to state :

- (a) the irrigation potential in the country at the beginning of the current Five Year Plan ;
- (b) the irrigation potential created in the country year-wise during the current plan period ;
- (c) whether the actual utilisation of the irrigation potential in existence is being monitored ; and
- (d) if so, the level of utilisation during the last three years, year-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (d). The information is as under :

(In million hectares)

	At the beginning of VII Plan (1984-85)	1985-86	1986-87 (anticipated)
(i) Irrigation potential created	67.53	69.62	71.94
(ii) Irrigation potential utilised	60.58	62.13	64.17

Drivers in Public Sector Banks

6389. SHRI SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) whether most of drivers employed by public sector banks are temporary employees ;

(b) if so, the number of permanent and temporary posts of drivers through out the country, bank-wise, as on 31 December, 1987 ;

(c) the scale of pay attached to the post ;

(d) the existing regulation for the conversion of temporary posts into permanent ; and

(e) the number of temporary posts

converted into permanent during the current year so far ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No, Sir.

(b) Does not arise.

(c) The Drivers are appointed in the subordinate cadre in the scale of pay of Rs. 430-10-450-14-492-16-540-20-680-25-730-38-790 plus special allowance of Rs. 173/- per month.

(d) and (e). Do not arise, since, as per available information, Banks do not have posts of temporary drivers.

Aerial Survey on Water Resources in Tamil Nadu

6390. SHRI N. DENNIS : Will the

Minister of WATER RESOURCES be pleased to state :

- (a) whether aerial survey has indicated underground water resources at Salem in Tamil Nadu ;
- (b) if so, the details thereof ; and
- (c) the steps to be taken to exploit this water resources ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (c). Features indicative of ground water occurrence have been delineated by aerial surveys in Salem district in Tamil Nadu. After field check, exploratory drilling is planned to be carried out in potential areas.

Foreign Assistance for Pooyamkutty Project of Kerala

6391. SHRI MULLAPPALLY RAMA-CHANDRAN :

SHRI K. KUNJAMBU :

Will the Minister of WATER RESOURCES be pleased to state :

(a) whether any foreign funds/assistance from World Bank have been offered/received for the projects of Kerala particularly Pooyamkutty project ; and

(b) if so, the details indicating names of countries and the quantum of funds offered/received ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). The following two irrigation projects are being implemented in Kerala with foreign assistance :

Sl. No.	Name of the Project	External Agency	Amount of assistance	Disbursement till January 1988
1.	Kallada Irrigation and Treecrop Development Project	World Bank	US \$ 80.30 Million	US \$ 58.453 Million
2.	Ground Water Studies in Coastal Kerala	Swedish International Development Authority	16.50 Million Swedish Kroner	16.50 Million Swedish Kroner

Pooyamkutty Project is a Hydro-Electric Project. The Canadian Government have indicated their interest in financing this project.

Seizure of Gold in Lakshadweep

6392. SHRI MULLAPPALLY RAMA-CHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the details of smuggling activities detected and seizure of contraband gold, in Lakshadweep, since 1 January, 1988 ;

(b) the number of persons arrested in this regard ;

(c) whether any foreign nationals have been found to be connected with these activities ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K PANJA) : (a) Recently on 26th February, 1988, the Officers of Customs Collectorate, Cochin, seized 570 gold biscuits of foreign origin valued at approximately Rs. two crores. The gold biscuits were recovered from an un-inhabited island named "Valiakara" in the Lakshadweep group of islands near Kavarati.

(b) 7 persons were arrested in connection with the smuggling of the aforesaid gold biscuits.

(c) No, Sir.

(d) Does not arise.

Regional Rural Banks in Kerala

6393. SHRI MULLAPPALLY RAMA-CHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) the number of regional rural banks functioning in Kerala, district wise ;

(b) whether these regional rural banks are running profitably details thereof ; and

(c) whether the Union Government propose to operate any other regional rural banks in Kerala, if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) There are two Regional Rural Banks in the State of Kerala. Their names and area of operation is indicated below :

Sl. No.	Name of the RRB	Districts covered
1.	South Malabar Gramin Bank	Malappuram, Kozhikode and the Talukas of Vythiri and Sultan's Battery in Wynad district.
2.	North Malabar Gramin Bank	Cannanore, Kasargode and Manathavady Taluk of Wynad District.

(b) Both the Gramins Banks are running profitably. Their profits for the year ending December, 1986 and Reserves are indicated below :

	Profit (Amount in Rs. Lakhs)	Reserves
South Malabar Gramin Bank	22.97	42.82
North Malabar Gramin Bank	42.01	51.64

(c) There is no proposal at present for opening any more Regional Rural Banks in Kerala.

Setting up of Discount and Finance House

6394. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under consideration of his Ministry to set up the Discount and Finance House of India to bring stability to the short term liquidity imbalances in the money market ;

(b) if so, its broad features and share

capital structure ; and

(c) when is it likely to start functioning ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India has reported that pursuant to the recommendations of the Working Group on the Money Market, the Discount and Finance House of India Ltd. has been set up (under the Companies Act, 1956) jointly by the Reserve Bank of India, public sector banks and financial institutions to deal in money market instruments in

order to provide liquidity in the short-term money market. The authorised and paid-up capital of the Company is Rs. 100 crores. The contributions to the capital is as follows :

Reserve Bank of India	Rs. 51 crores
Public Sector Banks	Rs. 33 crores
Financial Institutions	Rs. 16 crores

(c) The Company was incorporated on March 8, 1988 and it is expected to start its operations shortly.

International Tea Convention

6395. DR. B.L. SHAILESH : Will the Minister of COMMERCE be pleased to state :

(a) whether an International Tea Convention was held in Coonoor during the last month, if so, the countries which participated ;

(b) the important decisions taken there at aimed at boosting the exports of India Tea ;

(c) whether India earlier participated in the Food and Agricultural Organisation meeting on Tea held at Rome during February last ;

(d) if so, whether the role of multinational corporations in influencing world tea prices was discussed there ;

(e) if so, the details thereof ; and

(f) the follow-up action being taken to probe into the multinational corporations manipulations in world tea prices and the promotion of Tea ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir. The convention was attended by leading tea importers/commodity specialists from countries like U.K., West Germany, A.R.E., Iraq, Australia, Belgium, USSR, Italy and Canada.

(b) The convention stressed the quality aspect of South Indian tea and emphasised the need for making it more acceptable price-wise in the International Market. Visit of a delegation of South Indian tea producers

to foreign markets was also suggested by overseas buyers. It was decided to popularise the high grown Nilgiri tea through the introduction of Nilgiri logo as a distinguishing mark for such teas.

(c) Yes, Sir.

(d) to (f). The role of multinationals in influencing prices was discussed at the F.A.O. meeting held at Rome. The Sub-Group noted that in all auction centres prices have not registered any improvement. Some delegates also referred to the depressed prices prevailing at London auctions. The Sub-Group reviewed the progress made by exporting countries in implementing minimum quality standards. The issue is likely to be discussed in the next meeting of the full Inter-Governmental Group.

Japanese OECF Aided Projects

6396. DR. B.L. SHAILESH : Will the Minister of FINANCE be pleased to state :

(a) whether India has asked Japan to allow international competition bidding for projects posed by it for Overseas Economic Co-operation Fund (OECF) credit following the formation of cartels and jacking up of prices by the Japanese Companies ; and

(b) if so, the reaction of the Japanese Government thereto Indias' proposal to counter cartel pricing and seeking global bidding in OECF-aided projects ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Yes, Sir. During official bilateral discussions in the recent past Japan has been requested to allow untied global procurement, rather than the present practice of restrictive international tendering, under OECF assisted projects.

While a general official response is yet to be received from the Japan side, under a new scheme of loans for renovation and rehabilitation of public sector projects, recently Japan has extended two untied loans to India in 1987-88.

Changing hands by FERA Tea Co. in U.K.

6397. DR. B.L. SHAILESH : Will

the Minister of COMMERCE be pleased to state :

(a) whether a number of FERA Tea Companies have recently changed hands in the United Kingdom ;

(b) if so, the names of such companies and their holdings in sterling and the new holders in India ; and

(c) the precautions being taken to regulate the outgo of foreign capital and other under-hand deals in such cases ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Since no provisions of FERA are attracted for transfer of companies abroad, Government have no information on the subject.

Exclusion of Jammu and Kashmir and Sikkim from Overdrafts from R.B.I.

6398. CH. RAM PRAKASH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that all the States excluding the States of Jammu and Kashmir and Sikkim, bank with the Reserve Bank of India for the purpose of their ways and means advices and overdrafts ;

(b) if so, what are the reasons for the exclusion of these two States from the requirement of banking with the Reserve Bank of India ; and

(c) in what manner the check on the utilisation of their ways and means advances is being kept by the Central Government ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) Yes, Sir.

(b) and (c). Jammu and Kashmir Bank Ltd., which is a State owned bank, is handling the work relating to financial transactions on behalf of Jammu and Kashmir State. When Reserve Bank of India entered into a restricted agreement with the State Government in 1972 to attend to work relating to the issue and management of public debt of the State Government, it was decided to continue the Jammu and Kashmir Bank as

the banker of the State Government, since transfer of Government business from the Bank by withdrawing Government balances would have adversely affected its financial position, viability and profitability. Weekly information regarding outstanding balances of Jammu and Kashmir Government with the Bank is being furnished to RBI by Jammu and Kashmir Bank Ltd. As regards Sikkim State, its accounts are maintained with the State Bank of Sikkim and the Banking Regulation Act has been extended to the State of Sikkim only w.e.f. 15-12-1987. RBI can act as a banker to the State Government if the latter enters into an agreement with RBI.

Trend of Prices of Natural Rubber

6399. CH. RAM PRAKASH : Will the Minister of COMMERCE be pleased to state :

(a) whether the prices of natural rubber have shown a rising trend recently :

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

(c) the steps Government have taken or propose to take to check the rubber prices ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Excepting during January-March, 1988 when the prices of natural rubber have been slightly more than the prescribed price band, the price of rubber during the past 5-6 months have been within this band. This rise has been due to cessation of tapping season and increased demand for rubber.

The Government has already advised the STC for releasing rubber to the user industries to check the rubber prices.

Spinning Mills

6400. SHRI SOMNATH RATH :

SHRI RADHAKANTA DIGAL :

DR. KRUPASINDHU BHOI :

SHRI CHINTAMANI JENA :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Industrial Promotion

and Investment Corporation of Orissa Limited and Phulbani Cooperative Synthetic Spinning Mills Limited have obtained letters of intent to set up Synthetic Spinning Mills to be located at Doudh, Bolangir and Phulbani in 'No-Industry district of Phulbani' ; and

(b) if so, the steps taken to provide necessary finance for these spinning mills ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) The financing of cooperative spinning mills is undertaken by the financial institutions and National Cooperative Development Corporation and not by the Central Government.

Barter system between India and Iraq

6401. SHRI S.B. SIDNAL : Will the Minister of COMMERCE be pleased to state :

(a) whether India has signed an agreement with Iraq on barter basis ;

(b) if so, the total dues thus to be cleared by Iraq by supply of oil ;

(c) if so, whether this is the third agreement between the two countries for a deferred payment ; and

(d) the total oil India has obtained by this way from Iraq ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). The Government of India has signed several deferred payment agreements with the Government of Iraq from 1983 onwards for settlement of the amounts due to Indian companies in respect of projects undertaken by them in that country. An agreement signed recently in February, 1988 provides for supply of crude oil by Iraq during 1988-89 of which a part is to be adjusted towards the dues of the Indian companies.

(d) So far, a quantity of around 5.5 million tonnes of crude oil has been obtained from Iraq under the above agreements of which a part has been adjusted to set-off the dues of the Indian companies.

Special allowances to Central Government Employees Posted in North-East Region

6402. SHRI RAJ KUMAR RAI :

DR. V. VENKATESH :

Will the Minister of FINANCE be pleased to state :

(a) what special allowances/benefits/facilities are admissible to Central Government employees posted in North-East region of India ;

(b) whether these facilities are also admissible to those who belong to a State of this region, or only those who are outsiders ;

(c) whether these allowances/benefits/facilities are being extended to the employees of autonomous bodies like Kendriya Vidyalaya Sangathan ; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) and (b). On the basis of the report of a Committee, the Central Government employees when posted in the North Eastern Region were allowed various facilities, concessions and allowances like fixed tenure of posting and a posting to a Station of choice on completion of such tenure, weightage for satisfactory performance of duties in promotions etc., Special Duty Allowance for officers having All India Transfer liability, Special Compensatory Allowances, Special Travelling Allowances facilities, facility of HRA with respect to last station as well as new station. The facilities were allowed mainly with a view to attracting and retaining the services of Competent officers in the North-Eastern Region and were in the nature of incentives. Some of the facilities like Special Compensatory Allowances are admissible to all the employees irrespective of the fact whether they are transferees from outside or locals.

(c) and (d). The facilities have also been extended in the case of employees working under Kendriya Vidyalaya Sangathan

Report of Engineering Export Promotion Council

6403. SHRI V. KRISHNA RAO :

SHRI S.M. GURADDI :

Will the Minister of COMMERCE be

pleased to state :

- (a) whether the Engineering Export Promotion Council have pointed out in their report that due to inadequate response from engineering goods exporters India was losing contracts to Western countries in Africa ;
- (b) if so, the details thereof ; and
- (c) the other main points of the reports ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) EEPC have informed that their offices in Africa which look after the export of engineering goods to all African countries have made no general studies stating that due to inadequate response from Indian engineering exporters, India is losing contracts to Western countries in Africa.

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

Allocation of Fund for Handloom Industry in Karnataka

6404. DR. V. VENKATESH : Will the Minister of TEXTILES be pleased to state :

- (a) whether any allocation of fund was made for the development of handloom industry in Karnataka during Seventh Plan ;
- (b) the names of various items and heads of accounts under which allocation has been made ; and
- (c) the progress achieved in the development of handloom industry till date ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) and (b). No separate allocation of funds has been made for the development of the handloom industry in Karnataka during the 7th Plan, as allocation of funds for the handloom sector is made Scheme-wise and not State-wise. Assistance to States, including Karnataka under most of the Schemes is provided on a matching basis, according to the proposals received from the State Governments.

(c) Todate, a sum of Rs. 108.89 lakhs has been released to the three Karnataka State Apex Handloom Societies by way of share capital assistance and a sum of Rs. 32.62 lakhs has been released to the State Primary Societies for the same purpose.

Further, a sum of Rs. 245.00 lakhs has also been released to the Karnataka State Handloom Development Corporation by way of share capital assistance. As a result of this during 1986-87, the State Primary Societies have achieved a level of production of handloom cloth valued at Rs. 7316.29 lakhs and the State Handloom Development Corporation has produced handloom cloth valued at Rs. 1798.00 lakhs.

[Translation]

International Narcotics Bureau of Chicago

6405. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

- (a) whether it is a fact that an International Narcotics Bureau of Chicago has marked the names of several big cities/towns of the world on their map for narcotics ;
- (b) if so, the names of such places in India marked on that map and the effective action taken by Government during the last three years to check the abuse of narcotics in these places and the outcome thereof ; and
- (c) the number of persons punished for indulging in the trafficking of narcotics and the number of such cases pending in the courts ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The Government is neither aware of the existence of any organisation called 'International Narcotics Bureau of Chicago' nor about the publication of any such map by them.

Government are fully alive to the growing drug problem caused especially due to the transit traffic and have initiated various aggressive counter-measures against drug-trafficking which include strengthening of the preventive and intelligence machinery, adoption of a liberalised reward scheme for officers and informers, increased cooperation between various drug law enforcement agencies, bilateral co-operation with Pakistan and regional co-operation under the umbrella of SAARC. The matter is also kept under

constant watch for appropriate action.

(c) The number of persons prosecuted and convicted for drug-related offences in

1986, 1987 and 1988 (upto February), as reported to the Narcotics Control Bureau, are as follows :

	1986	1987	1988
1. Number of persons prosecuted	5,525	4,503	129
2. Number of persons convicted	586	247	17

Information relating to the pending court cases has to be collected from various courts all over the country.

[English]

Growth Rate of LIC

6407. SHRI H.A. DORA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Life Insurance Corporation has registered a sub-

stantial growth rate ; and

(b) if so, the zone-wise detailed break-up as on February 29, 1988 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Yes, Sir. LIC has registered a substantial growth rate in its new business (sum assured) and premium income. The Zone-wise detailed break-up as on 29-2-1988 is given below :

Zone	New Individual Assurance %	New Group Insurance %	Premium Income %
Northern	43	22	33
Central	38	41	27
Eastern	40	22	24
Southern	33	59	23
Western	38	28	41
All India	37	34	30

Duties on the Import of PVC

6408. SHRI H.A. DORA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are contemplating to restructure auxiliary duties on the import of PVC and poly-propylene to ensure availability of plastic raw materials to processing units at a reasonable price ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The customs duty on Polyvinyl Chloride (PVC) and Polypropylene was reduced with effect from 1-3-1988 as part of this year's Budget. The auxiliary duty of customs on PVC (suspension grade) and PVC (paste grade or battery grade) was reduced from 30% ad valorem to Rs. 2,000 per tonne and Rs. 4,000 per tonne respectively. In the case of polypropylene, auxiliary duty of customs was reduced from 45% to 30% ad valorem. These concessions are

expected to provide relief to the processing units, which make use of such plastic materials.

The Government is not considering any further duty reduction for the present.

Meetings of Indo-German Joint Commission

6409. SHRI H.A. DORA :

SHRI SUBHASH YADAV :

SHRI PRAKASH CHANDRA :

SHRI SRIHARI RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether the Indo-German Joint Commission had a meeting in New Delhi on March 14 and 15, 1988 ;

(b) if so, the items on the agenda for discussion ;

(c) the outcome of the discussions ; and

(d) the areas on which agreement was arrived at ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir. The meeting of Indo-German Joint Commission for Industrial and economic cooperation was held on 14th March, 1988 in New Delhi. An official level Sub-Committee, appointed by the two Co-Chairmen, held a meeting on 15th March, 1988.

(b) The Joint Commission and the sub-committee discussed issues of general interest that would lead to strengthening of cooperation between the two countries. The agenda for discussion was as follows :

- (1) Exchange of information on the present economic situation in both countries ;
- (2) development and perspectives of Indo-German economic relations, including trade balance and trade promotion ;
- (3) intensification of Indo-German

Cooperation in specific sectors :

(i) Coal

(ii) Steel

(iii) Maritime and Ship-building techniques ;

(iv) information and communications ;

(v) alternate energies ;

(vi) others.

(4) special questions concerning industrial and economic cooperation ;

(5) cooperation in third countries ;

(6) Hermes insurance ;

(7) visa facilities for Indian businessmen.

The first two items on the agenda were discussed during the Joint Commission and the rest of the issues in the Sub-Committee.

(c) and (d). The discussions were useful and mutual agreement was reached on various issues. The following were the broad areas of agreement.

- (1) It was agreed that concrete measures would need to be devised in order to improve India's adverse trade balance with the FRG.
- (2) It was agreed to work out the possible modalities and quantum of German participation for modernisation of the Rourkela Steel Plant by mutual consultation.
- (3) Efforts will be made to intensify existing Indo-German cooperation in sectors such as coal, maritime and ship-building techniques, telecommunications, alternate energies etc.
- (4) Efforts will be made to increase cooperation between medium and small scale industries of the two countries. Towards this end, both Governments would nominate appropriate agencies to work out further details.

(5) It was agreed to explore the possibilities of Indo-German cooperation in third countries.

(6) It was agreed to explore the possibilities of increasing tourist trade from the FRG to India. To this end, both Governments would appoint a sub-committee consisting of representatives from the concerned sectors in both countries to work out further details.

Exchange of Soiled and Torn Currency Notes

6410. SHRI H.N. NANJE GOWDA :

SHRIMATI GEETA MUKHERJEE :

Will the Minister of FINANCE be pleased to state :

(a) whether the exchange of soiled and torn currency notes as also of the 'sale' of new currency notes of denominations upto Rs. 10 has become a thriving business in various parts of the country ;

(b) whether the Reserve Bank of India has conducted any inquiry about this alleged exchange of currency notes ; if so, the details thereof ;

(c) the steps Reserve Bank of India is taking to remove artificial scarcity of new currency notes in the country ; and

(d) by what time the new currency notes will be easily available to the public ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Reserve Bank of India (RBI) have reported that their 15 Issue Offices in the country afford facility of exchange of soiled and torn currency notes and issue fresh notes to the members of public. All the currency chests branches of public sector banks have full powers to exchange mutilated notes. In addition, the branches of the public sector banks have been authorised to exchange soiled and slightly torn notes. With the facilities as above made available to the public, it is expected that only a few persons not willing to devote the minimum time and effort required to exchange soiled and mutilated

notes or to get fresh notes from authorised sources approach professional dealers.

(b) No, Sir.

(c) and (d). With a view to meet the increasing demand of new currency notes, Government have taken steps for increasing the production capacity of the Currency Notes Press with installation of more machines, etc. It has also been decided to set up 2 new Presses for augmenting the supply. With the increase in production, the position of availability of fresh notes to the public is expected to improve further.

Import of Cotton

6411. SHRI H.N. NANJE GOWDA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Southern India Mills Association (SIMA) has urged the Centre to import atleast 20 lakh bales of cotton to tide over the shortage of raw cotton, the main raw material for spinning mills ;

(b) whether prices of cotton are going high due to acute shortage ; and

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

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Representations have been received from various quarters, including the Southern India Mills Association urging import of cotton to increase availability of cotton and to check the rise in prices of cotton.

(b) and (c). On account of shortfall in the production of cotton during 1986-87 and 1987-88 due mainly to drought conditions, and increased levels of mill consumption of cotton, the prices of cotton have increased considerably. There have also been reports of shortage of cotton. With a view to improving the availability of cotton and also checking the rise in cotton prices, Government have permitted import of cotton against export of cotton yarn, cotton fabrics and made-ups on Advance Licensing Basis. Export of staple cotton has also been suspended. Government do not rule out the possibility of import of cotton if the situation so warrants.

Seminar on Water Resources and Environmental Issues

6412. SHRI H.N. NANJE GOWDA :

SHRIMATI BASAVARAJESWARI :

Will the Minister of WATER RESOURCES be pleased to state :

(a) whether a Seminar on water resources and environmental issues was held in New Delhi ;

(b) if so, whether Government have accepted the proposals made in the Seminar regarding integrated development and use of surface and ground water ;

(c) whether Government have issued guidelines to all States and Union Territories in this regard ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (d). A national seminar on water resources development and environmental issues and solutions was organised by the Water and Power Consultancy Services (India) Limited. One of the recommendations of the seminar refers to the guidelines contained in the National Water Policy regarding integrated and coordinated development of surface and ground water and their conjunctive use, and calls for adherence to it and for concretisation. The National Water Policy has been unanimously approved by the National Water Resources Council which includes Chief Ministers of States, and representatives of Union Territories at highest level and it has been sent to all the States/Union Territories for taking follow up action.

RBI Report of Import Losses

6413. SHRI H.N. NANJE GOWDA : Will the Minister of COMMERCE be pleased

to state :

(a) whether according to the Reserve Bank of India the country is loosing upto 20 per cent or even more in its imports of capital goods and technology due to inadequate advance preparatory work ;

(b) if so, whether Government are planning to improve imports position ; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) No, Sir. There is no such reference in the reports of the Reserve Bank of India.

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

Asian Development Bank Loan

6414. SHRI V. KRISHNA RAO :

SHRI S.M. GURADDI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Asian Development Bank has examined any proposal for sanctioning the project loans to Indian agencies ;

(b) if so, the details thereof ; whether this loan will be in addition to the technical assistance projects ; and

(c) the total loan that the Asian Development Bank has agreed to provide ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). The Asian Development Bank (ADB) has so far approved project loans totalling US \$ 778.60 million as detailed below :

(US \$ Million)

(i) Line of Credit to ICICI	100.00
(ii) North Madras Thermal Power Project	150.00
(iii) Port Development Project	87.60

(iv) DCL Polyester Project	16.00
(v) Line of credit to IDBI	100.00
(vi) Railways Project	190.00
(vii) Telecommunication Project	135.00
Total	778.60

These loans are in addition to the two technical assistance agreements of the value of US \$ 575000 which are expected to be concluded.

**World Bank Loan to Power
Finance Corporation**

6415. SHRI V. KRISHNA RAO :

SHRI S.M. GURADDI :

Will the Minister of FINANCE be pleased to state :

(a) whether the newly formed Power Finance Corporation has approached the World Bank for funds to get over the resources crunch ;

(b) if so, whether World Bank has agreed to assist and provide funds in this regard ;

(c) if so, the total amount of aid that will be provided ;

(d) whether the Power Finance Corporation is also considering to raise resources through public bonds ;

(e) if so, the total amount that is proposed to be raised ; and

(f) the schemes for which it will be utilised ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No, Sir.

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

(d) to (f). The Corporation has already raised Rs. 100 crores during 1987-88 by issue of bonds. The Annual Plan for 1988-89 envisages a sum of Rs. 650 crores

being raised by the Corporation. The Corporation proposes to utilise these funds for financing power projects, transmission and distribution schemes and system improvement schemes.

**Improvement in Services by
Punjab National Bank**

6416. SHRI V. KRISHNA RAO :
Will the Minister of FINANCE be pleased to state :

(a) whether the Punjab National Bank has plans to improve its services during 1988 ;

(b) if so, the main plans prepared by the bank for the improvement in its services ;

(c) whether the bank has set up three specialised industrial lending branches in Delhi, Bombay and Bangalore for providing efficient service to large industrial clients ;

(d) the steps being taken by the bank to help the small scale industries ; and

(e) whether other banks have also taken such steps ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Punjab National Bank has reported that it would continue to endeavour to render speedier and more efficient service to its customers through better implementation of various guidelines on Customer Service at the branch level, mechanisation of more branches, motivation of staff through stress on training programmes etc. The Bank also proposes to make its machinery for redressal of customer grievances more active and to ensure increased interface with the Customers.

(c) The Bank is reported to have received three licenses from the Reserve Bank of India for this purpose.

(d) In regard to Small Scale Industries, the Bank is implementing the RBI guidelines on credit assistance to village industry, tiny industrial units and other small industrial units covering simplified procedures, liberal terms and conditions and specified concessional rates of interest. The Bank has also posted Technical Officers at specified centres to give technical consultancy to the smaller entrepreneurs. The Bank also has a special cell to help ex-servicemen set up small viable ventures.

(e) All public sector banks are required to implement the policy and guidelines issued by the Government and Reserve Bank of India in the matter of financial assistance to small scale industries and other sectors of the industry. Various measures have been initiated for improvement of customer service by all banks at the instance of Government and RBI in the last 3 years. The banks introduce innovative schemes in their area of operations to render better service to all categories of the customers.

Visit of Foreign Delegations

6417. SHRI RANJITSINGH GAEK-WAD : Will the Minister of COMMERCE be pleased to state :

(a) the details of the official trade delegations which visited India for bilateral trade talks or for signing trade agreements during the year 1987 ; and

(b) the areas or trade found mutually beneficial by each one of them ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Official trade delegations from Japan, China, Australia, Vietnam, New Zealand, ROK, Malaysia, Singapore, Maldives, Afghanistan, Bangladesh, Pakistan, Iran, Jordan, Iraq, Saudi Arabia, Egypt, Zimbabwe, Tanzania, Uganda, Bulgaria, Romania, USSR, Poland, Czechoslovakia and GDR visited India during 1987 to discuss matters relating to bilateral trade, economic relations, agreements on economic cooperation, etc.

(b) The talks were found helpful in

identifying specific commodities/areas for development of trade such as technical assistance in establishment of small scale industrial units, electronics, textiles, sugar mills, drugs and chemicals, agriculture, mining, consumer goods, machinery and equipment, technology transfer, etc.

Expenditure on Foreign Delegations

6418. SHRI RANJITSINGH GAEK-WAD : Will the Minister of COMMERCE be pleased to state :

(a) the details of the Indian trade delegations which visited foreign countries during the year 1987 and the expenses incurred by each one of them ; and

(b) how far each delegation helped in boosting exports ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The Indian trade delegations visited Afghanistan, Iran, China, Japan, Thailand, Burma, South Korea, Australia, New Zealand, Singapore, Saudi Arabia, Kuwait, Bahrain, UAE, PDRY (Aden), Mauritius, Egypt, Algeria, Tunisia, USA, UK, Canada, Italy, Netherlands, FRG, Switzerland, USSR, GDR, Bulgaria, Yugoslavia, and Czechoslovakia during 1987 and the expenditure incurred was of the order of about Rs. 22,51,006.

(b) Possibilities of increasing exports from India to the countries visited by the Indian delegations, besides other related trade matters, were explored during the discussions. It is difficult to quantify the achievements and benefits arising from the visit of each delegation since the trade is a continuous activity and there are a number of factors affecting the flow of trade.

Scheme for Self Employment to Educated Unemployed Youth

6419. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the findings of a sample survey conducted by the Bank of India which has revealed that 13 per cent of the beneficiaries of the self employment to educated unemployed youth scheme have misused their loans as reported in the "Business

Standard" of 11 March, 1988 ; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Yes, Sir. Reserve Bank of India has reported that Bank of India conducted an evaluation study in respect of Self Employment Scheme for Educated Unemployed Youth (SEUY) loans sanctioned by their branches. The study covered 375 sample beneficiaries financed by 37 branches of the bank in Bihar, Madhya Pradesh, Maharashtra and Uttar Pradesh. As per the study report, 48 beneficiaries i.e. about 13% of the sample have mis-utilised the bank loans. The incidence of mis-utilisation of bank loans was found to be higher among the beneficiaries engaged in small scale industries compared to the beneficiaries who had taken up service and business activities. It has, however, been gratifying to note that the beneficiaries representing about 87% of the sample have made proper utilisation of loans.

Export of South Indian Tea

6420. SHRI NARAYAN CHOUBEY : Will the Minister of COMMERCE be pleased to state :

(a) the details of the South Indian tea exports during the years 1985, 1986 and 1987 ;

(b) the expectation for the current year ;

(c) whether there has been a decline in the export of this tea ; and

(d) the reasons therefor and the corrective action proposed to be taken by Government ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The details of the tea exports from South India are as follows :

(In M. Kgs.)

1985	62.2
1986	47.0
1987	34.0*

(*Shipment Licences Issued)

(b) The exports from South India during 1988 are expected to be higher than the previous year.

(c) and (d). Yes, Sir. Main reasons for decline in tea exports from South India are (i) lower prices of Sri Lankan teas and an attempt by Sri Lanka to capture traditional markets for South Indian teas ; (ii) adverse weather conditions leading to higher cost of production ; and (iii) higher auction prices of South Indian teas as compared to Sri Lanka because of better quality. It has been decided to initiate a special promotional drive for enhancing exports of South Indian teas including preparation of a Project Profile on Nilgiri teas on the lines of Darjeeling tea logo campaign.

Opening of Bank Branches in Orissa

6421. SHRI SOMNATH RATH : Will the Minister of FINANCE be pleased to state :

(a) whether in accordance with the Reserve Bank of India guidelines for the period 1985 to 1990, the Orissa Government has recommended to the Reserve Bank of India for opening of new bank branches in 240 identified centres ;

(b) if so, the number of bank branches for which the Reserve Bank of India has issued licences and how many branches have actually been opened ; and

(c) whether the Reserve Bank of India proposes to expedite the opening of the proposed bank branches in Orissa in time ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Under the current Branch Licensing Policy for 1985-90, Reserve Bank of India (RBI) has received a list of 237 identified centres from the State Government of Orissa for opening branches in the rural and semi-urban centres in the State of Orissa. After a scrutiny of these 237 centres in accordance with the norms laid down in the Branch Licensing Policy, RBI has allotted 179 eligible centres to various banks for opening branches during the Policy period upto March, 1990. According to information available with RBI, banks have opened branches at 57 centres so far. RBI has

advised the banks that branches at the allotted centres should be opened in a phased manner during the remaining period of the current Policy.

Investment under Small Saving Schemes

6422. SHRI SOMNATH RATH :

SHRI BALASAHEB VIKHE PATIL :

Will the Minister of FINANCE be pleased to state :

(a) the investment under Small Saving Schemes in different States and Union Territories in the country during the last three years ;

(b) the amount paid to different State and Union Territories as soft loan by the Centre from the above Schemes during the last three years and the details of terms and conditions ; and

(c) whether Union Government propose to revive the investment of Employees Provident Fund in respect of non-Government establishments, Industrial and Mining Employees in Postal Security ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The gross and net deposits in small Savings Schemes (excluding 5 year Post Office Time Deposits) in States and Union Territories during last three years is as under :

(In crores of rupees)

Year	Amount	
	Gross	Net
1984-85	5436	3875
1985-86	6360	3251
1986-87	7605	3952

(b) The amount of loan released to different States out of net collections is as under :

(In crores of rupees)

Year	Amount
1	2
1984-85	1935

1	2
1985-86	2903
1986-87	2800

The loans are sanctioned subject to the following terms and conditions :

- (i) The period of loans is 25 years, including an initial moratorium of five years towards repayment of principal during which interest will be recovered in four equal instalments on 1st of July, October, January and March each year.
- (ii) On expiry of the period of moratorium, the loans will be recovered in 20 annual equal instalments, the amount annually payable (by way of principal and interest) being recovered in four instalments on the 1st of July, October, January and March each year.
- (iii) The rate of interest on loans given to the State Governments from 31-5-1984 is 8.75 per cent ; from 1-6-1984, 9.75 per cent and from 1-6-1986, 12 per cent.

(c) No, Sir.

Valuation of Shares for Wealth Tax Purposes

6423. SHRI S.B. SIDNAL : Will the Minister of FINANCE be pleased to state :

(a) whether a new system of valuation of shares on the basis of average price for wealth tax purposes has been recommended by the working group on capital market set up by Government ;

(b) if so, what are the other measures suggested ;

(c) how many of them have been accepted by Government ; and

(d) by what time the same is likely to be implemented ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (d). The Committee has not yet submitted its final Report to the Government.

Raw Silk Production

6424. SHRI S.B. SIDNAL :

SHRI G.S. BASAVARAJU :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that demand for silk has increased ;

(b) if so, whether there is a big scope for development of silk production in the country ;

(c) to what extent the production of the raw silk had increased during 1980-81 and what is the latest position in 1987-88 ; and

(d) the efforts being made to double the production of raw silk during 1988-89 ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) Yes, Sir.

(c) and (d). From a level of 5041 tonnes in 1980-81, the production of raw silk in the country increased to 8787 tonnes in 1986-87. In order to supplement the efforts of State Governments, Central Silk Board has set up a network of units for extending R & D, extension and training support for increasing raw silk production in the country. The Board also implements intensive sericulture development projects. It is anticipated that the raw silk production during 1987-88 will be around 9420 tonnes. By the end of the VII Plan, the raw silk production is expected to go up to 10,900 tonnes.

Foreign Investments

6425. SHRI G.S. BASAVARAJU : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that foreign investors find infrastructural problems and restrictive import policy as main hurdles in promoting foreign investment in India ;

(b) if so, the details thereof ; and

(c) the steps being taken to remove such hurdles ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Suggestions for improving our investment environment are received from time to time from different quarters. Due note of these suggestions is taken and appropriate remedial action initiated wherever necessary and feasible.

Joint Ventures with Nepal

6426. SHRI G.S. BASAVARAJU : Will the Minister of COMMERCE be pleased to state :

(a) whether it is proposed to set up some joint ventures with Nepal ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). At present there is no proposal under consideration of Government for setting up Joint Ventures with Nepal.

Demand of Employees of Coffee Board

6427. SHRI INDRAJIT GUPTA : Will the Minister of COMMERCE be pleased to state :

(a) whether the employees of the Indian Coffee Board have been agitating for a number of demands including revision of pay scales, bonus, better promotion opportunities etc. ; and

(b) if so, the steps taken to settle their demands ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). The agitation by the employees of Coffee Board has ended with effect from 28th March, 1988. Except for the demand for grant of bonus to the Coffee Board employees which is subjudice and pending before the Supreme Court, the Coffee Board has decided to resolve the other major demands of the employees of the Coffee Board at their own level, on the basis of the comprehensive proposals received from the Employees Coordination Committee.

Sahyadri Gramin Bank

6428. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether the Sahyadri Gramin Bank (sponsored by the Canara Bank) had selected five officers and fifty clerks in June, 1987 for appointment in its branches in Karnataka ;

(b) whether the selected persons have not yet been appointed and, meanwhile, the list has been scrapped ; and

(c) if so, whether this has the approval of the representatives of the R.B.I., NABARD and the Canara Bank who are on the Directors' Board of the Sahyadri Gramin Bank ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Canara Bank, the Sponsoring Bank of Sahyadri Gramin Bank, has reported that the Gramin Bank had selected candidates for appointment as Officers and Clerks in its branches. However, all the selected candidates in the waiting list could not be appointed for want of vacancies despite extending the validity of Panel beyond its normal life of one year.

(c) The Panel has expired and has not been renewed further. This has the approval of sponsoring bank, National Bank for Agriculture and Rural Development and the Board of Directors of Sahyadri Gramin Bank.

Staff Inspection Unit

6429. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has established a machinery called 'Staff Inspection Unit' to assess the staff strength in various Ministries, Departments and Undertakings ;

(b) if so, whether the said Unit visited sometime back the Corporate Office of the India Tourism Development Corporation Limited at New Delhi and its various units in the country ;

(c) whether the Staff Inspection Unit has submitted its report to Government ; and

(d) if so, what are its recommendations and Government's reaction thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) Yes, Sir. However, in the case of public sector undertakings, the Staff Inspection Unit (SIU) conducts work measurement studies only if there is a specific request from them.

(b) The SIU Team carried out a study of the two hotel units namely, Hotel Akbar (since closed) and Hotel Janpath of India Tourism Development Corporation (ITDC) Limited at new Delhi and also initiated study in a few divisions in its headquarters.

(c) and (d). The SIU issued a report in October, 1983 regarding Hotel Akbar and Hotel Janpath. The report identified 230 surplus posts in different categories, but the quantum of leave reserve posts to be provided was not settled. The ITDC were asked to settle this issue in consultation with the Ministry of Tourism & Civil Aviation. Because of organisational restructuring, further study of the headquarters was dropped at the request of the Corporation.

Import of Sugar and Fertilizers

6430. DR. A.K. PATEL :

SHRI C. JANGA REDDY :

Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation imported in 1982 onwards sugar and fertilizers ;

(b) if so, the quantity and value of imports and parties with whom contracts were entered into ; and

(c) whether any agents were involved in these deals and if so, the commission, if any, paid to them ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). STC has been

importing sugar (not fertilizers) from time to time. The details of imports of sugar made by STC from the financial year 1981-82 onwards are given below :

Financial year	Quantity imported (lakh MT)	CIF Value (Rs. crores)	Name of suppliers
1981-82	2.15	101.50	As per statement given below.
1982-83	Nil	Nil	
1983-84	Nil	Nil	
1984-85	4.96	113.62	
1985-86	20.33	449.29	
1986-87	7.81	210.48	
1987-88 (Prov.)	6.56 (Prov.)	194.48 (Prov.)	

(c) No agents were involved in the above deals for import of sugar. The question of payment of any commission by STC does not, therefore, arise.

Statement

Financial Year	Name of Suppliers of Sugar
1	2
1981-82	—Anglo Chemical Commodities Ltd., London
	—ACIW Company, London
1984-85	—Gill & Duffus S.A., Geneva
	—Anglo Chemical Commodities Ltd., London
	—ED & F Man (Sugar), London
	—W.J. Towell & Co., London
	—Afarco Sugar Ltd., London
	—Marubeni Corp., Tokyo
	—JH Rayner (Mincing Lane), London
	—Sucres et Denree, Paris
	—Cargill Sugar Ltd., London
	—Rionda De Pass Ltd., London

1

2

1985-86

—ED&F Man (Sugar) Ltd., London
 —Anglo Chemical Commodities Ltd., London
 —W.J. Towell & Co., London
 —Louis Dreyfus Sugar Ltd., London
 —JH Rayner (Mincing Lane), London
 —Cargill Sugar Ltd., London
 —M. Golodetz Ltd., London
 —C. Czarnikow Ltd., London
 —Rionda De Pass, Ltd., London
 —Afarco Sugar Ltd., London
 —Woodhouse Drake & Carey (Sugar) Ltd., London
 —Etafri, Paris
 —Kerry Trading Corp., Hong Kong
 —Jean Lion & Cie., Paris
 —Richco, Rotterdam B.V.
 —Sucres et Denree, Paris
 —Wilson Smithett & Cope (Sugar) Ltd., London
 —Scoa International & Co., Paris

1986-87

—ED&F Man (Sugar) Ltd., London
 —Anglo Chemical Commodities Ltd., London
 —Kerry Trading Corp., Hong Kong
 —C. Czarnikow Ltd., London
 —Wilson Smithett & Cope (Sugar) Ltd., London
 —Woodhouse Drake & Carey (Sugar) Ltd., London
 —Scoa International & Co., Paris
 —Richeo, Rotterdam B.V.
 —Cargill Sugar Ltd., London
 —Sucres et Denree, Paris
 —Gill & Duffus S.A. Geneva
 —Marubeni UK Plc., London

1

2

1987-88

- ED&F Man (Sugar) Ltd., London
- Anglo Chemical & Commodities Ltd., London
- Cargill Sugar Ltd., London
- Kains (UR), London
- Sucres et Denree, Paris
- Voest Alpine Inter-Trading, Austria
- Jean Lion & Cie, Paris
- Woodhouse Drake & Carey (Sugar) Ltd., London
- Marubeni UK Plc., London

Closed Textile Mills

6431. DR. A.K. PATEL :

SHRI K. RAMACHANDRA REDDY :

SHRI P.M. SAYEED :

SHRI C. JANGA REDDY :

Will the Minister of TEXTILES be pleased to state :

(a) the number of textile mills as were closed before the introduction of new textile policy ;

(b) whether this number has increased or decreased after the announcement of the new textile policy ;

(c) if so, the details thereof ; and

(d) the number of workers retrenched as a result of the closure and the remedial measures taken or contemplated ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The number of cotton/man-made fibre textile mills closed as on 31st May, 1985 was 68.

(b) and (c). The number of such textile mills closed as on 31-1-88 was 125. Thus, the number of mills closed had increased by 57.

(d) The number of workers rendered unemployed due to closures as on 31-1-88 was 157430. Government have constituted a Nodal Agency to evolve and manage rehabilitation packages in respect of sick textile mills fund to be viable. A Textile Modernisation Fund has also been set up to meet the modernisation needs of weak but viable units. Non-viable mills may have to close down permanently. Workers of textile mills which close down permanently on or after 6th June, 1985 are eligible for financial assistance from the Textile Workers Rehabilitation Fund.

Expansion of Small Savings Movement in Rural Areas

6432. SHRI R.M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there is considerable scope for expanding the small savings movement in rural areas as income from agriculture is not subject to income-tax ; and

(b) if so, the steps Government propose to take in this direction ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). To mobilise untapped rural savings, Indira Vikas Patra was introduced on 19-11-1985

and Kisan Vikas Patra has been introduced on 1-4-1988.

General Survey by Income-tax Department

6433. SHRI SOMJIBHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) the number of new assessees found during general survey being conducted by the Income-tax Department, Delhi so far ;

(b) which are the localities covered by the general survey conducted by the Income-tax Department in Delhi/New Delhi so far ;

(c) whether Government have received complaints against Income-tax Officers and Inspectors conducting the survey ; if so, the details thereof ; and

(d) whether Government propose to institute a C.B.I. enquiry against the survey officials who are reported to have collected huge amount illegally in collusion with the traders ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The number of new Income-tax assessees and wealth tax assessees who have filed returns during the current financial year (upto 29-2-1988) in Delhi is 60,885 and 2,782 respectively.

(b) The localities covered in surveys by the Income-tax Department in Delhi and New Delhi are Laxmi Nagar, Shakarpur, Krishna Nagar, New Subzimandi, Azad Pur, Lajpat Rai Market, New Lajpat Rai Market, Bhagirath Palace, Chandni Chowk, Shahdara, Vishwas Nagar, Sadar Bazar, Jheel Kuranja, Scooter Market, Rashid Market, Rajgarh Colony, East Azad Nagar, Katra Ishwar Bhawan, Naya Bans, Katra Hussain Baksh, Tilak Bazar, Shiv Puri Extension, Connaught Circus, Shankar Market, Gole Market, Bhagat Singh Market, Multistoreyed Buildings at Barakhamba Road and Kasturba Gandhi Marg, Janpath, Sunder Nagar Market, Kaka Nagar Markt, N S. Marg, Darya Ganj, Delhi Gate Bazar, Kamla Market, Ajmeri Gate, Bazar Sita Ram, Chawri Bazar, Ansari Road, Hauz Qazi, Ambedkar Stadium, Jama Masjid, Govindpuri, Jwala Heri, Mayapuri, Lajpat Nagar-I, II and III, Amar Colony, Udyog

Nagar, I.N.A. Market, NDSE Part-I and II, Aurobindo Place, Hauz Khas, Hauz Khaz Market, Greater Kailash-I & Archana Arcade, Yusuf Sarai, DDA Market Defence Colony, Kotla Mubarakpur, Lodhi Road, Mangolpuri, Munirka, Raja Garden, Malviya Nagar, Moti Nagar, Kirti Nagar Market, Naraina Industrial Area, Nehru Place, East of Kailash Community Centre, Mehrauli, Khanpur, Badarpur, Ashram, Srinivaspuri, Nehru Nagar, Okhla Industrial Area, Garhi, Jail Road, Subhash Nagar, Janakpuri, Najafgarh, Sarojini Nagar Market, Vasant Vihar, Mansarovar Garden, Nangloi, Paharganj, D.B. Gupta Road, Rani Jhansi Road, Mundka East and South Patel Nagar, R.K. Puram, Gafar Market, Naiwala, Ajmal Khan Road, Bhikaji Cama Place, Panchkuin Road, Palika Bazar, Regal Building, Mohan Singh Palace Market.

(c) and (d). Some complaints alleging harassment and corruption have been received against the officials conducting survey. Enquiries so far conducted have revealed that there is nothing to support the allegations. Appropriate action as deemed fit is taken in case any official is found erring.

Prosecution Against Film Stars

6434. SHRI SOMJIBHAI DAMOR : Will the Minister of FINANCE be pleased to state :

(a) the names and details of the prosecution complaints filed against film stars, singers, producers, etc., u/s. 276 (c) and 277 of the I.T. Act 1961 during the years 1983-84, 1984-85, 1985-86 and 1986-87 and upto February, 1988 by the Income-tax Department ;

(b) the position in each case and how many cases have been disposed of ; and

(c) the cases pending disposal and the time by which they are likely to be disposed of ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) The requisite information is given in the statement below.

(b) and (c). All the cases listed in the statement, are pending in the Trial Courts. As the cases are to be decided by the Courts,

it is not possible to state the time by which they are likely to be disposed of.

Statement

Names and Details of the Prosecution Complaints Filed Against Film Stars, Singers, Producers U/S. 276 C and 277 of the I.T. Act, 1961 During the Period 1-4-88 to 29-2-88

Sl. No.	Name of the person	Year in which complaint was filed	Asstt. Years involved
1	2	3	4
1.	Shri Rajesh Khanna	1983	1976-77 to 1982-83
2.	Shri Amjad Khan	1984	1979-80 to 1981-82
3.	Shri S.P. Balasubramaniam	1984	1980-81
4.	Shri G.S.R. Krishna Murthy (HUF)	1984	1982-83 and 1983-84
5.	Ms. Jaya Pradha	1985	1979-80 to 1982-83
6.	Ms. Hema Malini	1985	1981-82
7.	Shri Dharmendra Deol	1985	1981-82
8.	Shri N.N. Sippy	1986	1976-77 to 1983-84
9.	Ms. Tina Muneem	1987	1981-82
10.	Shri Manmohan Desai	1987	1983-84

Search and Seizure Operations by Income-tax Department

6435. SHRI SOMJIBHAI DAMOR :
Will the Minister of FINANCE be pleased to state :

(a) the names of Film Stars, singers, producers and directors etc. in whose cases the Income-tax Department, have carried out search and seizure operations under

section 132 of the Income-tax Act, 1961 during 1983-84, 1984-85, 1985-86 and April, 1987 to February, 1988 ;

(b) the details of cash, jewellery and other valuable articles seized, concealed income and wealth detected, and the additional demand created ;

(c) whether the additional demands raised have been realised and if not, the

reasons therefor ; and

(d) by which time, the additional demands are likely to be realised by resorting to attachment of immovable properties ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (d). The Income-tax Department conducted searches at the premises of 69 Film Starts, singers, producers and directors during the period from 1st April, 1983 to 29th February, 1988. These searches resulted in the seizure of prima-facie unaccounted assets such as cash, jewellery and others amounting to approximately Rs. 31.11 crores. In view of the number involved and the voluminous nature of details required, it is not practicable to furnish the other information sought.

[*Translation*]

Seizure of Contraband Goods on Indo-Nepal Border

6436. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) the dates and number of times, the raids have been conducted and contraband goods seized in Raxaul and its neighbouring areas on the Indo-Nepal border during the last six months ; and

(b) the number of persons against whom action has been taken and the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) Only one raid was conducted on 28-10-1987 in Raxaul during the last six months. The raid did not result in recovery of contraband. However, transit checks around Raxaul and search of passengers and vehicles in Raxaul town resulted in the seizure of contraband goods worth Rs. 28 lakhs approximately in 92 cases (figures are provisional) during the last six months.

(b) Two persons have been arrested in

the aforesaid cases.

Increase in Working Capital of Punjab National Bank

6437. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether the working capital of the Punjab National Bank has increased substantially during the last two years ;

(b) if so, the State-wise, amount thereof as on 1 July, 1987, 31 December, 1987 and 31 March, 1988 ;

(c) the number of the branches of this bank opened and the number of old branches upgraded in each district of Bihar during the last two years ; and

(d) the number of additional branches proposed to be opened in various districts of Bihar during 1988 and the names of the places where these branches are likely to be opened and the time by which these branches will be opened and the details in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Punjab National Bank (PNB) has reported that its working capital has increased by 43% between December, 1985 and December, 1987. The working capital of PNB as at the end of June, 1987 was Rs. 9297.49 crores. The State-wise information is not yet ready.

(c) and (d). The PNB has further reported that 12 offices were opened in Bihar during 1986-87. Three old branches were approved for upgradation of which one branch in Dhanbad district was upgraded from large to very large status during 1987. Besides, three branches of erstwhile Hindustan Commercial Bank were merged with Punjab National Bank on 19-12-1986. The bank proposes to open 35 branches in various districts of Bihar during the year 1988. District-wise details are given in the statement below.

Statement

*Branches Proposed to be Opened by Punjab National Bank in Bihar
During the Year 1988*

District	Name of the Centre	
	1	2
1. Aurangabad	1. Mali	
	2. Bishanpur	
	3. Jaitpur	
2. Begusarai	1. Sakarpura	
3. Bhojpur	1. Pasaur	
	2. Siripalpur	
4. Champaran (East)	1. Mathiabhopat	
5. Champaran (West)	1. Marwabazar	
6. Darbhanga	1. Satighat	
7. Dhanbad	1. Bokaro Steel City	
8. Gaya	1. Pipra	
	2. Suraj Mandal	
	3. Pannima	
9. Jehanabad	1. Bithra	
	2. Umra	
	3. Turuktelpa	
	4. Murgawah	
	5. Nonahi	
10. Madhubani	1. Belaunja	
	2. Kulbaria	
11. Monghyr	1. Bambar	
12. Nalanda	1. Utarthu	
	2. Parsdiha	
13. Palamu	1. Betla	
14. Purnea	1. Dahibhat	

1

2

15. Rohtas

1. Karwahia

2. Karaundia

3. Bhanpur

4. Bhariyah

16. Saran

1. Sheoganj

17. Saharsa

1. Nanguar

2. Lachhiminia

3. Ganaora

4. Charne

18. Sitamarhi

1. Banaul

Total 18

35

Loan from World Bank

6438. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) the names of the projects for which permission has been granted by Union Government and other State Governments for obtaining loan from the World Bank during the period January to December, 1988 and the amount of such loans ; and

(b) the broad details of the permission granted for obtaining loan from the World Bank for various projects during this period ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Projects are posed for consideration for external assistance after completion of a comprehensive process of scrutiny involving the Planning Commission, the administrative Ministry and the State Government concerned, and the Department of Economic Affairs. A statement indicating the projects negotiated with the World Bank from 1st January 1988 to 31st March 1988 is enclosed. During the remaining part of the calendar year 1988,

World Bank assistance for other projects will be negotiated. The exact number of projects for which assistance will be tied up, and the quantum of such assistance depends upon the availability of Bank group funds, and the status of project preparation and processing.

[English]

Excise Duty on Cloth

6439. SHRI K. RAMACHANDRA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the textile industry has demanded a long term three year policy for excise duty on fabrics ;

(b) whether it has also been demanded for shift of duty from fabric to fibre or yarn stage ; and

(c) the reaction of Union Government thereto ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) No representation from the textile industry demanding a long term three

year policy for excise duty on fabrics has been received by the Government.

(b) and (c). Representations have been received from a few associations of the textile industry suggesting shifting of additional excise duty in lieu of sales tax on man-made fabrics to the fibre and yarn stage. Since the additional Duties of Excise (Goods of Special Importance) Act, 1957 does not provide for levy of additional duty of excise in lieu of sales tax on fibre and yarn, shifting of this duty from fabrics to the fibre and yarn is not possible.

National Policy for Resettlement of People Affected by Irrigation Projects

6440. SHRI SHARAD DIGHE : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether there is a proposal under consideration of Union Government to formulate a national policy for resettlement and development of the people who are affected by the irrigation projects particularly from water resources development including Sardar Sarovar Project ;

(b) if so, the details thereof ;

(c) whether Government propose to issue suitable guidelines based on the decision already taken in a number of projects which may serve as a common ground for resettlement and development of people already affected by these projects in States ; and

(d) if so, the time by which these guide-

lines will be issued to the concerned States ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (d). Guidelines have already been issued to the State Governments on measures to be taken for rehabilitation of oustees consequent to the construction of river valley projects. Action has been initiated by the Ministry of Welfare for a national policy on rehabilitation of tribals displaced by major projects. Regarding Sardar Sarovar Project, directions have been spelt out in the award of the Narmada Water Disputes Tribunal for implementation by the State Governments concerned.

Profit and Loss in N.T.C.

6441. SHRI N. DENNIS : Will the Minister of TEXTILES be pleased to state :

(a) the details of the National textile mills running in profit and in loss during the last three years ;

(b) the details of the production of the various items by these mills during the above period ;

(c) the total quantity marketed and balance in stock ; and

(d) the details of the steps taken to meet the challenges of the private sector ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) The Profit/loss position of 123 operational mills under NTC during the last three years is as under :

Year	No. of mills which made net profit	No. of mills which incurred net loss
1984-85	6	117
1985-86	17	106
1986-87	10	113

(b) The position regarding production of cloth and market yarn during the said

period is as under :

Year	Production of cloth (million metres)	Production of Market yarn (million Kgs.)
1984-85	920.00	74.0
1985-86	994.70	82.5
1986-87	864.50	85.5

(c) During the period April, 1987 to January, 1988, NTC marketed 66.1 million Kgs. of Market Yarn and 686.5 million metres of cloth. The finished stock with NTC as on 31st January, 1988 is as under :

Market Yarn (M. Kgs.)	3.86
Cloth (M. Mtrs.)	117.24

(d) Steps are being taken to meet the challenges from the Private Sector. Some of the steps recently taken, in this connection, are product upgradation, reduction of costs and active publicity.

Study Report on Lead Bank Scheme

6442. DR. SUDHIR ROY : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the study report of the University of Jodhpur on Lead Bank Scheme ; and

(b) if so, the details of the findings of the said study report ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India (RBI) has reported that a study was conducted on the working of the Lead Bank Scheme (LBS) in Rajasthan by Shri Ashok Kumar Bohra, Assistant Professor of Commerce, University of Jodhpur. The study was confined to the Districts of Ajmer, Alwar, Jodhpur, Kota and Udaipur. According to Shri Bohra the idea of the Lead Bank Scheme stands tested and contains an ideal strategy for planned financing. Some deficiencies have also been mentioned in the study which includes lack of proper planning and conscious implementation, lack of enthusiasm amongst banks to follow the leadership of the lead bank, the inability of the lead bank officer to influence the decisions of other bankers, etc. It has been suggested in the report that RBI should take over the direct leadership in each district and the lead district officer should be incharge for the lead bank operations. The other important suggestions are need for better training, improved communication channels and effective credit planning to streamline the set up under the scheme.

Public Sector Insurance Companies

6443. DR. SUDHIR ROY :

SHRI AJOY BISWAS :

SHRI HANNAN MOLLAH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Central Vigilance Commission in its annual report for 1986 pointed out unsatisfactory functioning of the public sector insurance companies ;

(b) if so, the details of the observations made by the Central Vigilance Commission ; and

(c) whether any follow up action has been ordered, if so, the details thereof and the results achieved so far ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). No, Sir. However, as a result of scrutiny of cases referred by the general insurance companies to the Central Vigilance Commission, over the past several years, the Commission made certain observations in their Annual Report for 1986 relating to grant of insurance cover without realising full prescribed premium, inadequate control on the functioning of Surveyors, etc. The general insurance companies have taken necessary follow up action on the Central Vigilance Commission's observations as below :

- (i) Strict instructions have been issued to all operating offices of the general insurance companies that failure to recover full premium in the prescribed manner before assuming the risk will entail severe disciplinary action ;
- (ii) A system of performance appraisal of Surveyors has been introduced and the general insurance companies have appointed a number of Engineers to oversee their work ; and
- (iii) Strict measures with regard to acceptance of proposals and issue of cover notes in order to minimise chances of back-dating have also

been introduced with effect from 1st November, 1987, with the concurrence of Central Vigilance Commission.

Accounts of Export Inspection Agencies

6444. SHRI RAM DHAN : Will the Minister of COMMERCE be pleased to state :

(a) the number of deposit account holders with various Export Inspection Agencies which were in short/negative balance as on (i) 1-4-1982 (ii) 1-4-1983 (iii) 1-4-1984 (iv) 1-4-1985 ; and

(b) the names and amount of such defaulting deposit holders ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). A statement is given below.

(See columns 229—238).

Frauds in State Bank of Hyderabad

6445. SHRI MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the number of frauds committed in the various branches of the State Bank of Hyderabad during 1985, 1986 and 1987, year-wise ;

(b) the action taken by the bank management against guilty officers/employees ; and

(c) the preventive steps taken by the management to avoid commissioning of frauds in future ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Information in respect of total number of cases of frauds perpetrated on various branches of State Bank of Hyderabad during the years 1985, 1986 and 1987, as reported by the Bank to Reserve Bank of India (RBI) is given below :

Year	No. of cases of frauds
1985	15
1986	26
1987	25

(b) RBI have intimated that the number of delinquent employees against whom action has been taken for their involvement in cases of frauds, as reported to it by State Bank of Hyderabad, for the years 1985, 1986 and 1987 (upto 30-9-87) is as given below :

	1985	1986	1987 (upto 30-9-87)
(a) No. of bank employees convicted on charges of frauds	—	—	5
(b) No. of employees given major/minor penalties	7	5	17
(c) No. of employees out of (b) above dismissed/discharged/removed	5	5	8

(c) RBI has reported that the bank has books of instructions indicating precautions/checks which its staff should observe to prevent occurrence/recurrence of frauds. The Bank also reviews its systems and pro-

cedures on an on-going basis and issues instructions to branches regarding safeguards, to be observed alongwith the modus operandi of frauds as circularised by RBI and the Indian Banks' Association.

Statement

Statement of Deposit Account holders with Export Inspection Agencies (EIAs) having short/negative balance as on 1-4-82, 1-4-83, 1-4-84 and 1-4-85

Sl. No.	Name of deposit account holder	Short/Negative balance as on			Present position	
		1-4-82	1-4-83	1-4-84	1-4-85	
1	2	3	4	5	6	7

Export Inspection Agency-Bombay

M/s.

1. Bose International, Bombay 87.50 — — — Short/Negative balance has been fully realised subsequently.
2. Shoes Crafters, Bombay 15.00 — — — — -do-
3. Vikas Footwear, Bombay 211.60 — — — — -do-
4. Larsen & Toubro, Bombay 0.06 — — — — -do-
5. Asiatic Machinery, Bombay 38.93 — — — — -do-
6. Rahul Enterprises, Bombay 320.00 — — — — -do-
7. Tayabi Exports, Bombay 0.08 — — — — -do-
8. G.K. Auto Industries, Bombay 83.03 — — — — -do-
9. Guest Keen Williams, Bombay 217.98 — — — — -do-

	1	2	3	4	5	6	7
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M/s.

10.	K.P. Automobiles, Bombay	12.27	—	—	—	—	Short/negative balance has been fully realised subsequently.
11.	Industrial Suppliers, Bombay	21.70	—	—	—	—	-do-
12.	Loksons, Bombay	512.81	—	—	—	—	-do-
13.	Upper India, Bombay	0.36	—	—	—	—	-do-
14.	Bharat Springs P. Ltd., Thana	735.66	—	—	—	—	-do-
15.	Raymond Woollens Mills, Thana	844.33	—	—	—	—	-do-
16.	Super Traders, Bombay	14.51	—	—	—	—	-do-
17.	Zeenith Roller & Shutters, Thana	63.13	—	—	—	—	-do-
18.	Bombay Wire Ropes, Thana	1040.45	—	—	—	—	-do-
19.	Harsha Automobiles, Bombay	3.23	—	—	—	—	-do-
20.	Arabco International, Bombay	—	307.50	—	1057.40	—	-do-
21.	Aqua Marine Foods, Bombay	—	42.25	—	—	—	-do-
22.	Advani Orlikon, Bombay	—	22.45	—	—	—	-do-
23.	Ramsons, Bombay	—	144.80	—	—	—	-do-
24.	Sea Trader International, Bombay	—	—	14.00	14.00	—	-do-
25.	Hitendra Metal Inds., Bombay	—	—	—	88.08	—	-do-

26. S.S. International, Bombay 462.00 462.00 462.00 Written off by EIA. Bombay in June, 1985.

27. Kumar Metal Industries, Bombay 11.92 11.92 11.92 -do-

28. V.D. Stove Industries, Bombay 15.50 15.50 15.50 -do-

29. Sieves Manufacturings, Bombay 2.63 2.63 2.63 -do-

Export Inspection Agency—Cochin

1. Mumthas Cashew Industries, Kuzhithurai

— — — Short/negative balance has been fully realised subsequently.

Export Inspection Agency—Calcutta

1. Mathoor Marine, Calcutta	847.31	847.31	847.31	847.31
2. Ravi Fisheries Ltd., Calcutta	1042.92	1042.92	1042.92	1042.92
3. I.T.C., Calcutta	—	—	—	1404.49

(Units had closed down. Amount could be realised on 23-9-85 and 12-2-86 respectively).

Export Inspection Agency—Delhi

1. Shaw Sons, Delhi 60.00 — — — -do-

2. Beauty Art India, Delhi 15.00 — — — -do-

3. Continental Service India, Delhi 80.00 — — — -do-

4. Deep Enterprises, Delhi 120.00 — — — -do-

5. F.A.R. Brass Products, Delhi 15.00 — — — -do-

6. Cavalier, Delhi 10.00 — — — -do-

1	2	3	4	5	6	7
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M/s.

7. United Trading Corps., Delhi	128.00	—	—	—	—	Short/negative balance has been fully realised subsequently.
8. Citizen Exports, Delhi	0.02	—	—	—	—	-do-
9. Joti Steel India, Delhi	383.39	—	—	—	—	-do-
10. Imperial Carpets, Bhadohi	15.00	—	—	—	—	-do-
11. Natraj Carpets, Bhadohi	05.00	—	—	—	—	-do-
12. Parsipur Carpets, India, Bhadohi	15.00	—	—	—	—	-do-
13. Eastern Handicrafts, Bhadohi	14.84	—	—	—	—	-do-
14. Adhunik Engg., Delhi	—	39.91	—	—	—	-do-
15. S.R. India, Delhi	—	13.58	—	—	—	-do-
16. Tiger Hardware, Delhi	—	72.24	—	—	—	-do-
17. Gedore Tools India, Delhi	—	1315.60	—	—	—	-do-
18. Mohan Metal Works, Delhi	—	—	434.02	—	—	-do-
19. Auto General Engg., Delhi	—	—	66.74	—	—	-do-
20. Haque Brothers, Delhi	—	—	20.00	—	—	-do-
21. Indian Artware, Delhi	—	—	80.00	—	—	-do-
22. Banara Bed, Bhadohi	—	—	—	—	05.00	-do-
23. Universal Cables, Delhi	—	—	—	—	2583.82	-do-

24.	Baldev Industries, Delhi	—	—	—	52.15	-do-
25.	Khana Trading Co., Delhi	08.35	—	—	—	Not yet realized.
26.	Deewan Chand & Co., Delhi	10.00	—	—	—	-do-
27.	Granuda Exports, Delhi	05.00	—	—	—	-do-
28.	Industrial Exports, Delhi	01.00	—	—	—	-do-
29.	J.K. Malhotra Corp., Delhi	05.00	—	—	—	-do-
30.	Kohli Exports, Delhi	15.00	—	—	—	-do-
31.	Tiger Exports, Delhi	—	—	65.84	—	-do-
32.	Pearl Engg., Delhi	—	—	—	36.65	-do-
<i>Export Inspection Agency—Madras</i>						
		Nil	—	—	—	—

[Translation]

World Bank Assistance for Tubewells in
Uttar Pradesh

6446. SHRI RAJ KUMAR RAI : Will the Minister of WATER RESOURCES be pleased to state the amount allocated to Uttar Pradesh out of the amount of assistance received from the World Bank for installing tubewells during the last three years and the number of tubewells commissioned and the number of those which are under installation ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : World Bank has committed US \$ 101.00 Million for installation of tubewells in Uttar Pradesh under the Second Uttar Pradesh Tubewells Project out of which an amount of US \$ 51.959 Million has been disbursed to the State Government during the preceding three years. As per information received from the State Government, 2237 public tubewells have been commissioned, 158 old standard tubewells modernised and 129 old standard tubewells have been connected with dedicated feeder under this project upto February, 1988. 93 tubewells are under installation, 142 old tubewells are being modernised and 321 old standard tubewells are being connected with dedicated feeder.

[English]

Review of Working of Gold Control Act,
1968

6447. PROF. RAMAKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether Government have made any assessment of the annual loss suffered in terms of foreign exchange and other exportable commodities with the continuous clandestine inflow of gold into the country ;

(b) if so, the details thereof ;

(c) whether Government have made any review of the working of the Gold Control Act, 1968 to know how far it has achieved its objective in controlling and regulating the trade and industry engaged in the task of using gold ; and

(d) if so, the outcome thereof and the

steps contemplated by Government in this regard ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Since smuggling is a clandestine activity no estimate can be made of the quantum of gold smuggled in to the country. Consequently it is not possible to know the loss of foreign exchange on this account.

(c) and (d). Government's gold policy in its totality is under examination by a Committee under the Chairmanship of Dr. Rangarajan, Deputy Governor of Reserve Bank of India, constituted on May 13th, 1986.

[Translation]

Filling up of Posts of Clerks, Stenographers
and Cashiers in Nationalised Banks

6448. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government have issued directives to the banking service commissions to fill up the posts of clerks, stenographers and cashiers etc. in the nationalised banks ;

(b) whether there are directives from Government that the employees, who complete 80 days' regular service will be made regular ;

(c) whether it is a fact that there are many employees in the State Bank of Bikaner and Jaipur who have completed their 80 days regular service and are not being treated as regular employees ; and

(d) if so, the reasons for not making such employees regular by the above Bank ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) According to the existing scheme of recruitment, clerical personnel/stenographers in banks are recruited through various Banking Service Recruitment Boards/Central Recruitment Board. This is an ongoing process. The Boards accept indents from banks and allot the

candidates who are selected finally to the banks.

(b) No, Sir.

(c) and (d). State Bank of India has reported that there are a large number of ex-temporary employees, who have completed an aggregate temporary service of 80 days or more in State Bank of Bikaner and Jaipur. State Bank of India has also reported that State Bank of Bikaner and Jaipur has already initiated the process for affording one time opportunity for permanent absorption by a separate recruitment test for them.

Smuggling of Gold

6449. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that difference between the rates of gold in the

country and that in the foreign countries is about 45 per cent ;

(b) if so, whether it is a fact that due to this difference in rates, gold is smuggled into the country in large quantity ;

(c) whether it is also a fact that due to this reason the export of gold ornaments from the country has declined tremendously and many States have been affected thereby ; and

(d) if so, the steps taken by Government to remove the ill-affects caused thereby on the business of goldsmiths in these States and the names of States from where gold ornaments are being exported ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI .AK PANJA) : (a) and (b). The comparative figures of average price of gold at Bombay and London during 1985, 1986 and 1987 are given below :

Year	Bombay price per 10 grammes	London price per 10 grammes	Price differential
1985	Rs. 2009	Rs. 1265	Rs. 744 58.9%
1986	Rs. 2114	Rs. 1473	Rs. 641 43.8%
1987	Rs. 3167	Rs. 2055	Rs. 1112 54.1%

Smuggling is a clandestine activity and it is not feasible to make an estimate of the extent of gold being smuggled into the country. The magnitude of the smuggling of gold into the country is determined largely by :

- (i) High domestic demand due to social customs ;
- (ii) Demand for hoarding purposes as a security and hedge against inflation ;
- (iii) Negligible indigenous production and supplies ; and
- (iv) Profitability due to the wide differential between low international price and rising domestic prices.

(c) and (d). The value of gold jewellery

exported during the financial years 1983-84, 1984-85, 1985-86, 1986-87 are given below :

Year	Value (Rs. in crores)
1983-84	83.39
1984-85	86.10
1985-86	101.67
1986-87	89.20

These figures do not confirm the apprehension that export of gold ornaments from the

country has declined tremendously.

Utilisation of Water of Kalisindh River

6450. SHRI SHANTI DHARIWAL : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether Union Government have received any proposal from Rajasthan Government for using the water of Kalisindh river for irrigation purposes ;

(b) if so, whether a suggestion has also been received from the State Government for making the optimum utilization of water of this river for agriculture purposes under major irrigation projects ;

(c) if so, whether Government have considered this proposal and the outcome thereof ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir.

(b) No, Sir.

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

Listing of Shares

6451. SHRI SHANTI DHARIWAL : Will the Minister of FINANCE be pleased to state :

(a) whether the attention of Government has been drawn to the news-item appearing in the "Economic Times" dated 27 December, 1987 under the caption 'SEs seek more powers' ;

(b) if so, whether the Presidents of the Stock Exchanges have sought more powers from Government in regard to the guidelines for listing the shares of companies in stock exchanges ; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) Yes, Sir.

(b) No specific proposal has been

received from the Presidents of Stock Exchanges seeking more powers from Government in regard to the guidelines for listing of shares of companies in Stock Exchanges.

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

[English]

Opening and Closing Price of Gold

6452. SHRI V.S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) the authority determining the opening and closing price of gold every day ; and

(b) whether Government propose to take steps to regulate the daily opening and closing price of gold throughout the country at a uniform rate by constituting a Gold Control Exchange as in Stock Exchange ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) The price of gold is dependent on the market forces in the gold bullion market. The opening and closing prices of gold in Bombay are determined by the Bombay Bullion Association.

(b) No, Sir.

Jute Industry in Assam

6453. SHRI ABDUL HAMID : Will the Minister of TEXTILES be pleased to state :

(a) whether Union Government are aware that there is a sufficient scope for the large scale jute based industry in Assam having plenty of raw jute materials ;

(b) if so, whether Union Government propose to establish a large scale jute based industry in Assam particularly at Dhubri during the Seventh Five Year Plan ; and

(c) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). There is adequate installed capacity for the production of jute goods in the country to meet domestic as well as export requirements.

There is no proposal under consideration for the establishment of any new jute mill in the country including the State of Assam.

Jute Purchase Centres in Assam

6454. SHRI ABDUL HAMID : Will the Minister of TEXTILES be pleased to state :

(a) whether the Departmental Purchase Centres (DPC) of the Jute Corporation of India in Assam are small in number in comparison to other States like West Bengal, Orissa, Bihar, etc. ;

(b) if so, the steps proposed to be taken by Union Government to increase the DPC in Assam ; and

(c) if so, the details thereof ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) 26 purchase centres of the Jute Corporation of India out of a total of 197 purchase centres, are located in Assam. These are not small in comparison to other States in view of the fact that Assam accounts for around 10.8% of the total production of raw jute in the country.

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

Silk Export Target

6455. SHRIMATI JAYANTI PATNAIK : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the silk export target is not satisfactory ;

(b) if so, the reasons therefor ;

(c) the steps taken by Union Government to increase the export of silk ; and

(d) the target set for silk export in Seventh Five Year Plan ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). The target set for silk exports by the end of 7th Five Year Plan period was Rs. 190 crores. However, silk exports touched a level of Rs. 201 crores in 1986-87 itself and during the year 1987-88, silk exports are expected to be of the order of Rs. 240 crores. The target for the year 1988-89 has now been

set at Rs. 270 crores. The Union Government has taken the following steps for increasing exports of silk goods :

- (i) Facilities available to silk exporters for import of raw material under export incentives schemes have been further liberalised in the new Import-Export Policy (1988-91).
- (ii) Higher rates of cash compensatory support were announced w.e.f. 1-7-86 for natural silk goods (except silk fabrics).
- (iii) 27 silk machineries have been permitted for import under OGL and customs duty on all these machineries has been reduced to 35%.
- (iv) Due to the efforts of the Indian delegation, silk goods from India are not subject to specific quota restriction under Textile Agreements.

West German Equity Investment in India

6456. SHRI P.M. SAYEED : Will the Minister of COMMERCE be pleased to state :

(a) whether private companies of West Germany are likely to participate in equity investment in India ;

(b) whether the existing FERA regulations would be relaxed in favour of West German collaboration ; and

(c) if so, the specific fields of collaboration between the two countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). Selection of technologies is primarily left to the Indian entrepreneurs/parties, who, after exploring the alternative sources of technology and techno-economic analysis, select the one that suits them best. West Germany is at present the second largest source of import of technology into India.

Foreign investment and collaboration including from West Germany is welcome within the limits of our selective policy as reiterated in the Technology Policy Statement of 1983.

Supply of Rigs and Pumps to Uganda

6457. SHRI GOPALA KRISHNA THOTA : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have offered to supply rigs and pump sets to Uganda so as to help that country to solve its water shortage both for drinking and irrigation ;

(b) if so, the details thereof ; and

(c) how much this is going to cost India ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Government of India have not supplied directly any rigs and pump sets to Uganda.

However, against the 1982 Indo-Uganda Credit Agreement, the Government of Uganda had signed a contract for Rs. 4 crores for export of eight water drilling rigs with accessories from India, against credit extended by Government of India.

Tripartite Committee for Textile Industry

6458. SHRIMATI USHA CHOU-DHARY : Will the Minister of TEXTILES be pleased to state :

(a) whether Union Government propose to set up a tripartite Committee consisting of employers, textile workers and Government officials for the solution of the crisis faced by textile industry in the country ;

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

(c) what will be the terms of reference of the committee ;

(d) the time by which the committee will submit its report ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). While it has been decided to appoint an Expert Committee, which consists of representatives from all interested sectors to sit down and review how the Textile Policy has worked upto now, there is no proposal to set up a tripartite Committee for "the solution of

the crisis faced by the textile industry".

Purchase of Cotton and Jute

6459. SHRI BHADRESWAR TANTI : Will the Minister of TEXTILES be pleased to state the details of amount allocated to the Cotton Corporation of India and Jute Corporation of India for the purchase of cotton and jute respectively during 1986-87 and 1987-88 ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : Government does not allocate any funds to these Organisations for the purchase of cotton and jute. However, there is an open-ended commitment for purchase of jute and cotton by these Organisations for Price Support operations and losses incurred are reimbursed by the Government.

Financial Assistance to Assam Co-operative Jute Mills, Silighat

6460. SHRI BHADRESWAR TANTI : Will the Minister of TEXTILES be pleased to state :

(a) whether the Chief Minister of Assam had written to Union Government on 10 March, 1987 to provide an assistance of Rs. 240.60 lakhs to the Assam Co-operative Jute Mills, Silighat ; and

(b) if so, the response of Union Government thereto ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Yes, Sir.

(b) The Union Government has sanctioned Rs. 71 lakhs as grant in aid and the balance amount of Rs. 169.60 as loan. This has already been released to the State Government.

Agreement with China

6461. SHRI BHADRESWAR TANTI : Will the Minister of COMMERCE be pleased to state :

(a) whether China signed an agreement with India in May, 1987 to set up a trade information network ;

(b) if so, whether the agreement has been signed to provide information relating to regional trade promotion ; and

(c) if so, the factual position thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) No, Sir.

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

[Translation]

Purchase of Sugar in International Market

6462. SHRI BALWANT SINGH RAMOOOWALIA : Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation had purchased sugar from the international market in January, 1988 ;

(b) if so, the quantity of sugar purchased in the said month and at what price ; and

(c) the price of sugar in December, 1987 and February, 1988 in the international market ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). In January, 1988, STC imported 43,050 metric tonnes of sugar valued at Rs. 16.13 crores (CIFFO) at international market prices.

(c) The average London Daily Price of sugar in December, 1987, was US \$ 220.58 per MT f.o.b. European ports and US \$ 231.595 per MT f.o.b. European ports in February, 1988.

[English]

Stoppage of Iron Ore Export from Redi Port in Sindhudurg District

6463. PROF. MADHU DANDAVATE : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that about 2000 workers in the Port Redi of Sindhudurg district in Maharashtra are deprived of work because of the stoppage of iron ore exports from that Port ; and

(b) if so, the steps proposed to avoid hardship to these workers ?

THE MINISTER OF STATE IN THE

MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Iron ore exports from Redi Port of Sindhudurg District of Maharashtra have been affected adversely due to non-availability of funds in the Indo-Romanian Rupee Trade Account.

(b) A Ministerial delegation visited Romania recently and discussed short and long term measures. As a result of it exports of iron ore are expected to go up in April/ May, 1988.

Mechanisation/Computerisation in Banking Industry

6464. SHRI S.M. GURADDI : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India had appointed a Committee in July, 1983 to study mechanisation/computerisation in banking industry ;

(b) if so, the recommendations made by the Committee ;

(c) the extent to which these recommendations have been implemented so far ;

(d) whether all the recommendations made have been fully implemented ; and

(e) if not, the main reasons for delay in implementing these recommendations ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (e). A Committee was constituted by Reserve Bank of India (RBI) under the Chairmanship of Dr. C. Rangarajan, Deputy Governor, RBI in July, 1983 to consider the question of drawing up a phased programme of mechanisation and computerisation in banking industry. The Committee had recommended in its report submitted in 1984 installation of Advanced Ledger Posting Machines (ALPMs) at the Branch Level, mini computer systems at Zonal/Regional Offices and main frame computer systems at the Head Offices of the commercial banks. The Committee had recommended a 5 Year Plan for mechanisation/computerisation spanning from 1985 to 1989. Reserve Bank of India accepted these recommendations of the Committee and initiated action for implementation of the

same. As per the information furnished by Reserve Bank of India, as at the end of February, 1988, the public sector banks have installed 3,248 ALPMs at the branches and 135 mini computers at Regional/Zonal Offices. It is proposed to instal main frame computers at the Head Office level as recommended by the Rangarajan Committee before 1989.

The progress of mechanisation/computerisation is monitored on a continual basis by Reserve Bank of India.

Change in Composition of Spices Board

6465. SHRIMATI D.K. THARA DEVI SIDDHARTHA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering a change in the composition of the Spices Board ;

(b) if so, the changes sought to be made ;

(c) the present composition of the Spices Board ; and

(d) whether the spices growers would find adequate representation in the next reconstitution of the Spices Board ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) to (c). The present composition of the Spices Board is as indicated in the statement given below. (See columns 253—262). At present there are three vacancies one for an exporter, two for representatives of the Ministry of Commerce and Finance. These vacancies are proposed to be filled up. No other change in the composition of the Spices Board is under consideration.

(d) There are already seven members to represent the growers of spices on the Spices Board.

Per Capita Consumption of Cloth

6466. SHRIMATI D.K. THARA DEVI SIDDHARTHA : Will the Minister of TEXTILES be pleased to state the per capita annual consumption of cloth viz., cotton, terecot, woollen, silk, polyester and khadi ?

THE MINISTER OF TEXTILES (SHRI

RAM NIWAS MIRDHA) : The per capita consumption of cloth, as estimated by the Market Research Wing of the Textiles Committee, for the year 1986 is 15.79 metres *inter-alia* including the following :

Item	In Metres
Cotton and Khadi	10.71
Terecot (Polyester Cotton)	2.31
Woollen	0.21
Silk	0.24
Polyester	1.51

Allocation of Funds to State for Irrigation

6467. PROF. NARAIN CHAND PARASHAR : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether any higher allocations have been made for harnessing and augmenting the irrigation potential including underground water in the country in the current and subsequent years of the Seventh Five Year Plan in the States which have experienced successive/prolonged drought during the past three years ;

(b) if so, the increase in allocation for irrigation in the current year as also in the subsequent remaining years of the Seventh Five Year Plan, for each State and Union Territory affected by drought ;

(c) if not, the reasons thereof ; and

(d) whether allocation for irrigation would be enhanced in the drought affected States during the current financial year and the remaining two years of the Plan ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) Yes, Sir.

(b) to (d). The requisite information is given in the Statement given below.

(See columns 263-264).

Statement

Sl. No.	Name		
1	2		
1.	Shri K.M. Chandrasekhar, I.A.S.	Chairman	
2.	Prof. P.J. Kurien, Member of Lok Sabha	Member	Elected by the Lok Sabha.
3.	Smt. D.K. Thara Devi, Member of Lok Sabha	Member	Elected by the Lok Sabha.
4.	Shri R.T. Gopalan, Member of Rajya Sabha	Member	Elected by the Rajya Sabha.
5.	Shri C.K. George, Joint Commissioner, Ministry of Agriculture	Member	To represent Min. of Agriculture.
6.	Director of Agriculture, Kerala State, Trivandrum	Member	
7.	Director of Agriculture, Andhra Pradesh State, Hyderabad	Member	To represent major Spices Producing States.
8.	Director of Agriculture Tamil Nadu, Madras	Member	

9.	Director, Dte. of Cocoa, Arecanut and Spices Development, Calicut	Member	To represent Dte. of Cocoa, Arecanut and Spices Development, Calicut.
10.	Director, Indian Institute of Packaging, Bombay	Member	To represent Indian Institute of Packaging, Bombay.
11.	Director, Central Food Technological Research Institute, Mysore	Member	To represent Central Food Technological Research Institute, Mysore.
12.	Director, Central Plantation Crops Research Institute, Kasargode	Member	To represent Central 'Plantation' Crops Research Institute, Kasargode.
13.	Shri C. Hanumaiya, Laxmipuram, Guntur, Andhra Pradesh	Member	
14.	Shri Bharat Mani Pradhan, Mani Press, Kalimpong, West Bengal	Member	
15.	Shri T.K.S. Manoharan, C/o Kerala Cardamom Growers Union, Gumbum, Madurai Distt., Tamil Nadu	Member	
16.	Shri K.S. Skaria, Pottankulam Gardens, Mundakkayam-686513	Member	To represent growers of Spices.

17. Shri D.M. Puttgowde,
Makonathally P.O.,
Mudigere Taluk,
Chickmaglur Disr.

Member

18. Shri M.C. Pothen,
Amalgamated Malabar Estate,
Beach Road,
Calicut

Member

19. Shri C. Sadasiva Subramaniam,
Jt. Secretary,
Cardamom Growers Federation,
Cumbum

Member

20. Shri Ajit Thomas,
Director,
M/s. A.V. Thomas & Co.
16, Marshall Road,
Madras

Member

21. Shri Rashmi G. Bhimiyami,
M/s. R.T. Corporation,
375, Narsi Natha St.,
M-1, Faize-Quithi,
Bombay-9

To represent exporters of spices.

Member

22. Shri J.A. Kabeer,
M/s. M.M. Naini & Co.
99, Linghi Chetty Street,
Madras

Member

1 2

23. Shri J.V. Mariwalla,
M/s. Kanji Moorarji,
Kanmoor House,
281/87, Narsi Natha Street,
Bombay

24. Chairman,
Kerala State Cooperative Marketing Federation Ltd.,
P.B. No. 2301, Nettappadam Road, Ernakulam,
Cochin-16

25. Shri Muji Thakkar,
M/s. M.J. Exports (P) Ltd.,
113, Jolly Maker Chamber No. 2,
Nariman Point,
Bombay-21

26. Shri N.S.R. Mandraadiar,
M/s. P. Mittulal Lalah & Sons,
54, Nelson Manicka Mudaliar Road,
Aminjikarai,
Madras

27. Shri C.V. Jacob,
M/s. Synthite Industrial
Chemicals (P) Ltd.,
Synthite Valley, Kadaiyiruppu
P.O. Kolancherry-682311

Member
To represent exporters of spices.

Member

Member

28.	Shri A.D.J. Pandian, Pändijan Estate (P) Ltd., Premi, V.P. Rathinaswamy Nadar Road, Madurai, Tamil Nadu	Member]
29.	Shri K.V. George, President, INTUC Kerala State, Karimattom, Vandanmedu P.O. Idukki Distt.	Member	To represent labour interest.

Statement

State-wise break-up of additional outlay for irrigation works to be taken up under Drought Relief Programme

Sl. No.	State	Outlay (in Rs. crores)
1.	Andhra Pradesh	22.00
2.	Gujarat	30.00
3.	Haryana	2.00
4.	Himachal Pradesh	1.10
5.	Jammu and Kashmir	6.40
6.	Karnataka	25.00
7.	Kerala	5.50
8.	Madhya Pradesh	27.00
9.	Maharashtra	26.00
10.	Nagaland	0.50
11.	Orissa	22.00
12.	Rajasthan	37.50
13.	Tamil Nadu	3.00
14.	Uttar Pradesh	28.00
Total		236.00

Note : (a) 50 per cent of the above additional outlay would be from the funds allocated for the employment-generation programme under the drought relief assistance, as approved by the Government of India on the recommendations of the High Level Committee on Relief.

(b) The remaining 50 per cent would be made available as net additioality over and above the amounts sanctioned as drought relief assistance to the States. This amount can be spent on material components as well, as may be agreed to in individual cases by the Planning Commission.

[Translation]

Impact of Coffee, Cardamom, Tea and Tobacco Boards in Improving Quality

6468. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Coffee Board, the

Cardamom Board, Tea Board and Tobacco Board have proved helpful in improving the quality of these products ; and

(b) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir.

(b) Does not arise.

Profit/Loss in NTC

6469. PROF. NIRMALA KUMARI SHAKTAWAT: Will the Minister of TEXTILES be pleased to state :

(a) the present number of NTC mills earning profit and of those running in loss ;

(b) whether there has been any change in the system of working of these mills with the introduction of New Textile Policy ;

(c) the amount spent by Government during the last two years on the rehabilitation of the mills running in loss ; and

(d) the reasons for cloth being costly in

India as compared to other countries and whether some more changes would be effected in the Textile Policy with a view to reduce the prices of Janata and Cotton cloth ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA): (a) Out of the operational 123 mills of NTC, 9 mills have shown provisional net profit and 114 mills have incurred provisional net loss, during the period April, 1987-January, 1988.

(b) Yes, Sir.

(c) The Government has released the following amounts as financial support for NTC :

(Rs. in crores)

Year	Modernisation	Labour rationalisation	Working capital	Total
1986-87	15.00	10.00	135.00	160.00
1987-88	15.00	10.00	170.00	195.05

(d) Within the framework of the Textile Policy NTC is producing controlled cloth and Handloom Sector is producing Janta Cloth. Some of the reasons for the cloth being costly in India are high cost of inputs and inadequate modernisations.

Facilities to Persons having CAIIB Qualification

6470. PROF. NIRMALA KUMARI SHAKTAWAT: Will the Minister of FINANCE be pleased to state :

(a) whether CAIIB (Certified Associates of the Indian Institute of Bankers) is the only professional qualification in Banking Sector in India ;

(b) whether the persons/employees who pass this examination are easily selected by public sector banks or are also given additional increments ;

(c) the other facilities given by public sector banks to the employees having this professional qualification ;

(d) the names of the special jobs for which such persons are considered suitable ; and

(e) the reasons for which this qualification is not declared as an essential qualification for appointment to some important posts with a view to bring about improvement in banking work in case this qualification is considered to be a suitable one ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (e). The Indian Banks' Association has advised that the CAIIB is the main diploma awarded by the Indian Institute of Bankers. The Institute also awards other certificates/diplomas, such as, Diploma in bank management and diploma in international banking. Only bank employees and employees of some financial institutions who are members of the Institute, are eligible to appear in the CAIIB Examination and, as such, the question of their possessing the qualification at the time of appearing in the BSRB selection examination and, consequently, being selected easily by the BSRB does not arise. The bank employees who pass this examination are given additional increments and, in some banks, weightage is given for CAIIB qualifications at the time of promotion from Clerk to Officer and from one scale to

another within the Officers' cadre. The CAIIB is a general qualification in banking. Since the eligibility criteria for direct recruitment to various cadres in public sector banks have already been laid down and have been considered adequate, there is no proposal for declaring CAIIB as an essential qualification for any category of posts.

[English]

Hydrological Studies on Major Irrigation Projects

6471. SHRI K. RAMAMURTHY : Will the Minister of WATER RESOURCES be pleased to state :

(a) the details of the studies of various hydrological aspects of 50% of on-going and new major plan projects in river basins of the country, completed upto December, 1986 ;

(b) the time by which these studies are likely to be completed in respect of the remaining 50% of the irrigation projects ; and

(c) the details of 12 projects in various States where hydrological studies were completed with Central assistance ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) to (c). Studies on hydrological aspects of all major projects are carried out in the Central Water Commission for assessing water availability and for spillway design, before these are considered for acceptance. Further, special hydrological studies are taken up at the request of project authorities and external lending agencies. 20 such special studies were taken up since January, 1987 in 11 States, out of these 12 have been completed so far.

Use of Reverse Carbon by Bank Customers

6472. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether the Central Bureau of Investigation has suggested that the bank customers should use reverse carbon, as is being done by the banks on their drafts, while writing out a cheque as this would

prevent erasures and making alterations ;

(b) whether the CBI has also suggested regular use of ultra-violet (ray) lamp as a matter of routine while passing cheques for over Rs. one lakh ; and

(c) if so, the action taken on these two suggestions by the bank managements to eliminate bank frauds ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). No such suggestions have been made by the Central Bureau of Investigation. However, banks on their own exercise caution and adopt measures, including use of ultra-violet rays, to satisfy themselves about the authenticity of the cheques etc. for large amounts before passing them for payment.

Computerisation in State Bank of India

6473. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) the total number of computers acquired by the State Bank of India ;

(b) the number of computers that have actually been put on service ; and

(c) the reasons for not utilising all the imported computers by the State Bank Management ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). State Bank of India (SBI) has reported that it has acquired a total number of 130 computers including those which were imported and all of them have been put on service.

(c) Does not arise.

Irrigation Potential

6474. SHRI K. RAMAMURTHY : Will the Minister of WATER RESOURCES be pleased to state :

(a) the steps being taken to put to use 5.2 million hectare idle capacity, out of 20.8 million hectares of irrigation potential created between 1951 and 1985 at a cost

of Rs. 15,026 crores, instead of adding 4.3 million hectares in the Seventh Five Year Plan at a cost of Rs. 15,000 crores ; and

(b) the steps being taken to contain soil erosion and salination, since every minute the country is losing five hectares of arable land through soil erosion and two hectares from salination ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) The steps being taken for improving the utilisation of irrigation potential created include implementation of on-farm development works such as provision of field channels, drainage, land shaping, introduction of rotational water supply and introduction of improved water management practices with farmers' participation. The programmes for utilisation of irrigation potential and for extending irrigation to new areas are complementary and have to proceed together.

(b) The steps being taken include soil conservation, afforestation and land reclamation measures.

Excise Duty Pending Realisation

6475. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to confiscate the factories of those companies against whom show cause notices have been issued and excise duty of more than two hundred crores is pending realisation ; and

(b) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). The amount of duty demanded in the show cause notices does not become recoverable unless the show cause notices are adjudicated resulting in confirmation of the amounts. Show cause notices demanding duty of more than Rs. 200 crores have been issued to three companies which are either pending adjudication or stayed by the courts. There is no company against whom confirmed amount of Central excise duty of more than Rs. 200 crores is pending. The adjudicating officers at their discretion can order confiscation of

any land, building, plant, machinery, materials, conveyance, animal or any other things used in connection with the manufacture, production, storage, removal or disposal of offending goods after considering the nature and gravity of the offence. However, whenever confiscation is adjudged, an option has to be given by the adjudicating officer to the owner of the goods to pay in lieu of confiscation such fine as the officer thinks fit.

Customs Duty Evasion by Textile Companies

6476. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to order special enquiry into the evasion of customs duty by some textile companies for import of yarns during last two years ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) It has been reported that there is no proposal to order special enquiry into the alleged evasion of customs duty by some textile companies for import of yarns during the last two years.

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

[Translation]

Complaints Regarding Misuse of Loans by States

6477. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) the number of complaints received by Government regarding the misuse of loans given by Union Government to various State Governments under various heads ;

(b) the names of the States against which the complaints have been received ;

(c) the amount of loan outstanding against various States as on 31 December, 1987 ; and

(d) the State-wise amount of outstanding loans to be recovered from them till 31 December, 1987.

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) to (d). Information is being collected and will be laid on the Table of the House.

Allotment of Flats to Branch Managers by State Bank of Indore

6478. SHRI C. JANGA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the State Bank of Indore has allotted luxury flats in Asiad Complex to all its Branch Managers in Delhi and New Delhi, the market rent of which is Rs. 8,000/- per month which is more than the salary of the officers ;

(b) if so, the steps taken by the bank to save this wasteful expenditure ; and

(c) the reasons for making too costly flats residential ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). State Bank of Indore has reported that due to difficulties in securing suitable accommodation for their officers posted at Delhi, the Bank decided to purchase five flats in Khelgaon, Delhi from Delhi Development Authority. The bank has also advised that its intention was only to provide residential accommodation to its Branch Managers looking to the hardship for securing suitable accommodation at Delhi.

[English]

New Marine Products Export Centres

6479. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of marine products exported in the year 1987 ; and

(b) the new centres where marine products have been started processing ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The quantity of marine products exported during the year 1987 was

of the order of 89124 tonnes.

(b) New processing plants registered with MPEDA during 1987 for processing marine products are located at Bombay, Bhubaneshwar, Calcutta, Karwar, Quilon, Alleppey and Cochin.

New Projects for Export of Marine Products

6480. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state the new projects started with the help of foreign collaborations for export of Marine Products ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : These new projects have been implemented with the help of foreign collaborations for export of marine products. Two of these are Joint-Venture projects in the field of deep-sea fishing and one in the field of processing.

Export of Spices

6481. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any quality control of Indian spices like pepper, ginger, cardamom etc. before they are exported ;

(b) if so, the details thereof ;

(c) whether there is price difference in the USA in Indian spices vis-a-vis of other countries ; and

(d) if so, the reasons therefor and the steps being taken to bring parity in prices ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) Yes, Sir.

(b) All important spices such as pepper, cardamom, chillies, ginger, turmeric etc. are subject to quality control and pre-shipment inspection before export. Inspections are carried out by the Directorate of Marketing and Inspection as per grades prescribed under the Agricultural Produce (Grading and Marking) Act. The Export Inspection Agency has been recently notified as an alternative agency for pre-shipment inspection of black pepper.

(c) Yes, Sir.

(d) The differences in prices are generally due to various factors which include cost of production, domestic demand, supply and varietal differences. The steps being taken to bring parity in prices include efforts to increase productivity of cardamom and pepper etc.

[Translation]

Bank Facility in Hill Areas

6482. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether there is no bank facility in the hill areas of the country where there are no roads ; and

(b) if so, the scheme of Government to provide bank facility to the persons living in those areas ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Under the current Branch Licensing Policy, hilly areas are given special consideration while allotting centres for opening bank branches by relaxing the population coverage norm of one branch for every 17,000 population to one branch for 12,000/10,000 population. A spatial norm of making available a bank branch within a distance of 10 kms. has also been prescribed under the current Branch Licensing Policy with a view to fill in the spatial gaps in availability of banking facilities. Allotment of centres for opening branches is done by RBI out of the list of identified centres received from the State Government with reference to the prescribed policy norms. The banks are expected to open branches at all the centres allotted to them in a phased manner, irrespective of the location of centre on the main road or otherwise.

Expansion of Silk Industry in Hilly Areas of U.P.

6483. SHRI HARISH RAWAT : Will the Minister of TEXTILES be pleased to state :

(a) the amount proposed to be spent for the expansion of silk industry in hilly areas of Uttar Pradesh during 1988-89 ;

(b) whether the Ministry is considering

a proposal for starting some Pilot Projects for large expansion of silk industry in these areas of Uttar Pradesh ;

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

(d) if not, the steps being taken by the Ministry for the expansion of silk industry in these areas ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) Under the Central Sector Annual Plan for 1988-89, an amount of Rs. 56.10 lakhs has been earmarked by the Central Silk Board for expansion of Sericulture industry in Hilly areas of Uttar Pradesh.

(b) At present, no such proposal is under consideration.

(c) Does not arise.

(d) In order to supplement the efforts of State Government of Uttar Pradesh for expansion of sericulture in hilly areas of the State, the following steps have been/are being undertaken by the Central Silk Board (CSB) :

(i) CSB's Research sub-station at Majra has been up-graded as a Regional Sericulture Research Station for extending R&D support and also to evolve appropriate technologies.

(ii) A Basic Silkworm Seed Station and a hybrid silkwork production Centre have been set up in Dehradun Distt. for organising supply of quality Basic Seed and for supply of Commercial silkwork seed.

(iii) A Demonstration-cum-training-Centre for reeling and cocoon spinning has been set-up at Dehradun for providing training to sericulturists.

(iv) A Regional Tasar Research Station has been set-up at Bhimtal for extending R&D support for oak tasar development.

Besides, CSB is organising the supply of young-age silkworms through chawki rearing centres is setting up demonstration centres for mulberry cultivation and silk-worm rear-

ing, arranging supply of mulberry cuttings and rearing equipments to selected seed cocoon rearers and imparting training to farmers.

NABARD Assistance to Uttar Pradesh

6484. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the amount given by the National Bank for Agriculture and Rural Development to Government of Uttar Pradesh for its various schemes during the last three years, year-wise ;

(b) whether per capita amount of funds made available to Uttar Pradesh by the aforesaid bank is less than per capita national average of such funds ; and

(c) if so, the steps proposed to be taken by Government to ensure that more funds are made available to Uttar Pradesh by the aforesaid bank ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) to (c). Information is being collected and will be laid on the Table of the House to the extent available.

Loans for Industries in Almora District

6485. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the total number of industries set up in Almora district of Uttar Pradesh and the number of such industries out of them which have been sanctioned loan by the banks ; and

(b) the number of the industries in this district proposed to be provided loan by the banks during 1988-89 ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). Reserve Bank of India have reported that the number of industries set up and financed by banks in Almora District during 1987 was 1889, the financial outlay being Rs. 93.42 lakhs. The proposed financial outlay for 1988 is of the order of Rs. 116.69 lakhs.

[English]

Sick Textile Mills in Rajasthan

6486. SHRI VIRDHI CHANDER JAIN : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that most of the textile mills in Rajasthan are sick ;

(b) if so, the policy of Union Government towards such sick textile mills ;

(c) the steps taken to improve the conditions of sick textile mills in Rajasthan ; and

(d) the details of financial assistance provided during the last three years to the major textile mills to improve their condition ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (c). As on 29-2-88 there were only 7 sick/closed textile mills out of a total of 34 cotton/man-made fibre textile mills in Rajasthan. The Nodal Agency constituted by Government to examine sick textile mills in order to ascertain whether they are potentially viable or not had found only 3 mills in Rajasthan to be non-viable. The Nodal Agency evolves and manages rehabilitation packages in respect of sick mills found by it to be viable. A Textile Modernisation Fund has also been set up to meet the modernisation needs of weak but viable units. Non-viable mills may have to close down permanently.

(d) Details of financial assistance provided to textile mills in the private sector are not maintained by the Union Government.

Proposal for setting up a River Valley Corporation on Krishna-Godavari

6487. SHRI E. AYYAPU REDDY : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether the water of Godavari and Krishna rivers have not been fully utilized due to inter-State disputes and a lack of co-ordination in finalising and implementing, the composite projects amongst the States ;

(b) whether it is a fact that the concerned States are not financially sound for taking

up major irrigation schemes on these rivers ;

(c) if so, whether there is a proposal under consideration of Government to set up a river valley corporation with Central Fund and World Bank assistance ; and

(d) if so, the details thereof and the steps being taken to solve the disputes between the concerned States ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) No, Sir.

(b) Yes, Sir.

(c) No, Sir.

(d) Does not arise.

New Status of EPCs.

6488. PROF. K.V. THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) whether the Export Promotion Councils (EPCs) are proposed to be given the status of Public Sector Undertakings or statutory authorities ;

(b) if so, the details thereof ; and

(c) whether the participation of employees in the management of EPCs will be allowed ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) No, Sir.

(b) Does not arise.

(c) Export Promotion Councils are either companies registered under the Companies Act or Societies registered under the Societies Registration Act. They are non-profit making bodies and are only service organisation. Their basic function is to service the exporting community and help in export promotion. They do not undertake any commercial activity or do export business themselves. In view of this position, representation of the employees on the management of EPCs is not considered necessary.

Minerals Export

6489. SHRI C. MADHAV REDDI : Will the Minister of COMMERCE be pleased

to state :

(a) the value of minerals exported during 1985-86, 1986-87 and 1987-88 ;

(b) the details of the minerals exported ; and

(c) the measures being taken to increase export of minerals ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) The value of Minerals and Ores exported during 1985-86, 1986-87 and 1987-88 (April-Dec. '87) has been as follows :

1985-86	784.66	crores
1986-87	674.66	crores
1987-88 (April-Dec.)	463.81 (Prov.)	crores

(b) Main minerals exported by India are Iron ore, Manganese Ore, Chrome Ore, Mica, Coal, Granite, Salt, etc.

(c) The steps being taken by the Government to promote export of minerals include expansion of capacities of major minerals exporting ports, development of other related infrastructure, diversification of markets and offering incentive export prices.

Workshed to Promote Handicrafts in Karnataka

6491. SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the Karnataka Handicrafts Development Corporation is proposing to construct worksheds to promote handicrafts in various places in the State of Karnataka with the help of Norway Development agency ;

(b) if so, the total amount to be spent for the construction of worksheds ;

(c) the names of the places where these sheds will be constructed ;

(d) whether it is also a fact that another scheme has been launched with the assistance of the Dutch Government for working-cum-living sheds for artisans ; and

(e) if so, the total amount of loan required to be provided for both the schemes and the mode of its repayment ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (e). A statement is given below.

Statement

(a) The Karnataka State Handicrafts Development Corporation is proposing to construct 5 Common Facility Centres to promote handicrafts in various places in the State of Karnataka with the help of Norway Development Agency.

(b) Total amount to be spent for construction of Common Facility Centre is Rs. 7.5 lakhs.

(c) The names of the places are as under :

1. Sagar (District Shimoga).
2. Navalgund (District Dharwad).
3. Kinhal (District Raichur).
4. Channapatna (District Angalora Rural).
5. Mysore (District Mysore).

(d) Yes, Sir. Another scheme was launched with the assistance of Dutch Government for the construction of 380 Working-cum-living sheds for artisans.

(e) Total amount of loan provided for construction of Working-cum-living sheds under Dutch aided programme is Rs. 77.84 lakhs. The amount provided under Norway Development Agency for construction of 5 Common Facility Centres is a Grant and not a loan. The mode of repayment of loan under Dutch aided programme for construction of working-cum-living sheds is as under :

1. Cost of each working-cum-living shed	Rs. 20,000
2. Period of repayment	27 years with a moratorium of two years from the date of completion.
3. Rate of interest	4%

Selling Jute to Private Sector Mills by Jute Corporation of India

6492. SHRIMATI BASAVARAJESWARI : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that the Jute Corporation of India has taken a decision to sell Jute to private mills also ;

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

(c) whether this will help in clearing Jute speculation in Jute Corporation of India ; and

(d) at what rate Jute will be sold to private mills and to what extent this will help private Jute mills ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). The Jute Corporation of India has been selling raw jute to private mills from the beginning of the season under the B. Twill linked deal against purchase of B. Twill bags on Government account and under free sale arrangement. Keeping in view the large inventory of unsold stock with the Corporation, the old 1985-86 stocks have also been offered for sale to mills at ruling market prices.

Proper Utilisation of Jute Development Fund

6493. SHRIMATI BASAVARAJESWARI :

SHRI ANIL BASU :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government have appointed a high level committee to ensure that Special Jute Development Fund of Rs. 100 crores is properly and expeditiously utilised ;

(b) if so, whether this high level committee has submitted any recommendations to Union Government ;

(c) if so, whether any amount from the above fund has so far been utilised ;

(d) if so, the extent to which it was properly and expeditiously utilised ;

(e) whether the panel to monitor Special

Jute Development Fund set up by Union Government will have any power to book any offending unit for misuse of funds or diverting the same for other purposes ; and

(f) if so, the details of the said power ?

THE MINISTER OF TEXTILES (SHRI RAM NIWAS MIRDHA) : (a) to (d). Government have constituted a High Level Committee to review the progress of implementation of different schemes under the Jute Special Development Fund. The 1st meeting of the Committee was held on 10th March, 1988 and on the basis of suggestions received from different agencies incharge of implementing the various schemes, appropriate action will be taken wherever called for. During 1987-88 a sum of Rs. 11.09 crores has been released from this fund to the different agencies for implementation of the approved schemes.

(e) and (f). The funds under the various programmes are released/proposed to be released to State Governments and other implementing agencies of the Government and not to any of the jute mills.

Export of Cashew Kernels

6494. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) the target fixed for export of cashew Kernels in 1987-88 ; and

(b) the achievement made in this regard so far ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : (a) and (b). Against the export target of Rs. 225 crores for cashew nuts during 1987-88, the estimated exports during April 1987—February 1988 were provisionally Rs. 312 crores.

Pay Scales of Research Assistants in Central Water Commission

6495. SHRI UTTAM RATHOD : Will the Minister of WATER RESOURCES be pleased to state :

(a) whether it is a fact that in the Central Water Commission the scale of Research Assistants which was Rs. 210—425, has

now been revised to Rs. 1400—2300 while the Senior Draftsman's grade which was Rs. 205—280 has been revised to Rs. 1640—2600 ; and

(b) if so, the reasons for placing the Senior Draftsman's scale above those of Research Assistants ?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : (a) and (b). The post of Research Assistant in Central Water Commission carried the pay scale of Rs. 210—425, before the III Pay Commission. It was revised to Rs. 425—700 after the III Pay Commission. The present pay scale of the post after the IV Pay Commission is Rs. 1400—2300. The category of Draftsman which carried the pre-III Pay Commission pay scale of Rs. 205—280 is Draftsman Grade II and its III Pay Commission scale was Rs. 330—560. Consequent to the revision of pay scale of the category of Draftsman in C.P.W.D., on the basis of an arbitration award, the pay scale of Rs. 1400—2300 was allowed to Draftsman Grade II from November, 1987.

News Item Captioned 'Smugglers Intimidate DRI Team'

6496. SHRI NARAYAN CHOUBEY : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the news-item captioned 'Smugglers intimidate DRI team' appearing in the Delhi edition of the 'Times of India' dated 14 March 1988 ;

(b) if so, the details thereof and the action taken/proposed to be taken by Government in this regard ;

(c) whether the Directorate of Revenue Intelligence team had also been intimidated previously in the same area ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA) : (a) and (b). Yes, Sir. On 2nd March, 1988, two batches of officers of the Directorate of Revenue Intelligence were deployed to search the premises of :

- (i) M/s. Video Valley and a shop adjacent to it at Nabiulla Lane, Bombay and
- (ii) Room No. 40, 3rd floor, Cement-wala Building, Nabiulla Lane, Bombay.

The search of the first premises was conducted but nothing incriminating was found. However, before a Panchnama to this effect could be drawn, some persons wielding lethal weapons assembled and forced the officers and the Panchas to withdraw from the premises. These persons also did not allow the officers of the Directorate of the Revenue Intelligence to search the second premises and the officers had to withdraw without conducting the search. The occupant of this premises locked it and absconded.

Thereafter the help of the police was sought. The first premises were sealed under a Panchnama by the Police and the second premises were sealed by the officers of Directorate of Revenue Intelligence. This premises was subsequently searched on 22nd March, 1988 but nothing incriminating was found.

A complaint was lodged with Dongri police on 2nd March, 1988 at 17.15 hours.

(c) and (d). Yes, Sir. During February, 1987, the Officers of the Directorate of Revenue Intelligence who had been deployed to identify certain suspect places on Pakmodia Street, Bombay, which is in the vicinity of the premises referred to above were resisted by approximately 25 persons armed with firearms and other lethal weapons like daggers, guptis and knives. The officers quietly withdrew after identifying the suspect places which were later searched on 10th February, 1987 under adequate police escort. There was no resistance at the time of the search.

Resource Mobilisation

6497. SHRI GURUDAS KAMAT :
SHRI SOMNATH RATH :

Will the Minister of FINANCE be pleased to state the total amount of resources mobilised by the Union Government since 1985 to 1987, year-wise ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : The total resources mobilised by the Union Government through additional taxation measures during the financial years from 1985-86 to 1987-88 were estimated to yield in the respective years as under :

(Rs. crores)

	1985-86	1986-87	1987-88
Total additional resources mobilised	478	400	514
Of which			
States' share	134	8	192
Net to Centre	344	392	322

Utilisation of Drought Aid

6498. CH. RAM PRAKASH : Will the Minister of FINANCE be pleased to state :

(a) the ceiling of Central assistance sanctioned, disbursed and utilised by the States affected by drought during the years 1985-86 and 1986-87, State-wise and year-wise ; and

(b) the norms adopted for declaring an

area as severely drought affected area and the areas covered under these norms currently ?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI) : (a) Statement-I is given below. (See columns 285—288).

(b) Certain blocks (Statement-II) (See columns 289—292) in the

Statement-I

(Rs. in crores)

States	1985-86		1986-87		Central Assistance Released	
	Ceilings approved	Central Assistance Released	M.M.	A.P.A.	M.M.	A.P.A.
1	2	3	4	5	6	7
1. Andhra Pradesh	63.09	12.25	51.38	63.24	—	66.59@
2. Assam	—	—	—	7.40	—	2.50
3. Gujarat	31.83	14.37	2.44	150.58	14.38	126.16@
4. Haryana	9.21	2.25	8.66	16.70	2.25	11.73
5. Himachal Pradesh	23.13	0.88	22.52	0.70	—	0.73
6. Jammu and Kashmir	4.12	0.75	2.12	—	—	—
7. Karnataka	62.46	3.00	51.53	50.00	3.00	46.68
8. Kerala	0.30	—	0.30	3.65	Spillover to 1987-88	
9. Madhya Pradesh	51.11	2.38	46.36	22.70	2.38	30.41@
10. Maharashtra	65.56	3.62	55.34	95.76	3.62	93.45@
11. Manipur	—	—	—	0.76	—	0.76
12. Meghalaya	—	—	—	0.17	—	0.17
13. Orissa	5.99	—	3.23	—	—	—

14. Punjab	8.14	—	5.46	—	—	—
15. Rajasthan	89.65	8.38	73.39	141.45	8.38	141.26@
16. Tamil Nadu	—	—	—	31.77	4.38	22.18
17. Tripura	—	—	—	0.86	—	—
18. Uttar Pradesh	51.78	—	37.29	10.88	—	13.43
Total	466.37	47.88	360.02	596.62	38.39	556.05

(a) Includes advance releases made for spillover ceilings for 1987-88.

M.M. : Margin Money.

A.P.A. : Advance Plan Assistance.

Statement-II

Severely Drought Affected Areas (S.D.A.A.)

Rajasthan				Gujarat			
Sl. No.	District	Blocks Identified as S.D.A.A.	Blocks not Identified as S.D.A.A.	District	Blocks Identified as S.D.A.A.	Blocks not Identified as S.D.A.A.	
1	2	3	4	5	6	7	7
1.	Jalore	Jalore Ahore Bhimtal Jaswantpur Ranipara Sanchore Sayala	Nil	Kutch	Nakhathrana Rapar Bachau Bhuj Anjar Abdase Lakhpat (Dayapur) Mandvi Mundra	Nil	
2.	Jaisalmer	Jaisalmer Sum Sawara	Nil	Jamnagar	Bhanved Jodia/Dhrol Lalpur Jamhodhpur Jamnagar Jodiya Kalavad Kalyanpur Khambaliya Okhamandal	Nil	

1	2	3	4	5	6	7
3.	Barmer	Barmer Balotra Sindhri Dhorimanna Daitu Sheo Siwana Chiohaten	Nil	Banaskantha	Deoder Kankaraj (Shihori) Radhanpur Dhanera Palanpur-I Palanpur-II Santalpur (Varahi) Thared Vav	Danta Deesa Vadgam
4.	Churu (Part)	Sardarshahar Dungargarh Sujangarh Ratangarh Churu	Rajgarh Taranagar	Surendranagar (Part)	Dasada Sayala Dhrangadhara Lakhtar	Wadwan Limbdi Halvad Chotila Muli
5.	Jodhpur (Part)	Bap Luni Baleswar Osian Phalodi Snergarh	Bilara Bhopalgarh Mandor	Mehsana (Part)	Chanaana Harij Sam Patan	Kadi Kheralu Sidhpur Mehsana Kalol Visnagar Vijapur
6.	Nagaur	Mandwa Jayal Desdwana Degana Ladnu Makrana Nagaur Parbatsar	Riyan Kuchaman (Kawa) Merts			

States of Rajasthan and Gujarat have been identified as severely drought affected areas keeping in mind the vulnerability of agriculture to drought conditions as well as the generally poor socio-economic condition. This has been done in consultation with the State Governments.

[*Translation*]

Setting up of Technical Development Corporations

6499. SHRI SHANTI DHARIWAL :
 Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Industrial Finance Corporation of India and the State Bank of India have considered to set up Technical Development Corporation under them ;

(b) if so, whether it is also a fact that for industrial development of the country, the World Bank has recently sent a team to study and remove the difficulties being experienced by capital goods, textile and jute industries ;

(c) if so, whether the World Bank has

CORRECTING STATEMENT TO USQ NO. 866 DATED 26 FEBRUARY 1988 RE. INVESTMENT THROUGH CAPITAL MARKET

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

put forth any programme to encourage the technical field of the country ; and

(d) if so, the details thereof and the action taken by Government thereon so far ?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) No, Sir. However, Industrial Finance Corporation of India (IFCI) has reported that the scope and coverage of its sponsored organisation viz. Risk Capital Foundation has been widened by converting it into the Risk Capital and Technology Finance Corporation (RCTF) as a company under the Companies Act. In its new expanded role RCTF is expected to *inter-alia* provide finance for technology development also with a view to improvement of technological base of industry in India and strengthening its competitiveness.

(b) to (d). Preliminary discussions have been held with the World Bank for possible projects for restructuring in the capital goods sector and industrial technology development.

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : It has come to the Notice of the Ministry of Finance that there was some error in Hindi Version of the reply given to the Lok Sabha Unstarred Question No. 866 on 26th February, 1988. Details of reply to Parts (a) and (b) stand corrected as follow :

READ	FOR		
Year	Amount (Rs. in crores)	Year	Amount (Rs. in crores)
1986-87	5488.99	1986-87	54 8.99
1987-88	4972.00	1987-88	4324.19
(upto 31-1-88)			

The mechanical failure, as a result of which clear impression has not appeared, as also the typographical error, is regretted.

12.00 hrs.

[*English*]

PROF. MADHU DANDAVATE (Rajapur) : One clarification through you, Sir.

Recently, in response to the hon. Members' demand in this House, the External Affairs Minister had made a statement on the payment by the Government of India to the LTTE leader. We have demanded a discussion under rule 193.

MR. DEPUTY-SPEAKER : Give a notice. I will see.

PROF. MADHU DANDAVATE : A lot of misunderstanding has taken place as a result of that statement. We have already given a motion under 193.

MR. DEPUTY-SPEAKER : If you have given a notice, I will consider it.

SHRI DINESH GOSWAMI (Guwahati) : Sri Lankan Prime Minister has made a statement. I think, we must discuss this. (Interruptions)

SHRI HANNAN MOLLAH (Uluberia) : I demand a discussion on the statement of Mr. Natwar Singh. I have already given a notice under rule 193.

MR. DEPUTY-SPEAKER : If you have given, I will see.

SHRI SAIFUDDIN CHOWDHURY (Katwa) : The Minister of Information and Broadcasting is here. You know that there is a demand to telecast Parliament and Assembly proceedings. Now, to begin with, I demand that the Assembly proceedings of West Bengal be telecast immediately for model behaviour by Congress (I) Members. We miss it staying in Delhi.

MR. DEPUTY-SPEAKER : You give in writing. I will see it.

SHRI THAMPAN TAOMAS (Mavelikara) : Mr. Premadasa, Prime Minister of Sri Lanka, made a statement that this thing is not known to him. I gave a notice for adjournment motion and also a notice under rule 193. I want a discussion.

MR. DEPUTY-SPEAKER : I have not received the adjournment motion. Regarding discussion under rule 193, if you have given the notice, I will see.

SHRI K. MOHANDAS (Mukundapuram) : I want to raise an important point. The new import policy of the Government will damage the interests of cash crop growers and will seriously affect the economy of Kerala. I strongly demand that the new import policy should be withdrawn.

MR. DEPUTY-SPEAKER : Give in writing. We will see.

SHRI C.P. THAKUR (Patna) : You might have read in the paper. There was a burial ceremony of the telephone system of Patna. The telephones were kept on the road for three days.

MR. DEPUTY-SPEAKER : You write to the Minister. It cannot be discussed here.

DR. G.S. RAJHANS (Jhanjharpur) : ** has instigated the south Indians against the north Indians. He has attacked the Centre. He has attacked the Judiciary also. (Interruptions)

MR. DEPUTY-SPEAKER : The name will not go on record. I cannot allow it.

SHRI M. RAGHUMA REDDY (Nalgonda) : He is not a Member of this House. It should be expunged.

[Translation]

SHRI RAJ KUMAR RAI (Ghosi) : Hailstorm has hit many parts of the country causing extensive damage to the crops of the farmers. We had raised this issue earlier also and the hon. Speaker had assured us to allow discussion on the subject.

[English]

MR. DEPUTY-SPEAKER : You give in writing.

[Translation]

SHRI RAJ KUMAR RAI : Till now, nothing has been done in this regard. Therefore, we are drawing your attention to it. Twenty Members of Parliament had given it in writing. But since some of them belonged to Jan Morcha, it was not accepted. This is not proper.

[English]

SHRI M. RAGHUMA REDDY : There is a steep rise in the charges of creches. The increase is nearly 200 to 300 per cent. I request the Government to take necessary action to stop this increase.

MR. DEPUTY-SPEAKER : You give in writing.

** Not recorded.

12.03 hrs.

[English]

PAPERS LAID ON THE TABLE

**Detailed Demands for Grants of Ministry
of Defence and Defence Services
Estimates for 1988-89**

**THE MINISTER OF STATE IN THE
DEPARTMENT OF DEFENCE PRODUC-
TION AND SUPPLIES IN THE MINISTRY
OF DEFENCE (SHRI SHIVRAJ V. PATIL) :** On behalf of Shri K.C. Pant, I beg to lay on the Table :

(1) A copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Defence for 1988-89.

[Placed in Library. See No. LT-5883/88]

(2) A copy of the Defence Services Estimates, 1988-89 (Hindi and English versions)

[Placed in Library. See No. LT-5884/88]

**Annual Report and Review on National
Institute of Fashion Technology for
1986-87 and Statement Re : Delay
in Laying the Papers**

**THE MINISTER OF TEXTILES (SHRI
RAM NIWAS MIRDHA) :** I beg to lay on the Table :

(1) (i) A copy of Annual Report (Hindi and English versions) of the National Institute of Fashion Technology for the year 1986-87 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the National Institute of Fashion Technology for the year 1986-87.

(2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT-5885/88]

**Notification Under Customs Act and
Central Excise Rules**

**THE MINISTER OF STATE IN THE
DEPARTMENT OF REVENUE IN THE
MINISTRY OF FINANCE (SHRI A.K.
PANJA) :** I beg to lay on the Table :

(1) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

(i) S.O. 319(E) published in Gazette of India dated the 28th March, 1988 together with an explanatory memorandum regarding revised rates of exchange for conversion of certain foreign currencies into Indian Currency or vice-versa.

(ii) GSR 368(E) published in Gazette of India dated the 23rd March, 1988 together with an explanatory memorandum extending the validity of Notification No. 164/87- Customs dated the 9th April, 1987 upto the 30th June, 1988.

(iii) G.S.R. 377(E) published in Gazette of India dated the 24th March, 1988 together with an explanatory memorandum making certain amendments to Notification No. 110- Customs, dated the 17th February, 1986 so as to change the name of 'Operation Flood II and Flood III of Indian Dairy Corporation' to 'Flood II and Flood III project of National Dairy Development Board.'

[Placed in Library. See No. LT-5886/88]

(2) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944 :

(i) G.S.R. 418(E) published in Gazette of India dated the 31st March, 1988 together with an explanatory memorandum rescinding Notification

No. 190/87-Central Excises dated the 4th August, 1987.

(ii) G.S.R. 419(E) published in Gazette of India dated the 31st March, 1988 together with an explanatory memorandum making certain amendments to Notification No. 175/86 Central Excises dated the 1st March, 1986 regarding credit of duty paid on inputs.

[Placed in Library. See No. LT-5887/88]

Notification Under Finance Act and Annual Report of and Review on Industrial Re-construction Bank of India for 1986-87

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : I beg to lay on the Table :

(1) A copy of Notification No. 150 (Hindi and English versions) published in Gazette of India dated the 12th March, 1988 exempting from payment of the whole of the Foreign Exchange Conservation (Travel) in Tax on any release of foreign exchange for pilgrimage to Katasraj in Pakistan under section 105 of the Finance Act, 1987.

[Placed in Library. See No. LT-5888/88]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Industrial Reconstruction Bank of India for the year 1986-87 along with Audited Accounts under sub-section (5) of section 29 and sub-section (5) of section 34 of the Industrial Reconstruction Bank of India Act, 1984.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Industrial Reconstruction Bank of India for the year 1986-87.

[Placed in Library. See No. LT-5889/88]

Detailed Demands for Grants of the Ministry of Water Resources for 1988-89

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI) : I beg to lay on the Table a copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Water Resources for 1988-89.

[Placed in Library. See No. LT-5890/88]

Notification Under Rubber Act, Annual Accounts and Audit Report of Rubber Board, Kottayam, for 1986-87, Statement Re : Delay in Laying the Latter Papers. Annual Report of and Review on I.I.F.T., New Delhi for 1986-87 and Trade Development Authority for 1986-87 and Statement Re : Delay in Laying the Papers

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI) : I beg to lay on the Table :

(1) A copy of the Rubber (Amendment) Rules, 1987 (Hindi and English versions) published in Notification No. G.S.R. 1033(E) in Gazette of India dated the 31st December, 1987 under sub-section (3) of section 25 of the Rubber Act, 1947.

[Placed in Library. See No. LT-5891/88]

(2) A copy of the Annual Accounts (Hindi and English versions) of the Rubber Board, Kottayam, for the year 1986-87 together with Audit Report thereon.

(3) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT-5892/88]

(4) (i) A copy of Annual Report (Hindi and English versions) of the Indian Institute of Foreign Trade New Delhi, for the year 1986-87 along with Audited Accounts.

(ii) A copy of Review (Hindi and

English versions) by the Government on the working of the Indian Institute of Foreign Trade, New Delhi, for the year 1986-87.

(5) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (4) above.

[Placed in Library. See No. LT-5893/88]

(6) (i) A copy of the Annual Report (Hindi and English versions) of the Trade Development Authority for the year 1986-87 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Trade Development Authority for the year 1986-87.

(7) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (6) above.

[Placed in Library See No. LT-5894/88]

12.05 hrs.

[*English*]

MATTERS UNDER RULE 377

(i) Demand for setting up a memorial to Khan Abdul Ghaffar Khan and renaming Delhi University after his name.

SHRI AZIZ QURESHI (Satna) :
Mr. Deputy-Speaker, Sir, the Frontier Gandhi, Khan Abdul Gaffar Khan (Badshah Khan) was a valiant fighter of freedom struggle. All through his life he stood solid as a rock, holding the banner of revolt aloft against injustice, tyranny, imperialism, communalism, despotism and dictatorship. Throughout his life he waged a fearless battle for the cherished ideals of non-violence, secularism and democracy, against all kind of political vandalism and blandishment. Under his inspiring leadership the

'Red Shirts' by their heroic deeds and supreme sacrifices, rendered sterling services during Freedom Struggle.

When we think of him we are reminded of the haunting lines of the great poet Faiz Ahmad Faiz who had said :

'Mataye Loho Kalam Chhin gayi to
kiya gam hai,

Ki khoon-e-dil main dubo be hai
ungaliyan maine

Juban pe mohar lagi hai to kiya

Ki rakh dee hai harck hai kaya
janjir main zuban maine.'

"If ink and pen are snatched from me, why should I complain, when I have dipped my fingers in the Blood of the heart, A seal has been set on my tongue, what of it, when I have put, A tongue into every ring of my chain."

He was the greatest friend of India, its past, history and people, culture, tradition, and values.

A national monument in his revered memory should be set up. The real homage would be if Delhi University is named as Khan Abdul Gaffar Khan University. Similarly, prominent educational and cultural institutions be named after him in different parts of the country. An award for national understanding be also created in his name to promote national integration. Building and roads in different cities may also be named after him and chairs in the Universities of Aligarh, Banaras, Delhi, Bombay, Calcutta. Madras and other cities be also set up in his name.

The Government of India may kindly initiate action.

[*Translation*]

(ii) Demand for a cooperative sector Sugar Mill in Mainpuri, U.P.

SHRI BAL RAM SINGH YADAV (Mainpuri) : Mr. Deputy-Speaker, Sir, I want to draw your attention towards a demand of the general public with regard to setting up of a sugar mill in my constituency Mainpuri. There is no sugar mill in this area. Due to this, sugarcane growers of this

[Shri Bal Ram Singh Yadav]

area have to face a number of difficulties. About 20 lakh people live in Mainpuri district. It is a very backward area of Uttar Pradesh. A large number of farmers of this area are living below the poverty line. Wheat, paddy and sugarcane are the major crops of this district. The farmers grow these crops with their sweat labour but they are not getting a remunerative price for their produce. Thus the farmer is getting poorer day by day and hence remains unemployed. That is the reason why maximum number of dacoities are committed in Mainpuri district of the State and crimes are increasing continuously over there.

Sugarcane is grown on a large scale in Mainpuri district. If a sugar mill is set up in this area, it will not only bring about improvement in the economic condition of sugarcane growers but will also pave way to development. I have been requesting the Government for the last three years that a sugar mill in the cooperative sector should be set up in Mainpuri without any delay. I hope that the Minister of Food and Civil Supplies will take effective steps in this direction soon.

(iii) Demand for promotion of the indigenous system of medicine.

SHRI MADAN PANDEY (Gorakhpur) : Mr. Deputy-Speaker, Sir, I want to raise the following important matter under rule 377.

Sir, many efforts have been made to provide medical facilities in the country, but it involves an expenditure of Rs. 1.50 lakh to produce a medical graduate and about Rs. four lakhs on a post graduate in medicine. Even after spending such a large amount of Government money, no doctor is ready to start his practice in a village because on the one hand, he earns less there and on the other, it is not possible for him to treat complicated diseases due to lack of proper facilities. Government has already abolished the practice of imparting under graduate medical education, which cost less and was also useful for villages. In my view, till sufficient modern equipment and other facilities are arranged by the Government, only the traditional Indian system of medicine can be useful and effective because even today 'Vaidyas' and 'Hakims' are treating

complicated diseases successfully throughout the length and breadth of the country. Actually speaking, there is no other better and cheap medical system than this in a vast country like India. In this connection, example of China is worth following. In that country also, there is an old tradition of rural vaidyas. Chinese Government is providing all facilities to them and they are treating the patients successfully. If traditional medical system is made effective here also, a large number of poor people of this vast country can receive timely and proper treatment.

Therefore, I request the hon. Minister of Health to kindly issue necessary orders to practise Indian traditional system of medicine without any delay so that low cost treatment could be made available to the people.

(iv) Need to increase the limit of loans to farmers according to the value of their land.

SHRI RAM PUJAN PATEL (Phulpur) : Mr. Deputy-Speaker, Sir, I want to draw the attention of this House to the following important matter under rule 377.

Agriculture is the backbone for the economic development of this country. The Government has initiated many schemes for development of agriculture. But what to talk of getting benefits, the small and poor farmers of the country have become debtors of the cooperative Department and the Banks so much so that they have to languish in Tehsil jails for 14 days in default of repaying a loan of as small an amount as Rs. 100—200. But no such action has ever been taken against debtors who owe lakhs and crores of rupees to the Government. By this, the people belonging to poor and middle classes as also the farmers gather a feeling that double standards are adopted in the enforcement of law in this country. Through legislation, Government has fixed limits for grant of loans from banks to the people running business and industries and the businessmen and the industrialist can avail of the loan facility from any bank upto their respective limits. In this connection, I call upon the Central Government that farmers should be issued pass-books after valuing their land holdings. Based on the value of their land holding, credit limit should be fixed for the farmers also so that

they could get loans from banks from time to time to meet their requirement and could save themselves from the exploitation at the hands of money-lenders. This will enable the farmers to sell their produce at a remunerative price. Thus, the farmers will be able to prosper by saving themselves from exploitation.

I hope that keeping in view the seriousness of this important issue, the Government will take necessary action for the development of farmers.

(v) **Need to take steps to encourage family planning in order to check rise in population**

SHRI RAJ KUMAR RAI (Ghosi) : Mr. Deputy-Speaker, Sir, I want to raise the following important matter in the House under rule 377.

Due to increasing population of the country, the people will not get any benefit, however high may be the level of development. The child of development will die in infancy. The State Governments are making full publicity in this direction and large amount of funds are being spent but the result shown is very poor. According to my information, the statistics presented with regard to vasectomy and tubectomy are all fabricated. Due to increase in population, neither drinking water nor houses, cloth or other necessities will be available in coming years. We shall have to feel the pinch for all this. Pollution will increase and so will unemployment.

Therefore, I would request the Central Government to take charge of this work and observe strict compliance of instructions to check the increasing population. It can be possible only when the people, especially, the Central and State Government employees with a family of one or two children are encouraged by giving preference in job opportunities, promotions, awards, allotment of house and admission in educational institutions. They should also be given preference in services of daily life such as, trains, buses, hospitals and bank loans and shop allotment. Those who do not observe these norms should be penalised by denying them these facilities.

(vi) **Demand for saving certain SC and ST inhabited villages in Jahanabad (Bihar) from being submerged.**

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : Mr. Deputy-Speaker, Sir, I

want to raise the following important matter in this House under rule 377.

India is a country of villages, a vast part of which is inhabited by Scheduled Castes and Scheduled Tribes who do not have their own house to live in. In Jahanabad district of Bihar State, most of the Harijans live alongside the river banks. For example, village Malhipatti in Arbal Block located on the bank of Sone river is no more worth inhabitation. Villages situated on the banks of rivers Ghosi, Falgu, Dargha, Yamuna and Valdaya which are inhabited by Scheduled Castes are often swept away by the current of these rivers thereby affecting 15 thousand people. I demand from the Government that these villages should be saved under the Central Flood Control Scheme and Malhipatti should be brought under the Indira Awas Yojana. If these villages are not saved right now, half of these villages will be washed away by the current of the river during ensuing rainy season.

[*English*]

(vii) **Demand for welfare measures for women.**

BEGUM AKBAR JAHAN ABDULLAH (Anantnag) : Women in India are yet to receive a proper deal despite several measures that have been taken by the Central and State Governments regarding their emancipation.

Women's problems arise from the fact that their literacy percentage in India is one of the lowest in the world. This in itself generates a spiral of ignorance as illiterate mothers cannot be expected to educate their children.

I would, therefore urge upon the Government of India to make female education a compulsory element of the New Education Policy in the sense that concrete steps be taken to ensure vigorous enrolment of female students in schools and the trend in respect of drop-outs be arrested and adequate hostel accommodation for female students, particularly in rural areas should be ensured.

I would also like the Central Government to make out a scheme whereby women's education is organised in a manner that

[Begum Akbar Jahan Abdullah]

there is no scope of their unemployment after they complete their education.

In the Jammu and Kashmir State, the Social Welfare Organisation, the Miskeen Bagh Trust and a couple of other organisations are involved in the programmes of women's emancipation. These programmes suffer for shortage of funds.

I would urge Government of India to give liberal grants to the State Government to augment developmental programmes for women.

(viii) Demand for taking steps for development of Telengana

SHRI C. JANGA REDDY (Hanamkonda) : Andhra Pradesh comprises three regions, i.e. Andhra, Telengana and Rayalseema. Telengana is backward, socially and economically. Telengana was ruled by Nizam. While merging with Andhra and Rayalseema, some safeguards were given by Central Government in 1956 to Telengana. This region was given a Regional Committee and a separate Budget for development.

The Regional Committee was given power to sanction the schemes for development of economically and educationally backward area and to review the development. But unfortunately it was abolished in 1971 due to Andhra agitation. From that date onwards, development of Telengana has been neglected. Since last fifteen years, no development has taken place in Telengana. Budget provisions are not properly utilised. Discontentment is increasing in Telengana and separate Telengana State movement is under active consideration of the people.

Hence, the development of Telengana, there must be a Development Committee and separate Budget allocations by the Planning Commission within the State only.

In view of this, suitable amendments may be made in the Constitution. Separate Budget and Service Commission may be provided, so that Telengana Revenues and

planning allocations may not be used in other regions.

(ix) Demand for taking over the Bombay Unit of Union Carbide (India) Ltd.

SHRI SHARAD DIGHE (Bombay North-Central) : The Management of Union Carbide India Ltd. have completely stopped the production at their Bombay plant at Chembur since April, 1986. As a result, more than 800 workers have been deprived of any useful work and are exposed to severe strain about their future.

This action of the management is not only hurting the concerned workers, but is also against our national interests in more than one way.

This plant at Bombay had been manufacturing LDPE (Low Density Poly Ethelene) which is a vital raw material for a large number of plastic factories. So far three companies, IPCL, UCIL and TEL with an installed capacity of 1.12 lakh tonnes per annum, had been indigenously manufacturing this vital raw material. Of these, IPCL accounted for 80 thousand tonnes, UCIL 20 thousand tonnes and TEL 12 thousand tonnes. For some time past, UCIL and TEL having stopped production, only 80 thousand tonnes from IPCL are indigenously available at a time when the demand for the raw material is mounting. The demand projection is expected to be 2.86 lakh tonnes by 1989-90. Since large number of small scale and medium manufacturers of varieties of plastic materials are dependent on this material, the country is faced with a situation, either to allow these factories to close down or to arrange for import at heavy cost of foreign exchange.

All experts have opined that the unit is entirely viable and can be run with advantage either independently or can be merged with IPCL. The Government of Maharashtra has recommended its take over and a public sector undertaking IPCL has shown its willingness to take it over.

I urge upon the Government of India to take over this unit without any further delay.

12.20 hrs.

**DISCUSSION UNDER RULE
193—Contd.**

**Mass Killings of Innocent People
and Rocket Attack on Para-Military
Camp by Terrorists in Punjab—
Contd.**

[English]

MR. DEPUTY-SPEAKER : Next item. Discussion on the mass killings of innocent people and rocket attack on para-military camp by terrorists in Punjab. Shri Buta Singh.

[Translation]

**THE MINISTER OF HOME AFFAIRS
(S. BUTA SINGH) :** Hon. Deputy-Speaker, Sir, yesterday, this House witnessed a very fruitful discussion on the Punjab crisis—a complex problem facing the country. In the last 3-4 years, the Punjab problem has been discussed from time to time. Shri Madhu Dandavate, Shri Indrajit Gupta, Shri Ayappu Reddy, Shri Ramowalia, Shri Tewary and a number of other hon. Members have said that we come to the House only when an incident of serious proportions confronts Punjab. Only then does the Government take the trouble of discussing it.

This only proves that we in the Government consider this august House as our guiding force because no other institution is as powerful as this one. Under the Constitution, this House has been conferred with powers to decide the country's future. The Punjab problem concerns the entire country. So, whenever a problem of this magnitude arises, we have to look to this House for guidance. Where else can we get a better forum than this? This is a forum comprising representatives of all political parties duly elected by crores of our countrymen. What better place than this can be there to turn to for guidance?

I see this House as a place where problems are looked at from all angles and whatever suggestions are extended, we try to

implement them.

Basically, we should understand what lies at the root of the Punjab problem. The answer to this is 'separatism'. Terrorism is the extreme form of separatism. There are some elements in Punjab who want to divide the country. The question is how will these elements realise their objective? If they have resorted to terrorism as a means to their end, who are the people supporting them? All such people are enemies of the country, be they within the country or outside. These elements help the cause of terrorism in every possible way because they want to disintegrate the country.

So, actually speaking, separatism is the root of this malady. To what extent shall we be able to counter it should be judged from the policy which the Government frames and the guidance which this House gives.

One thing I can say without doubt is that during the last 4-5 years, the people of Punjab have continuously fought against dreaded terrorism and have not let the separatist forces settle on the sacred land of Punjab. This is certainly remarkable. The people of Punjab have largely contributed to this. The political parties of Punjab, like the C.P.I. (M), C.P.I., B.J.P., a faction of the Akali Dal and the Congress, have also lent their support. Kept leaders from almost every party have sacrificed their lives in this fight against terrorism. We all should bow our heads in saluting these great souls. Many leaders belonging to the Congress, C.P.I. (M), C.P.I., B.J.P. and Akali Dal (Longowal) have been killed. These people sacrificed their lives to preserve the unity and integrity of the country. For the same reason, several personnel of our para-military forces, Punjab police and Punjab Government have laid down their lives. These people are martyrs of the country.

Another question that arises here is how to combat the menace of terrorism in the country? Yesterday Shri Tewary was saying that in a democratic system, birth of terrorism and subsequent efforts to tackle it is a problem of immense proportions. This is so because democracy is an open society. Every citizen of a democratic

[S. Buta Singh]

State has a right to express his views and achieve his goals. This has been clearly defined in our Constitution. If anyone so wishes, he can form an association, publicize his point of view and also form a party. Even if their activities are detrimental to the interests of the country, there are many clauses which provide them protection. So, the main issue is to solve this terrible problem while remaining within the constraints of a democratic system. I do not foresee a political solution to the problem of terrorism. The only solution to terrorism is to force the terrorists to lay down arms. Either the terrorists will kill people or the Government will have to do something to make them surrender. There does not seem to be any other alternative.

What I said earlier about separatism can certainly be debated upon. Even those who hold views in favour of separatism could have points to discuss. But how can talks be held with those who believe in killing innocent and defenceless people to further their cause? How can a political solution be arrived at with such elements? This is the crux of the Punjab problem.

Till December, 1987 a lot of courage and firmness was shown in dealing with the hard-core terrorists of Punjab. Para-military forces were successful to a great extent in these efforts. As I said in the beginning, separatist forces are being encouraged both from within and outside the country. It is very difficult to find out all the details in this regard. Our intelligence agencies are working all out to put a finger on the nerve-centre of terrorists. Is it within the country or outside? According to the information received by the Government, the mastermind behind this operates from inside. For every trained man who dies, there are more trained men ready to join the fray. No single country is responsible for this. A number of countries in our neighbourhood are part of it. These people are trained in the developed countries of the world where training schools have been opened. The Government has received information to this effect. Many members participated in

yesterday's discussion on the involvement of Pakistan. The hon. President of India also made a mention about this in his Address to this House. Yesterday several members wanted to know the ways in which Pakistan helped the terrorists.

Officials of the Home Ministry visited Pakistan especially to discuss arms and drug trafficking and movement of terrorists across the border. When the Indian Home Secretary held discussions with his Pakistani counterpart, the latter flatly denied his country's involvement. On presentation of concrete evidence against them, they had to accept their involvement and promised to keep away from such activities in future.

I shall briefly highlight the role of Pakistan in this matter. In some areas of Pakistan, full-fledged training centres are functioning to provide them training.

[English]

Permitting its territory as a sanctuary for extremist Sikh elements and as a base for training and indoctrination. Supply of arms and ammunition to the secessionists facilitating visits of extremists from abroad; hostile propaganda designed to inflame anti-India secessionist sentiments; use of India *jatha*.

[Translation]

Pilgrims go there twice or thrice every year. Not only from our country but also from Iran, Afghanistan, Germany, Canada and America. Sikh *jathas* visit the two or three religious places situated there. During these trips Ministers and officials of the Pakistan Government establish contact with them. They are given 'Saropas' and are entertained lavishly at public receptions. Special provisions have been made for them to visit any place they like. Such is the treatment they receive. But a *jatha* from India with a strong patriotic fervour is publicly beaten up while the police remains a mere spectator.

I clearly remember what happened last year and a year before that. The Indian *jatha* protested against the use of the sacred

gurudwara as a forum for spreading false propaganda against our country. On the stage itself, representatives of the jatha were attacked. They were told that their residential addresses were known and terrorists would be asked to wipe out their families. And these very people who indulged in these acts were given a public reception in the evening. In this way the officials of the Pakistani Government encourage terrorists. The brains behind terrorist activities, the leaders of the terrorists are given facilities to regularly move to and from Pakistan. People like Bhai Kanwar Singh, Bhai Amrik Singh of Akal Federation, Gurjeet Singh of All India Sikh Students Federation, Sukhdev Singh and Barabar Singh of Babbar Khalsa...

[English]

These are only a few names I am reading ; those people who are responsible for the entire...

[Translation]

SHRI VIR SEN (Khurja) : Why is the hon. Minister adding 'Bhai' before the names of these people ? Bhai Amrik Singh, Bhai this and Bhai that Such people should be called enemies.

S. BUTA SINGH : Their names are written here. If someone has such a name, what can I do ?

SHRI VIR SEN : Bhai is not a name. You are adding it of your own. You drop the word 'Bhai'.

S. BUTA SINGH : Some people have been given regular facilities. They go there and also send their instructions periodically. They supply them arms from there and finance them by receiving large amount of foreign exchange from big countries like Germany, Canada, America and U.K. We have received information as to the number of terrorists getting training there. There are 8 9 such centres and we have repeatedly written to the Government of Pakistan that such activities are going on in their country against India. Arms are supplied to the terrorists from there and they are given training also. Extremists are being sent

from there to help the terrorists. When they are defeated by our para-military forces, they cross the border, are given assistance again to encourage them to go for another assault.

Pakistan media are continuously helping them in the propaganda against our country. They are given wide coverage. Statements made by the extremist leaders are being sensationalised and published in all the leading newspapers. Yesterday, a friend of mine was reading a Pakistani newspaper. There are two-three leading newspapers in that country such as "Nawab-e-Waqt", "Jung" etc. who publish articles and views of their own in the names of big leaders like Jagjit Singh Chauhan and others. They interview these leaders and publish there interviews in their respective dailies. The circulation of these newspapers is not limited to India, they are circulated in other countries also. This propaganda is primarily made among the Indians settled in foreign countries like U.K., America, and Singapore.

When our hon. Home Secretary went there and produced evidence regarding their involvement before the Pakistani leaders, they initially denied it, but then all documents and video cassettes were shown to them. The statements of those people who have been caught while sneaking into our country have revealed the extent to which Pakistan is encouraging terrorism to de-stabilise and disintegrate our country. Yesterday, many hon. Members said that the Government does not take up such things with Pakistan. The Government is considering the suggestions the hon. Members put forward yesterday and we are going to take it up with Pakistan through our diplomatic channels as well as at the highest level and will tell them to stop all the support they are giving to the anti-India propaganda.

There are two things which encourage separatism. Firstly it is terrorism, that is to kill people and make them fearful. One thing that is causing great concern today is that it is being said very often that Sikhs are propagating the feeling of separatism, but I can say with challenge that no one in Punjab is in favour of separatism. (*Interruptions*), In different Gurudwaras, separatism is propa-

[S. Buta Singh]

ted in the name of religion. Through isolated historical incidents, separatism is being taught in villages. Not that separatism is not discussed in Punjab. It is being discussed under the cloak of religion and community. There is no such village in Punjab, where there is no Gurudwara and there is no Gurudwara which does not have audio-system and big loudspeakers. In the mornings and evenings, alongwith prayer, they also propagate separatism. Thus, separatism is being propagated under the cover of religion and community. Yesterday, Shri Indrajit Gupta, asked me about this. It is regretful that supreme religious places like Harmandir Sahib, Akal Takht and other gurudwaras are used for anti-national propaganda. It is natural that people will be influenced if separatism is propagated along with Guruvani. But, people of Punjab are wise enough to understand that in the cover of Guruvani, they are trying to disintegrate the country. So they do not give an ear to it. Yesterday, Shri Indrajit Gupta mentioned that they do it in the name of Panth. Actually, Panth is not the name of any organisation. Panth is the way shown by the Gurus. Panth is the name of Guru Granth Sahib. I am not saying it of my own. It was formally published and this meaning is in vogue since the days of Guru Maharaj. He has not used the word 'Panth' anywhere. If at all it has been used, it is because the Panth is the path shown by the Gurus ; it is the teaching given by them.

THE MINISTER OF AGRICULTURE (SHRI BHAJAN LAL) : The meaning of Panth is the path.

S. BUTA SINGH : It has been made clear about the Panth, and I quote—"Shri-guru Panth so Panth akala, ravi prakash bin bhyo tan kala." Like the sun, Panth gives light to whole of the world. It is not only for a few people wearing turbans. Panth is that which shows path and gives light to entire humanity. We call it Panth and that can only be Guru Granth Sahib. Panth is not any particular class or community. But it is regretful that propagation of separatism is sugar-coated with religion and given the

name of Panth for the people to accept it. Panth is teaching, Panth is path, Panth is light ; Panth is not the name of any political party. So, in the name of Panth, these people are attracting the devotees so as to propagate separatism.

As I said earlier, there is no party in Punjab which is supporting the separatists. But it is regretful that Akali Dal—none of them is present at the moment—is the only party, which has not supported us in our present campaign. In the past or during the time of Barnala Government or even after that they never supported us. I have said it earlier also, may be some hon. Members have not understood it. The so-called leaders of Akali Dal who think that they are in a position to mobilize the Sikhs, should have crossed swords with those who spearhead the anti-national campaign. The political mobilisation which we started against separatism.

SHRI TEJA SINGH DARDI (Bhatinda) : Who are these traitors ? What are their names ?

S. BUTA SINGH : I have said just now that the people belonging to the United Akali Dal have not extended support to us. Almost all the political parties condemned brutal killings and tried to sympathise with the relatives of the victims by visiting the scenes of incidents, but the leaders of United Akali Dal never tried to do such a thing, so much so that they did not pass any condolence resolution even when the President of the State Akali Dal (Youth) who hailed from Patiala was killed by the terrorists. Not only on the deaths of innocent and defenceless people, but even on the death of the President of Akali Dal (Youth wing), they did not bother to express condolence. When they were asked that why did they not do so, they replied that it was not their policy. Those who kill the people are awarded titles.

SHRI BALWANT SINGH RAMOOWA-LIA (Sangrur) : Beside that leaders, two of his brothers and one maternal uncle were also killed. They did not condemn these four murders.

S. BUTA SINGH : I am grateful to

Shri Ramoowalia for giving the exact number. But I mean to say is that they stooped so low, I do not know why. Not that they are fearful. After all, where will they go to save themselves from fear. Everyone has to die one day. I think it is their policy. That day, I made an appeal to them...

CH. SUNDER SINGH (Phillaur) : It is not their policy, they are fearful.

S. BUTA SINGH : Sir, I am mentioning this because it is not the question of United Akali Dal alone. Their main source is that they control all the Gurudwaras. S.G.P.C. controls all the gurudwaras and it is this party which is ruling in the S.G.P.C. It is mysterious that they are not coming out to oppose terrorism. If they come out openly to oppose it, their message can reach all gurudwaras and villages.

They do not come out openly. Therefore, this thing cannot be publicized through all Gurudwaras and in every village and this too is proving harmful.

[English]

SHRI M.R. SAIKIA (Nowgong) : What about the reaction of other religious leaders ?

[Translation]

S. BUTA SINGH : I am saying the same thing. So far as the allegation of our being partisan is concerned, since the issue concerns the whole of the nation, all political parties must unite to thwart this attempt. I am happy to acknowledge that of all the political parties at least the party of Shri Madhu Dandavate cooperated with the Government for sometime. It is another matter that they too withdrew for sometime, perhaps, they developed friendship with them. They just did not support for sometime. Probably, they sympathised with the United Akali Dal.

PROF. MADHU DANDAVATE (Rajapur) : If the Government adopts partisan attitude, we shall not cooperate.

S. BUTA SINGH : I am confident that

if we motivate, the Opposition will definitely cooperate with us. I was waiting to hear the same. There is no question of partisan interests in it. In Punjab, the Ruling Party has got no partisan interest. We all are united on this issue. I feel sorry for only one thing that when we organised joint rally, instead of propagating against terrorism and separatism, some parties propagated against the Central Government. They have only one goal ahead of them and they do not want to sacrifice their political ambitions. The people are being killed, but some parties are availing of even this opportunity to condemn the Central Government. They feel pleasure in doing so and in the same act, they realise their goal. Who is suffering in the process ? It is the country that suffers.

Yesterday my hon. colleague Shri Arif Mohammad Khan stooped so low during his speech that it difficult for me to match him. He indulged in mud-slinging and said that I was a member of the Akali Dal in 70-71. It is on record that during 62—67, I was a representative of the Akali Dal in the House. Whatever I said at that time forms record of Parliament Library. At that time, Shri Ranga was our leader as all the members of the Akali Dal elected to the House were associate members of the Swatantra Party of whom Shri Ranga was the leader. There was nothing surprising yesterday when several hon. Members including Shri Tewary said that all the leaders of my generation who jumped into politics in Punjab, except one or two—Shri Gurdiyal Singh who is a member of the House was one such member as he was not associated with the Akali Dal—almost all of them entered politics through Gurudwara Movement. They are all product of Gurudwara movement. At that time, there was not much of a difference between Akali Dal and the Congress Party. From Baba Kharak Singh till date, all the leaders came into prominence through this process. In Punjab, both Akalis as well as Congress leaders were associated with Gurudwara Movement and Reforms Movement. All prominent leaders of Punjab including Gurmukh Singh Musafir, Pratap Singh Kairon and others were the products of that movement. Sardar Swaran Singh who had comparatively a longer tenure at the Centre than me was

[S. Buta Singh]

also one of them. There was only one membership form of the Party and there used to be dual membership: Working Committee members were common to both the parties. All the leaders worked for the country.

SHRI NARAYAN CHOUBEY (Midnapore) : (Interruptions)

S. BUTA SINGH : In your party also, there are several leaders namely, Comrade Surjeet Singh, Baba Sohan Singh Josh who have come from Akali Dal. In the present generation of leaders also, there are many—I can name them—who were till recently in the Akali Dal and Akalis at that time were considered to be patriots.

SHRI BASUDEB ACHARIA (Bankura) : At that time, Gadar Party was also there.

S. BUTA SINGH : Yes, at that time Gadar Party was also there in Punjab. What I mean to say is that in Punjab the feeling of patriotism was instilled in all and Congressmen and Akalis worked together in harmony. Yesterday Shri Tewary also hinted as it and today I also want to mention that in 1922 the constitution of Akali Dal was full of patriotic fervour but that constitution was amended in 1978. At that time, Madhuji's party was in power at the Centre and in Punjab Akali Dal was at the helm of affairs. In the Centre also, Akalis were in the cabinet and the fundamental change was brought about in the Akali Dal constitution in 1978 at the Ludhiana conference which was inspired by Anandpur Saheb resolution. Let me tell the House today that Shri Chandra Shekhar was also present in that conference but I do not want to drag his name in it, because he might not be aware as to what was being adopted in Punjabi. Athwal Saheb has now come in the House and he knows everything.

Perhaps the constitution amendment did not have any material effect, but it signalled to the people of Punjab, especially Sikhs that Akali Dal was not based on 1922 Constitution, the present Akali Dal was slightly different from the old one and as I said in

the beginning, it smacked of separatism. Nothing has been done till today to rectify it. Today is the opportunity and I must say that if such feelings are fanned from any quarters, they should be stopped forthwith. Therefore, the Akali Dal, especially the United Akali Dal, carries a big responsibility to come out boldly against it because that day it were they who said that their patriotism was being doubted. Nobody is doubting their patriotism, but the signs which are visible by now are doing incalculable harm to the nation. Therefore, statements which encourage separatism should be withdrawn so as to create the same feelings once again in the country.

In Punjab Sikhs are in majority. Sikhs are living in every part of the country. There are many who are unaware of these things and they do not understand Punjab politics. They too are swayed by their propaganda because things are propagated on communal lines. When something is said in the name of Akali Dal, it is not objectionable but if something is said in the name of Panth, the common man and the person who is deeply religious is also moved. Therefore, these things need to be rectified and reconsidered. There is a need to revert to the 1922 constitution, so that the misgivings which have arisen in the country are removed and peace returns to Punjab. The same feelings which were there at the time of the formation of Akali Dal should be restored.

Yesterday Shri Arif Mohammad Khan stated that newspapers had reported involvement of a Central Minister and other people in these things. He also named some other leaders. We cannot stop them because Press has got full freedom. Who can stop them? I want to say especially in the context of the press in our country, that it has not learned to verify the facts before publishing. Yesterday, he mentioned my name also. One thing I would like to say before the House that Shri Arif Mohammad is not an aged person, nor am I. He is of my age. He started his career from Aligarh Muslim University by indulging in a vicious communal propaganda. The people of Aligarh are testimony to the vicious propaganda he indulged in during his days at the

University, which claimed several lives, but now he claims to be the topmost secular leader. Interestingly, Arif Mohammad Khan also began his career as a member of Swatantra Party. He is so lucky to have always got patronage of some or the other big wigs. When he was in the Swantantra Party, he grew under the Shadow of Shri Piloo Mody.

SHRI NARAYAN CHOUBEY : Rangaji was the President of that party.

S. BUTA SINGH : Now-a-days also, he is in league with a big wig. Under the tutelage of Piloo Mody, he enjoyed like anything and got many favours. These days also he is in touch with a big gun. Shri Mishra who is present here knows pretty well about all that he did and there after managed to become Deputy Minister in the Janata Party Government in Uttar Pradesh. All of us know why he gave resignation in Uttar Pradesh. Communal disturbances broke out there.

[English]

SHRI S. JAIPAL REDDY (Mahbubnagar) : Are you discussing Punjab or Shri Arif Mohammad Khan ?

S. BUTA SINGH : Kindly bear with me.

[Translation]

Yesterday, the way he crossed all limits of decency to attack me, let me at least expose his opportunistic style of politics. When in connection with a terrible riot, the Janata Party Government issued an order against his wishes, he tendered his resignation. Today he is giving me a lecture on secularism in the House. I have been here continuously since 1967 and now it is about 20—25 years.....

SHRI NARAYAN CHOUBEY : I have already said that he had always been associated with one or the other big wig and was in my party also.

SHRI INDRAJIT GUPTA (Basirhat) : Why did you admit him in your party in spite of all this ? *(Interruptions)*

S. BUTA SINGH : I am not able to hear any thing. I am not here to score any point over anyone. My party is not the regimented party. Now you will ask why did you expel him then. I have already said that he was able to influence some or the other big wig. In my party also, he came in contact with someone and after getting the work done from him he left the party along with him. He has referred to a news item published in the newspaper in which it was mentioned that I got some terrorist released. Mr. Deputy-Speaker, Sir, it is totally baseless and politically motivated. This is just to malign me by pointing me as a shady character so as to encourage terrorists.

AN HON. MEMBER : You are like a moon.

S. BUTA SINGH : I am not a moon. I am just a humble servant of the country. Due to the blessings of Shrimati Indira Gandhi I got the opportunity to serve the party and the country and I have been doing so for the last 20—25 years. In this process, I have also sacrificed a lot in fight against terrorism.

13.00 hrs.

I should not say but I am compelled to point out that some of the newspapers stooped so low and went to the extent of writing that I was the man behind the killings of some of my own family members. According to them, I did it to gain publicity. Now, can you just imagine of a person who would get his children killed just to make headlines ? Only a pervert mind can think on these lines. Some newspapers of Punjab did so at the behest of some of my well-wishers. Unfortunately, all this is being done at a time when we are facing the bullets in the battle field and trying our best to liquidate them. Therefore, I want to say that this type of acts should be condemned by all countrymen.

Sir, Shri Madhu Dandavate, Shri Saifuddin Chowdhary and Shri Gupta wanted to know about the results of numerous laws which were earlier enacted by the Government. We agree that we had to enact a

[S. Buta Singh]

number of laws to deal with the extraordinary situation. Of all the laws, hon. Members have referred to the Terrorist Act. Our experience shows that....

PROF. MADHU DANDAVATE : I want to ask a question if you allow me to do so. There is no allegation on the hon. Minister. I have knowingly asked who is committing murders in Punjab in the name of terrorists and their organisations, as this news has appeared in the 'Navbharat Times' dated 4th April, 1988. I had said that it would be in the interest of the country to clarify the position but there was no mention of the name of the hon. Minister. They have disowned the responsibility for all the killings and have said that this is being done by a handful of persons at the instance of the Government and some Ministers. The names of some persons and terrorist organisations have appeared in the news. I request you either to contradict it or confirm it if you so like.

S. BUTA SINGH : This is nothing but propaganda by the terrorists against the Government. They have killed many families including children, old men and women in the border areas of Punjab including Patti Tehsil and Taran Taran area, which is represented by Shri Dhillon. These killings have spread the feeling of hatred among the people against the terrorists. By disassociating themselves from these killings, they just want to make the Government a scapegoat. That is why they are making all these allegations against the Government. No Government worth the salt in this country can afford the killings of its defenceless and innocent people. This is baseless propaganda and a gimmick played by the terrorists to defame the Government and the armed forces in the eyes of the people. Shri Athwal and his friend had alleged just six months back in this very House that the Government was instrumental for the fake encounters. Not only the terrorists but some hon. Members sitting here also make such allegations. This is a fact that no instance of fake encounter has been brought to the notice of neither the Director General, the Governor, nor the

Central Government. All those killed were terrorists and all of them were killed in encounters. This baseless propaganda is aimed at confusing the people. I, therefore, condemn it, because I know such a propaganda should be countered firmly so that the public may not have any illusion about the Government, the para-military forces and the persons who are serving the nation by fighting these terrorists.

SHRI CHARANJIT SINGH ATHWAL (Ropar) : He has just now said that no person has been killed in fake encounters and in police custody.... (*Interruptions*). He has said about fake encounters.... (*Interruptions*)....

PROF. MADHU DANDAVATE : When he is ready to listen, what is the problem with you ?

SHRI CHARANJIT SINGH ATHWAL : Our allegation is still there. He says that nobody was killed in fake encounters. My submission is that when a terrorist is transferred to jail from the police custody, he is normally accompanied by 10—12 armed police men or C.R.P.F. personnel, how is it possible for a terrorist to flee ? I would say that there is no question of his fleeing from the police cordon. He is actually killed by the policemen and it is shown that he has run away. You please tell the House whether the police has ever got identified even one terrorist killed in the police encounter by his parents. I would say that they are tortured to death and declared as dead in police encounter. Every Sikh killed by police in the State is described as a terrorist. I say that every Sikh is not a terrorist.

S. BUTA SINGH : You please sit down, I have understood what you want to say.

I have never said that every Sikh is a terrorist. Shri Walia has said that people are killed in fake encounters but will he tell the House why no body comes forward to claim the dead body of the terrorist killed in the police encounter ? Following the death of dreaded terrorists, your party performed 'Bhog Ceremony' and the leaders

of your party delivered long speeches in their praise so much so that they were equated with the martyrs of the country. These symbolic gestures of yours have caused a great harm to the nation, Punjab and the Sikh community and this process has not yet stopped. Therefore, I would like to tell you that sooner you stop these gesture the better you will be serving the country as well as the Sikh community. I would, therefore, like to tell the hon. Members to pay their attention to this point.

Shri Madhu Dandavate had asked yesterday why Government was enacting so many laws for Punjab. I would like to state that during the period 1985 to 1987 when the President Rule was not in force, 2784 terrorists were arrested by the Punjab Government and during the President's rule, 3176 terrorists were arrested, bringing the total to 5960. In reply to Shri Dandavate's point I want to say that cases have been registered against all the arrested terrorists but it has not been possible to initiate prosecution against them.

PROF. MADHU DANDAVATE : I have not raised this question.

S. BUTA SINGH : Many Members have stated this. I have just mentioned your name. Many of them asked why so many laws were being enacted. All this was said in the previous session of Parliament when a minor amendment was sought in the Terrorist Act. Now, Shri Athwal says why the non-terrorists are being killed. There are only two options to deal with them. The first is to prosecute them in the court of law after they are arrested. When we arrested the dreaded terrorists, the court in the State declared our law as ultra-vires and we had to release nearly, 600—700 dreaded terrorists. Thereafter, we sought ruling from the Supreme Court. The situation now is that we are finding it difficult to nab those 600—700 terrorists which were in jail in the month of December. I can say that December was one such month in which we were able to confine them to a limited pocket.

Please remember that the problem of terrorism is not a problem which can be

solved by switching a button on or off. Now situation is that a single terrorist is enough to inspire innocent boys to become terrorist. The situation turns for the worse when they get all types of help and sophisticated weapons from across the border. You might have read in the newspapers that now-a-days the terrorists are not using sten-guns or pistols for killing the people. Instead, they are making use of deadly weapons like rockets, A.K. 47 rifles etc. These rifles have the same striking range as that of machine gun and by using this rifle, a single terrorist can wipe out the entire population of a village. The ordinary laws are not sufficient to restrain the terrorism who have such types of deadly weapons, have their own communication network and night vision equipment. The Government does not want to punish any person without the proper trial but at the sametime it does not want any delay in this process. For this, special provisions have to be made to deal with terrorism. Therefore, the Government had to enact a number of special legislations.

While referring to the 59th Constitution amendment, you have asked why the Opposition was not consulted before taking such a step? First of all, I want to submit that a fairly advance notice of 7-8 days was given for this amendment.

SHRI CHANDRA PRATAP NARAIN SINGH (Padrauna) : The Sikhs and other people of Punjab are very brave and if any local person wants to have a licence for keeping a gun for his own defence, why he is not given such a licence?

S. BUTA SINGH : Perhaps, you and Shri Indrajit Gupta raised this question yesterday also. I want to make it clear that there is no ban on giving licence for keeping gun in Punjab, only.....

SHRI INDRAJIT GUPTA : But the Government is not giving licence for keeping gun to the persons who belong to our party.

S. BUTA SINGH : You listen to me. Only, the licences for weapons of prohibited bore are not being given, because these are

[S. Buta Singh]

issued with the prior permission of the Central Government. The Government is examining the applications received from your party as also from the C.P.I. (M).

SHRI RANA VIR SINGH (Kaiserganj) : Why does the Government refuse licences for the weapons of prohibited bore ? You are aware that the terrorists have sophisticated weapons with them and these small guns will be no match for their sophisticated weapons. Therefore, the Government must issue licences for prohibited bore weapons also.

S. BUTA SINGH : This depends on how you assess the situation. But the fact is that even those people in Punjab who are in possession of weapons of permitted bore want to surrender them in the Police Stations at the earliest lest these should be snatched away by the terrorists.

SHRI RANA VIR SINGH : When you do not find yourself in a position to give them the sense of security, you should at least give them the effective weapons so that they could defend themselves. For the knowledge of those who can defend themselves in this way.....

SHRI VIJOY KUMAR YADAV (Nalanda) : Surrender of arms in the Police Station is a different matter. There may be some persons who want to surrender or deposit their arms, but you must give licences to those who want to have them.

S. BUTA SINGH : I have just told that the Government have received some applications from some persons belonging to C.P.I. (M), C.P.I. and the Congress. It involves a policy decision and the officers concerned are considering it. These are the double-edged weapons. Some of the people who have these weapons are happy but there are others who are not. But as I said earlier, there is no ban on permitted bore weapons and the licences for these guns are being given in every district of Punjab.

Through some instances ; which Shri Ramoowalia gave yesterday, he wanted to portray the defeat of the para-military

forces and the Government agencies at the hands of terrorists. I do not want to be drawn into a debate on the origin of terrorism in Punjab and the steps taken by the Central Government and the Prime Minister Shri Rajiv Gandhi to restore confidence among the people.

The decision to hold elections in Punjab in 1985 was not an ordinary decision. This was the period when every body was saying that democracy in Punjab was out of question. But the Government of India decided to take the people into confidence and seek their verdict. Shri Indrajit Gupta was saying yesterday that we did not have enough experience to tackle these problems. But by holding election in Punjab Shri Rajiv Gandhi has proved that to keep faith in the people is the best experience that one can have. We will go according to the wishes of the people of Punjab and will establish peace in the State the way they want. We held elections in Punjab and also got some good results therefrom.

SHRI INDRAJIT GUPTA : Why, the Central Government is not accepting the demands of the people of Punjab ?

S. BUTA SINGH : We have accepted that.

SHRI INDRAJIT GUPTA : You did not.

S. BUTA SINGH : If you go in detail, you would come to know about it. In the Bombay Session of the Congress Party, Shri Rajiv Gandhi had said that to him country was many more times important than the party. Our party suffered setbacks in Punjab but we did not care for that. While performing this difficult task what was uppermost in our minds was the integrity of India and the feelings of the people of Punjab. After elections, the Akali Dal formed the Government. Now, it is said that we toppled their Government. Two Members of that party, are present in this House, seated close to each other. Let them tell who toppled the Government ?

AN HON. MEMBER : You toppled it.

S. BUTA SINGH : Let them tell, who

toppled ? What could be more treacherous than this that the leaders who collected votes by displaying the photograph of Shri Longowal on their coats and became Members of Parliament and State Legislative Assembly, later on presented 'Saropas' to the killers of Shri Longowal at 'Manji Sahib'. The top leaders of U.A.D. were present at that ceremony. The assassins of same Sant Longowal were given saropas in the Harmindir Sahib publicly. Was it an act of the Congress ? Besides, there was only one post of Chief Minister and there were two aspirants. Two persons cannot occupy one post. As such, in order to assert their strength, they formed a separate party. The funny thing is, that Shri Barnala made a public offer a few days before the Assembly was dissolved. This thing was published in all newspapers. I have already said that the 22 M.L.As. of the U.A.D. were disqualified by an order of the Speaker. Shri Barnala had gone to the extent of saying that he wished the unity of Akali Dal to be maintained and if dismissal of M.L.As. was the hindrance in the unity, he was prepared to get the dismissal order withdrawn by the Speaker. Shri Barnala is a good, able and leading advocate himself. I do not think that such a thing is permissible under the law. It would have never been possible. Because, at that time the Speaker's orders were as effective as the orders of the court. The Speaker had passed orders at that time. He did not give any ruling. I do not know as to how Shri Barnala would have been able to get that decision reversed. But I do admit that his offer was genuine. It was rejected by Shri Athwal's party. Then who is to be held responsible for this ? The Congress Party did not reject it. Those people who were power hungry did not accept such offer. Due to all these reasons, we dissolved the Assembly. Apart from this, there were other reasons also for which we had to take this step.

So far as the Punjab Accord is concerned, I want to say that the more I studied it the more I was convinced to reach the conclusion that there is not a single clause in the Accord which could be implemented by any one party. In certain clauses two parties, in certain clauses 3 parties and in certain

other clauses, 4 parties are involved. So far as Central Government is concerned, it has complied with its part of action. There are some controversial things also. This dispute will not come to an end until and unless both Haryana and Punjab mutually agree to solve the issue. The controversial issues include sharing of water, canal and Chandigarh. These are the issues which are covered by the provisions of the Accord. In the meantime, a number of developments took place, the Accord passed through a number of stages, the matter was placed before the Assembly and was got turned down by the Cabinet. There are several things which I do not want to mention right now. But the fact is that the Accord could not be implemented as it was not acceptable to two to three parties. It does not mean that we have totally abandoned the Accord.

SHRI BASUDEB ACHARIA : What initiatives have you taken in this direction ?

S. BUTA SINGH : The initiatives which were to be taken by the Central Government were taken to the last. The report of the Venkataramaiah Commission was discussed. But the then Governments of Haryana and Punjab could not arrive at a conclusion at that time. We thought that if we want to decide it mutually, there is only one way and that way is to go to a third Judge. We referred the case to Justice Desai because they were finding it difficult to interpret it. We appointed a sitting Judge of the Supreme Court with the consent of the then Chief Justice of India. They did not go before him. They could have at least, agreed to the final interpretation given by any judicial authority. I have no intention to go into this controversy today. But I am sorry that no single party can implement this Accord ex parte. Due to this some problems have come up in the Accord. Even to-day if such a climate is created, each and every clause of the Accord can be implemented.

You mentioned about the Delhi riots. The copies of the report of that commission are available with all of you. The various recommendations of the report have been implemented. As regards their rehabilitation and payment of compensation...

SHRI BASUDEB ACHARIA : Jain-Banerjee Commission.

S. BUTA SINGH : I am coming to that. A bulk of rehabilitation work has been done in which thousands of people have been rehabilitated. This thing should also be mentioned here.

The commission had recommended setting up of two committees. Accordingly two committees were constituted and both of them started functioning. Now the first question that arises is as to how far the police was responsible for that and what were the loopholes. Secondly, all the documents which came before the commission could not be investigated fully. Now the problem is how to proceed with them. The above committees were challenged in the High Court. Various references etc. of the Committees were also challenged. Now we are awaiting for the decision of the High Court. Both the Committees have outlived their terms. Each of them has been given six months' extension twice. But the matter being sub-judice, no further steps could be taken in this regard. It is not correct to say that we have totally dropped the idea of taking any action. He has mentioned a number of other forums, the reports of which have been published. First of all I would like to point out that it is an injustice to a commission duly set up under the law, if several other commissions come up side by side under the Chairmanship of retired Judges of the Supreme Court, High Courts and Journalists. The Journalist never retire. They remain active for life like the politicians. In this way several forums were constituted. The forum leaders, instead of contesting the case, fled to Britain for collecting funds. When the Ranganath Commission was sitting here, they were collecting funds in Britain. Even after repeated reminders from the commission, they did not come and confront it. They did not plead the case. Thousands of affidavits were lying pending as they were. It becomes clear from the foregoing that the attitude of some elements, at whose insistence the hon. Members put questions here, has never been helpful towards the Commission and they do not want to follow the course of justice. Since

beginning, they have been adopting this attitude and putting obstacles. A number of committees like that of your people's committee were set up and all these committees published their reports. If an overall study of the reports of all these agencies is made, it will be revealed that the commission report totally differs from the reports of the committees. The newspapers' report is altogether different. I have got them studied. The things and the names of the persons which find mention in the newspaper reports nowhere figure either in the commission's report or the reports of the committees.

SHRI BALWANT SINGH RAMOO-WALIA : I would like to seek a clarification as to whether the Justice Ranganath Mishra Commission was boycotted by any party due to its terms of reference. I shall say only this much and do not want to go beyond that.

S. BUTA SINGH : The terms of reference were finalised publicly. These were published in the newspapers and all the enquiries were held on the basis of these terms of reference. This is very distressing that we make a demand to set up a commission and once it is set up we start boycotting it on one pretext or the other. Shri Viswanath Pratap Singh also boycotted another commission due to the terms of reference. His case was also similar to this. That commission was also named after the case concerned. Its terms of reference were not changed. I was myself a witness to the meeting which was held with Shri Viswanath Pratap Singh. He attended the meeting with the written terms of reference and a long discussion was duly held for 3-4 hours. He participated in the meeting and approved the terms of reference. When he was required to appear before the commission, he said that these were not the same terms of references he had approved. (Interruptions) The same has been the case with this Commission.

[English]

PROF. MADHU DANDAVATE : I appeared before the Justice Ranganath Mishra Commission. My point of view has

been upheld by the Commission but those who have been found guilty...

S. BUTA SINGH : I am not talking about individuals. You are right.

[Translation]

I mentioned their names. The citizen Forum, the Amnesty International and several organisations registered their names there. But when they were called, none of them appeared.

PROF. MADHU DANDAVATE : There are complaints that the guilty were not punished. I had established that the behaviour of the police regarding the Railways was not upto the expectation and the Commission also accepted it. But the Government is not prepared to punish any one. (Interruptions)

S. BUTA SINGH : It was a time when the Commission required co-operation. I am telling that at that time nobody appeared before the Commission. The Government does not want to hide anything. The report of the Commission is placed before the House. The Opposition has demanded a discussion on the report and we are prepared for that, we never objected to a discussion. It may be recalled that I had come prepared before the House during the previous session for a discussion. But it is upto the House and the hon. Speaker to fix time for a discussion. We never objected. We are always of the view that the more the discussions are held in this House and the more the guidance we receive, the more shall we be able to implement them. But the way a regular and sustained campaign has been running in the press... (Interruptions)

[English]

AN HON. MEMBER : What is your action taken plan ?

S. BUTA SINGH : Action taken plan has already been circulated.

SHRI DINESH GOSWAMI (Guwahati) : For the first time you have very categorically stated Pakistan's involvement in this. We

had asked for the question of sealing of the border. There was talk of security belt, powers being taken under Article 249 and inspite of our objection the resolution was permitted to be lapsed. We want to know what additional steps you are going to take now to seal the border and are you prepared to take the House into confidence ?

[Translation]

S. BUTA SINGH : Sir, the hon. Member has raised a very important issue. As a matter of fact there has been a very serious and detailed discussion on it. All the agencies of the Central Government and the Government of Punjab who are involved in this task, have considered it. Discussion is still going on. In the meantime, it has been tentatively decided to effectively police the border whether it is Punjab, Jammu and Kashmir or Rajasthan. We are considering as to which parts of the border could be brought under fencing and how the police force could be made better equipped. There is a three-pronged strategy for this. The matter is under consideration as to how we could supervise our border so that no smuggling activity could take place along the border, and the terrorist who are coming from across the border with goods like drugs, narcotics and arms to destabilise our country could be checked. For this purpose, we are thinking of effectively policing the border.

[English]

SHRI NARAYAN CHOUBEY : We know how effective it has been. We want to know what is 'very effective' ?

[Translation]

S. BUTA SINGH : These are such measures which need to be upgraded constantly.

We are also trying to equip our para-military forces with latest weapons so that they could meet the challenge of the terrorists. The third and the most important thing is political mobilisation. He had made a mention about it yesterday. Just now the hon. Member made a mention of article 249.

[S. Buta Singh]

It was his suggestion only. (*Interruptions*) I am not talking about you. I am talking about the hon. Member who is sitting in your proximity. Since it was his suggestion, we came with the resolution in this House as well as in the Rajya Sabha. But the Opposition got agitated and it staged a walk out from both the Houses. They have also put a restriction on us that until and unless the State Government gives its consent to this effect, it should not be implemented...(*Interruptions*). I am not talking of today, I am talking of the time when article 249 of the Constitution was sought to be amended. At that time, the Governments of Jammu and Kashmir, Rajasthan and Gujarat had given their assent. But, Sir, the Members of Akali Dal sitting here would testify that the Government headed by Shri Barnala had refused to give their assent. That is why it could not be done. Eventually, the time limit of one year expired and it lapsed. It was for only one year and could not have been extended further. I want to tell Shri Indrajit Gupta and other Members who were repeatedly saying yesterday that they were not taken into confidence when emergency was imposed, that it is merely an enabling provision and we shall certainly consult them before enforcing it. Yesterday you raised doubts about the amendment, but believe it or not, our intention is not to impose it. We do not want to impose emergency in Punjab. We had made it clear at the time of moving the Bill also that we do not want to impose emergency until the situation demands so. If we are compelled by the situation to take such a harsh step at the eleventh hour, shall we have sufficient time to come to the Parliament and amend the provisions? That is why we have made the enabling provision. Shri Indrajit Gupta went too far in his apprehensions, although our motive was altogether different. Actually we wanted to amend the emergency provisions covering the whole country, but due to rumpus created by the Opposition Parties, we had to restrict it only to Punjab..(*Interruptions*)...nothing more can be done...(*Interruptions*)...Mr. Deputy-Speaker, Sir, I am saying so because they have adopted such an approach...(*Interruptions*).

[English]

SHRI BASUDEB ACHARIA : It was there originally...(*Interruptions*)

PROF. MADHU DANDAVATE : Under the pressure of Rajya Sabha, you restricted it to Punjab...(*Interruptions*).

SHRI SOMNATH CHATTERJEE (Bolpur) : Even now it is applicable to other areas. What are you talking ?...(*Interruptions*).

SHRI S. JAIPAL REDDY : Even now it enables you to extend the life of the House.

DR. DATTA SAMANT (Bombay South-Central) : Under the Anti-Terrorist Act, more people have arrested in Gujarat than in Punjab...(*Interruptions*).

SHRI DINESH GOSWAMI : Whether emergency should be imposed, for that why have you taken the enabling power? You should take a decision and then come to Parliament...(*Interruptions*)

S. BUTA SINGH : Why not? What is wrong in it? Let me explain...(*Interruptions*).

[Translation]

SHRI BALWANT SINGH RAMOOWALIA : Barnala Government did oppose the creation of security belt, but we never opposed the sealing of the border...(*Interruptions*).

S. BUTA SINGH : I was talking about article 249 of the Constitution. I said that they opposed the very concept.

Secondly I am not a legal luminary as our friend Shri Somnath Chatterjee is. I had the opportunity to listen to your worthy father here in the House while sitting by his side. I am distressed to note that you distort things to such an extent that we cannot help bringing an amendment Bill. Our original Bill was very clear. We had consulted leading legal experts and our hon. Members who are constitutional experts, before formulating the original Bill. All of them had opined that it was abso-

tely suitable for Punjab because only its commanding clause deals with Punjab not the following clauses. But after you created tumult in the House, we thought that we could explain it to the House, we could explain to the lawyers and judges, but if the opposition so desires, it can easily mislead crores of illiterate people or less educated people like me. That is why, we have mentioned Punjab in the following clauses also. But now you are giving still further interpretation to it saying that we are going to impose emergency in whole of the country. Sorry, we have got no remedy for it.

[English]

SHRI SOMNATH CHATTERJEE : Your Constitutional expert, Shri Chidambaram said that also ; he could not deny it.

S. BUTA SINGH : I cannot vie with you, I cannot compete with you. I have made it clear here...*(Interruptions)*.

[Translation]

SHRI SAIFUDDIN CHOWDHARY (Katwa) : What do you say, can you improve the situation by imposing emergency should the situation deteriorate further ? I want you to answer it.

S. BUTA SINGH : We have not claimed so. But, Sir, my submission is that...*(Interruptions)*.

SHRI SAIFUDDIN CHOWDHARY : If you think you can improve things by imposing emergency, should the situation further deteriorate, you are mistaken. Well, you may try it...*(Interruptions)*.

S. BUTA SINGH : It is your assessment not ours. We neither favour nor support the imposition of emergency. We have simply made an enabling provision...*(Interruptions)*.

[English]

SHRI SAIFUDDIN CHOWDHARY : The leaders of the terrorists are calling everybody in the Golden Temple and they are trying to forge unity, but you are not calling any political party ; you are alienating the Opposition parties...*(Interruptions)*.

SHRI INDRAJIT GUPTA : That means that you are giving an advance assurance to the terrorists that although you have passed that amendment, you do not have any intention to apply that. You are telling that to the terrorists...*(Interruptions)*.

S. BUTA SINGH : Your interpretation will help the terrorists...*(Interruptions)*.

[Translation]

When we passed Terrorism and Disruptive Activities Bill...*(Interruptions)*.

[English]

MR. DEPUTY-SPEAKER : No interruptions please.

(Interruptions)

S. BUTA SINGH : They are all given in the Act itself.

SHRI SAIFUDDIN CHOWDHARY : The Government is totally confused how to deal with the terrorists...*(Interruptions)*. You have no understanding...*(Interruptions)*.

S. BUTA SINGH : Let me tell you that when the Terrorists and Disruptive Activities Bill was brought in this House, the same familiar faces, the same hon. Members opposed it tooth and nail...*(Interruptions)*.

SHRI BASUDEB ACHARIA : We will oppose every black Bill...*(Interruptions)*.

MR. DEPUTY-SPEAKER : No interruptions please.

[Translation]

S. BUTA SINGH : Mr. Deputy-Speaker, Sir, although I should not say this at this stage, yet I cannot help saying that when we passed this Terrorist Bill...*(Interruptions)*.

SHRI BASUDEB ACHARIA (Bankura) : Say something worthwhile.

S. BUTA SINGH : You please be seated. You are only accustomed to speaking and not to listening...*(Interruptions)*.

[*English*]

MR. DEPUTY-SPEAKER : No interruptions.

S. BUTA SINGH : When the Terrorists and Disruptive Activities Bill was passed in this House, the hon. Members of Telugu Desam, CPI(M) and others opposed it, but when it came to... (*Interruptions*). **

MR. DEPUTY-SPEAKER : I am not allowing anybody. No interruptions. Nothing will go on record.

SHRI INDRAJIT GUPTA : This discussion arose out of the stepped up killings in the Punjab. What has happened in the past has happened, you cannot do anything now. Please tell us what you propose to do now... (*Interruptions*).

S. BUTA SINGH : Now that they have raised this point, let me say this. I want to remind this House that when this Bill was passed in this House, everybody there opposed it. But there came situations when it was used in Andhra Pradesh, it was used in West Bengal, it was used in Maharashtra, in Gujarat and other parts. I tell you that I myself took up this with the Gujarat Government and asked them, why they had used it on the people for whom it was not meant. I had taken up with the Gujarat Government.

[*Translation*]

In the beginning, I had stated that terrorism can't be wiped out with one blow. It is not possible to do so. It has taken time to control terrorism wherever it was cropping up.

[*English*]

DR. DATTA SAMANT : The Union leaders are detained under the Terrorists Act.

S. BUTA SINGH : The fact is that under the circumstances when the ordinary available procedures, ordinary available legal

things are not helpful, you have to resort to these things. That is why this provision was made in the Constitution.

Shri Indrajit Gupta asked as to what steps are taken to meet the present crisis in Punjab. As I told you in the beginning.

[*Translation*]

And it is essential to instil a feeling of courage into them. In order to do so, we started a concerted efforts in which all political parties participated. The results were very positive and the morale of the officers got a boost from it. Government is making efforts to carry the task ahead.

[*English*]

SHRI S. JAIPAL REDDY : How did you give them the rockets ?

[*Translation*]

S. BUTA SINGH : As I stated that every effort was being made to make use of all resources available with Central Government as well as Punjab Government to meet the challenge of terrorists who are equipped with sophisticated weapons so that peace could be restored in Punjab.

Yesterday, a question was raised by him that we were negotiating with some priests and we were trying to bring a new element here. I want to make it clear here that there is no question of going an inch beyond the secular concept of our Parliamentary Democracy as enshrined in our Constitution. Further, no stone will be left unturned to wipe out the terrorists and the powers supporting them who want to destroy the unity and integrity of the country. The Central Government through the Government of Punjab will itself monitor the situation in Punjab by extending full support to the brave and patriotic people of Punjab who have been fighting against the terrorists to protect the unity and integrity of the country.

[*English*]

DR. DATTA SAMANT : What steps have you taken to meet the situation.

[Translation]

S. BUTA SINGH : The seeds of secessionism will not be allowed to be germinated in Punjab and terrorism will be rooted out from there. We will mobilise all sorts of resources needed for that. Along with it, our hon. Prime Minister is of the opinion that if anybody wants to hold talks within the frame work of the Constitution and ensuring the unity and integrity of the country, Government will not discourage him but in the process the unity and integrity of the country will not be allowed to get jeopardised. In order to maintain the unity and integrity of the country and to restore peace in Punjab, we shall take stringent measures, no matter how expensive or harsh they may be. We will root out terrorism from the soil of Punjab. It is our firm determination and for that we seek your cooperation.

[English]

SHRI S. JAIPAL REDDY : Sir, I have a point of order. My point of order is that under 193 discussion, a point was raised with regard to the recent spurt in the killings in Punjab and deployment of sophisticated weapons like rockets. The Minister in his reply did not answer to these points at all.

MR. DEPUTY-SPEAKER : No, there is no point of order. Now discussion on the Demands for Grants relating to the Ministry of Agriculture.

13.43 hrs.

DEMANDS FOR GRANTS, 1988-89—
Contd.

Ministry of Agriculture—Contd.

[Translation]

DR. G.S. RAJHANS (Jhanjharpur) : Mr. Deputy-Speaker, Sir, I support the proposed demands for grants of the Ministry of Agriculture...*(Interruptions)*.

Though the Centre is giving crores of rupees as grants to the States for agricultural development, yet it does not have any control over them. When the Constitution was framed 37 or 38 years ago, it was not

envisioned that State Governments would not be accountable for the funds which it would receive from the Centre.

I do not follow the trodden path in my submissions and therefore perhaps, what I submit may give rise to controversies. But whatever I say will be in the interest of the country.

The Central Government repeatedly asked the State Governments to implement land reforms but they did not pay any heed to it. There are still people including the persons holding/ministerial post in many States who possess huge areas of land. These *benami* possessions are in the names of other people.

13.46 hrs.

[**SHRIMATI BASAVARAJESWARI** in the Chair]

When the issue of land ceiling comes up, these people want to evade the topic. People have got *benami* land in the names of their relatives and servants even in the names of their pet dogs and cats. What can be more shameful than it? I, therefore, urge upon that this matter should be given a serious thought. One of the major factors behind the growing social tension and formation of many 'senas' is attributed to the absence of land reforms. When this matter comes up, no one is found to be interested to implement it. I want to submit that C.B.I. is sent to investigate into the cases wherever State Police is failed to make any breakthrough. Similarly, Government should set up a machinery in the name of Central Bureau of Agricultural Crime Investigation which would identify persons who have got *benami* land and after identification such persons should be given suitable punishment. As in the case of Income-tax evasion, the persons who give information are given a certain percentage of the amount of tax recovered, similarly, if any person gives information about *benami* land, he should be given a reward of 5 or 10 per cent of the value of land. This is not a joke because only by taking such a measure can this thing be stopped.

Today, Government swears by the name of socialism and wants to bring socialism in the country, but if the above steps are not

[Dr. G.S. Rajhans]

taken the situation will not change and people will lose faith in the Government.

I want to submit about problem of bonded labour in the rural areas. Everyone will accept that there is a section of people, who are compelled to work as bonded labourers because their fathers and grandfathers happened to work as such. This should be discussed from a new angle. A detailed discussion can be held separately on the new point which I have made. What I mean to say is that unless land reforms are implemented seriously, we cannot have any development in the agricultural field.

Secondly, it was written in the Annual Report of 1987-88 and I quote—

[English]

“Scarcity Relief and Management of National Calamities :”

[Translation]

Under this heading, three-fourth of it has been devoted to drought whereas a very large area in the country has been affected by floods which is a problem more serious than drought. Every year floods occur in the country and causes damage worth crores of rupees but no permanent solution has been found so far. People become helpless but there is none to solve their problem. Last year, Bihar, Bengal, Orissa, Assam and all other Eastern States faced unprecedented floods. People were rendered penniless and began to starve. It is, of course, essential to fight drought, but it is more essential to control floods. If you have gone through the report of W.H.O., you might be aware of the fact that a large part of Asia is facing a shortage of foodgrains and its forecast is that it will face a more severe crisis this year and the year to come. Some countries of Asia like Indonesia have been affected by drought or some of them like Bangladesh, Vietnam and Taiwan by floods. The places which once produced surplus foodgrains are passing through a phase of foodgrain crisis and will likely to be remain so this year also. I say with it full emphasis under my command that this year also we shall be in the grip of drought and floods. You should

give importance to the agricultural sector but it is more important that advance measures be taken to save flood prone areas like eastern parts of India. Last year, floods occurred as many as 5 times in North Bihar. People were ruined, crops were destroyed and there was a huge loss of life and property. Seeds were sown four times but were washed away everytime for no fault of their. In this connection, my suggestion is that in the flood prone areas crop insurance schemes should be implemented and the premium of insurance should be paid either by the Central Government or the State Government concerned. This will ensure that they get a compensation when their crops are damaged or their property is destroyed by some natural calamity. There are certain Central projects, for example the Kosi and the Gandak projects, which are under implementation for years together. The initial cost was Rs. 20 crores but Rs. 300 crores have already been spent on it. Yet the project is not complete so far.

The politicians, bureaucrats, engineers and contractors have become millionaires during the course of this project's implementation. Even last year I mentioned it during the debate that some one should find out as to where the money was is being drained out. In fact, everyone is aware where it is going to. It is a sheer injustice with the masses of this country that we go on imposing taxes on our population, or resort to deficit financing to mobilise funds and the money so mobilised is usurped by a handful of unscrupulous persons. I would also like to add that the remunerative price for farmers is being discussed widely today. People are gradually shifting towards other professions and leaving agriculture. This is happening only because the farmers do not get reasonable return from their produce as compared to their investment made on inputs like seeds, manure and labour. The area from which I hail was chiefly a jute-producing area and jute was also exported from here. Today people have stopped growing jute there because they are unable to get its remunerative price. Whenever I raised this issue in the House the Government has always tried to drift the matter on the one or the other pretext. The need of the hour, therefore, is that they should get remunerative price. Incentive must be given to farmers irrespective of fact that they grow

jute, sugarcane, wheat, rice, oilseed or pulses, otherwise a time will come when there will be such a scarcity that you will have to import foodgrains and other agriculture produce from other countries.

In the end I would like to submit that a number of incentives have been provided to the agricultural labourers but they are unaware about the same. Today television sets have reached each village and, therefore, you should propagate through Doordarshan the various incentives you have provided to the marginal agriculturist. The provisions of the 20 point programme should be implemented properly. We should understand that agriculture is the backbone of our country and new ideas should be brought in this field.

[English]

SHRI SURENDRA PAL SINGH (Bulandshahr) : Madam Chairman : I am happy that after the lapse of a very long time, Government's attention has again been focussed on Agriculture as is evident from this year's budgetary allocations as well as from the mid-term appraisal of the 7th Plan, that report too, I understand, lays great stress on agricultural production, and it has recommended that top-most priority should be given to agriculture in the remaining two years of the Plan period. All this goes to show how much importance is now being given to agriculture ; and that is how it should be, because as it was rightly said by the hon. Member here and many others, agriculture is still the backbone of the country's economy. Inspite of the fact that we have made tremendous strides in industrial production, in technology, in nuclear science and all the rest, the fact remains that this country is predominantly agricultural ; and so long as that backbone i.e. agriculture remains healthy, the country will be healthy and there will be prosperity in the country. So, from that point of view, I am very happy that the Government has taken note of that reality.

After the success of the Green Revolution, unfortunately we became complacent once again on the agricultural front, and we thought at that time that probably our food problem had been solved for all times to come. Unfortunately, that presumption has

proved to be incorrect. Had we succeeded in keeping down our population side by side with progress in agriculture and in other directions, we might have been in a better position, than we are in, today. But because of the tremendous rise in population and the stagnation on the agricultural front, we have now found ourselves in a rather difficult position ; and this difficult position has been accentuated by the recent drought which played havoc with our economy and our agricultural production. Today we are faced with a difficult position and some very drastic steps will have to be taken to increase our agricultural production.

I welcome the measures and the steps which the Government has already taken in this regard. The division of the country into sixteen agro-climatic zones, I think, is a very good step, and a step in the right direction. This will enable our farm scientists and administrators to draw plans and formulas etc. for raising production, in each particular zone taking into consideration the soil conditions, irrigation potential available there, and the need of the farmers in that area, rather than talk in general terms and prescribe something for universal application —which does not do as much good as this specific plan would do.

Secondly, I welcome the appointment of an Expert Committee, with Dr. Alagh its Chairman which has been entrusted with the work of drawing up a new strategy for raising food production.

14.00 hrs.

I welcome that measure very much indeed. In this connection, I am told that a conference or a seminar was held very recently, which was addressed by our hon. Agricultural Minister. In his key note address, he did point out some key areas where there is a need for attention and where there is a need for strengthening those areas. In his key address, he mentioned about proper water management ; secondly, supply of good quality seeds ; help to farmers ; better prices to farmers ; increase in the use of fertilisers by 20 kgs. per hectare ; reclamation of degraded land and rapid development of dry land farming technology. These were the key areas pointed out by the hon. Minister himself and they require a lot of attention and

[Shri Surendra Pal Singh]

strengthening. I only wish that he had mentioned two more items, then the whole scenario would have been complete and those two items in my opinion are : first, fast depleting forest cover in our country—which is also playing havoc to our climate and affecting our food production, and second a large population of useless cattle in our country—which is competing with human beings for survival and a large chunk of our land is now being utilised as reserve for feeding them. Such cattle are not contributing as much to our economy as they should.

Regarding supply of quality seeds, we are aware of the fact that the Green Revolution was ushered into our country because our scientists were able to produce and develop new variety of seeds. Prior to that, production was stagnant ! But no sooner did this scheme come into use, our production went up and we had a Green Revolution in the country. So, the role which a good quality seed plays in increasing food production is really very praiseworthy. In this connection, I would like to say that, today, after 20—25 years of our efforts in this direction, we are deficient in seeds. Even the hon. Minister of Agriculture himself admitted the other day that we are able to supply only 42 per cent of the demand of the farmers. So, my first request in this connection will be that we should do everything possible to produce more and more quality seeds so that all our farmers in the country are able to utilise good quality seeds and they do not have to use old seeds which do not produce as much as the new seeds produce. Side-by-side there should be efforts and a direction should be given to our scientists that now a time has come when they should develop better seeds than what we have today for the future. The seed which was developed 20—25 years ago has begun to deteriorate ; its response is not the same as it was at that time. So, if you want that there should be an increase in production, you have to develop new seeds and that exercise should go side by side with the production of our old seeds.

Regarding help to small farmers, it is a very important matter, which many hon. Members referred to. Of course, I do not

subscribe to the theory that there are big farmers and small farmers ; there can be affluent farmers and poor farmers. There are about 70—80 per cent of our farmers who are poor and they do not have the means and the wherewithal or the necessary financial help to produce as much as affluent farmers can do. So, it is very essential that these 70—80 per cent of our farmers who own about 40 per cent of our agricultural land, their per acre yield should be raised or should come up to the same level as that of the affluent farmers. Today, it is half of what the big farmers are producing. If by helping these farmers we can increase their per acre yield to the same level as is being obtained by the bigger farmers, then straight-way our food production will go up by at least 20 per cent. It is not that these small farmers do not know what to do or they do not know the technique. The only thing is that they lack in financial resources and other inputs and wherewithal to produce more and they have to depend entirely on the cooperative sector and the Government agencies, which, unfortunately, are not able to give them all the things they need in time and in the quantity that they require.

If you want the production of small farmers to increase, you would have to gear up and strengthen the governmental and cooperative agencies so that they are able to provide to small peasants all the necessary inputs and financial help for increasing their production. Here often it has been said that small farmers in Japan and China have done very well indeed. I maintain that our farmers are just as good as the Japanese and Chinese. They know how to increase their production provided we give them the requisite help and assistance to enable them to do so. All this needs special attention.

About better price to farmers, Mr. Rajhans has also mentioned about it a little while ago. This point is being stressed by practically every farm expert and farm lobby. The farmers should be given better prices. The prices should not only cover their cost of production but they should also be given a fair amount of profit so that they can take care of their other needs. After all, they have got to feed their children. They have got to educate them. They have got to marry their daughters. For all these

things, they require extra money. Unless and until we can give them a fair price, we cannot improve their financial position. Unless that is done, you cannot bring prosperity in the rural sector. I think, this is very important and a fair price to the farmers should be given.

Now, I will refer to the cattle population once again. Roughly the cattle population of this country is half of human population. According to an FAO report, 60 per cent of our cattle are useless. As I said earlier, one would not mind if this large population of cattle was making useful contribution to our economy. But they are neither good for milk nor meat nor as draught animals. And we have to reserve a very large area of our land for feeding these useless cattle. Now, my suggestion in that regard would be that we should do something to put a curb on this rising cattle population and reduce this population as far as possible. Keeping into account the religious susceptibilities of various groups of our country, we cannot take very drastic measures to curb the population. What we should do is to sterilise all the scrub bulls and males of other species. Once we do that, the undesirable population would automatically go down. Thereby we will be saving our land for food production.

Now, I will refer to degradation of land. I think, the hon. Minister of Agriculture is aware that out of total cultivable land of 266 million hectares nearly 175 million hectares of land has either been degraded completely or is in the process of being degraded. This is a big loss. As I said, land is our great natural resource and we just cannot afford to lose it. Therefore, something drastic has to be done to see that the degraded land is reclaimed as early as possible and made useful if not for crop cultivation, at least for growing grass or shrubs which can be utilised for feeding cattle. And we shall also stop further degradation. For that proper agricultural practices must be adopted.

We are making use of fertilisers without finding out the quality of the soil as to what our soil needs. It results in over application of fertilisers.

Besides that, our farmers keep on raising

those crops year after year which are very heavy feeders on nutrients, with the result that we are taking more from the soil than putting back into it. We never allow our land to remain fallow or put some farm yard manure into it, to built up its fertility and humus. As a result of wrong agricultural practices the soil is getting impoverished.

Madam, at this rate, our agricultural land may become alkalinised and barren.

Madam, I will take only two more minutes.

Dry land farming is another important thing. Nearly two third of our foodgrains are produced in dry land farms today and sixty per cent of our agricultural land falls within arid zone. The production there depends entirely on rainfall. Because of the vagaries of the weather, the production fluctuates from year to year; sometimes good, sometimes bad, and it is more bad than good. We have to evolve a technology, whereby we can raise the production in the dry land farms and stabilise it so that we do not have to depend on monsoon so much. In this connection, some very good work has been done in Dry Land Institute, Hyderabad. But, I am told that the problem has not been solved completely and our scientists have not been able to find an answer at all. Whatever little work they have done that has also not reached farmers because the local extension service have not cooperated.

I would like to tell one more thing. Our agricultural schemes sponsored by the Central Government can only succeed if there is complete cooperation between the State Governments and the Centre. This is a concurrent subject. All the proposals and schemes have to be carried out by the States for which the State Government's cooperation is very much necessary. I think, we should really make efforts in this regard and impress upon State Governments the need for their fullest cooperation. A sort of harmonious relationship between the State Government Agencies and the Central Government has to be established so that all our proposals and schemes can be carried out properly.

With these words, I conclude.

[Translation]

***SHRI SODE RAMAIAH (Bhadrachalam) :** Madam Chairperson, my constituency Bhadrachalam was worst affected by the floods in 1986. The damage was to such an extent that the farmers in the area had lost everything that they had and are yet to recover from the heavy burden of loans. They are in a helpless situation now. Similarly, the entire area was affected by the worst ever drought in 1987-88. The crops withered away. Though the farmers succeeded in raising the crops at some places, they had to suffer heavily as there were no remunerative prices for their produce. The cotton, mirch and tobacco growers suffered a very heavy loss and they are now in a helpless position. Hence the Government of India should take steps to write off all the loans of these farmers and see that new loans are granted to them by State Bank of India. This way the farmers can be rescued from their present miserable position. The Government should also extent timely help to them to raise new crops.

Khammam, East Godavari and Visakhapatnam districts are predominantly tribal areas. Much of the area in these districts is an Agency area where there is a dense tribal population. Hence the Government of India should conduct a thorough survey of these areas and taking appropriate schemes under the integrated Tribal Area Development Programme for the alround development of these backward areas. This is the best way to help the tribal people in these areas. The surplus land of landlords should be taken over and distributed among the poor and the landless. Necessary pattas should be issued to make them legal owners of the land. All possible help should be extended to these poor people for cultivating the land given by the Government.

Sir, there is a land dispute between the rich landlords and poor people in Bhimolu in West Godavari district. The dispute is pending before the Supreme Court now. The Government should see that the dispute is resolved in favour of the poor and justice is done to them. The poor should get the land. Similarly the Pattas should be issued to the tillers in Visakhapatnam

district.

The rivers Shabari and Godavari flow through Khammam, East Godavari and West Godavari districts. These rivers are perennial rivers. If the lift irrigation schemes are taken up on both sides of these rivers, it will boost agricultural production. The farmers will be able to raise all sorts of crops. The entire area will prosper. Hence necessary steps should be taken to conduct a survey for introducing lift irrigation schemes on these rivers.

Due to unprecedeted drought the agricultural production in Andhra Pradesh has gone down very much. There were no good crops this year. Hence the Government should take steps to ensure supply of rice, wheat and other essential commodities etc. to the affected people.

New factories should be located in the Manyam area, so that the drought affected people there can get their livelihood.

An Aluminium Plant at Krishna Devipeta in Bhadrachalam Constituency with Soviet assistance has been sanctioned long ago. But the construction work has not been taken up so far. Hence, steps must be taken to start construction work of this plant immediately. It will help the drought hit people of the area. Due compensation should be paid to the people whose land has been acquired for this purpose. Employment should be provided to the local people.

The country is facing an unprecedeted drought. It is the worst ever drought in this century. The farmers in the country are now facing too many problems. Life has become miserable for them. But ignoring all this, the Government, instead of spending money for the welfare of the farmers, is spending lavishly on meaningless ceremonies and functions. Very recently a function was organised at Asiad Village Complex, New Delhi to celebrate the 40th anniversary of India's independence and 100th Birth anniversary of Late Pandit Nehru. The programme was organised by the Fertilizer Industry. Only 100 invitees belonging to Public Sector and Cooperative Sector had participated in this function. A

dancer was flown from Calcutta specially for this programme and Rs. 5 lakhs were paid for her expenses. Government Companies such as NFL, IFFCO, KRIBHCO, RCF etc. contributed Rs. 5 lakhs each for this function. It is most unfortunate that when the country is facing a natural calamity of gigantic proportion, the Public Sector Fertilizer industries choose to spend money recklessly on such functions. Similarly, Madam, Rs. 50 lakhs were spent on inaugural ceremony of a water treatment Plant at Aonla. The total cost of this water treatment Plant was around Rs. one crore only. Rs. 50 lakhs were spent on the inauguration of a Plant which costs only Rs. one crore. Yet, in an another instance, the annual management Conference of KRIBHCO was held recently at Surat instead of New Delhi where its headquarters are located. Nearly Rs. 50 to 60 lakhs were spent on this Conference. All these instances show how lavishly the Government is spending the money of the people on functions and ceremonies. Had this money been spent on the welfare of the poor farmers and in creating new irrigation potential, it would have helped the farmers immensely. Madam, the Government should stop such wasteful expenditure. The money should be spent on the farmers and their welfare. Then only the country will prosper and the farmer will prosper.

With these words I thank you very much and conclude my speech.

[Translation]

SHRI RAMESHWAR NEEKHRA (Hoshangabad) : Madam, Chairperson, I rise to support the Demands for Grants of the Agriculture Department. At the outset, I thank the hon. Minister of Agriculture, his junior Ministers and the concerned officials who under the leadership of Shri Rajiv Gandhi tackled the severest drought of the century in such a manner that neither the farmers nor the masses of our nation could ever realize its impact. They indeed deserve to be congratulated for the same. Those who still say that nothing has been done in the field of agriculture, are perhaps interested in seeing the world blind folded. On hearing their views I am reminded of one of the interviews of late Shri Jagjivan Ram, which was given to a magazine published on the eve of Congress Centenary year. In that

interview he stated in a highly emotional tone that when 10 to 15 years back during his tenure as the Agriculture Minister, there was a scarcity of ration, and whenever he visited abroad to ask for food grains, the heads of the foreign states refused to even meet him. They said that a beggar had come to beg foodgrains from them. Now situation has totally changed. Today our Minister of Agriculture goes to South African countries and other countries, he proudly says that if there is any nation in the grip of starvation, then India can readily provide foodgrains to it. I once again want to thank our Minister of Agriculture for our agriculture policies.

Now I want to make some request through you to the hon. Minister. A lot of reliefs have been given to the farmers in the Budget which has come recently. But keeping the current price-rise in view, this relief has failed to make any impact. Therefore, I feel that there is a need to give even more reliefs. It is most ironical that the commodities produced by the farmer yield cheaper rates, whereas commodities which he purchases are available to him at a higher price. Even the raw material like the oil seeds etc. grown by him are sold at a very cheaper rates. The same oil seeds when transformed into oil is sold at a very high rate. Same is the case with pulses. Therefore, I should like to request you that this inequality which has arisen should be removed so that farmers may get the maximum price for their produce.

Today, the farmer wants to adopt advanced method of agriculture, but the problem arises when he goes to buy pipe, tractor or any other agricultural implements in the market. He has to pay as much as Rs. 110 thousand for buying a tractor and similarly the other farm equipments such as Diesel machine, pump and pipe etc. are all available at an exorbitant price. In case he wants to irrigate his land with the help of sprinkler-system, then that too is quite expensive. He is interested in adopting advanced agricultural implements in his cultivation but these implements have become so expensive that he is unable to afford them. I request you to make some such rule that just as money is given under self-employment or other such Schemes, or just as 25 per cent subsidy and other such subsidy is provided

[Shri Rameshwar Neekhra]

to the backward districts, similarly a provision should also be made for the purchase of tractors and other such things. When you make provision for maximum subsidy, the farmer too will use the advanced agricultural implements. I have seen that the farmer wants to purchase high quality seeds which are produced by your Agriculture Department but they are so expensive that he feels unable to buy them. If he wants to buy wheat seeds in the market, it is available at a price as high as Rs. 700 per quintal and when the produced wheat comes to the market, it is sold at Rs. 400 per quintal only. Similarly when he goes to buy the seeds of Soyabean, oil seeds or any other seeds, he has to pay double or triple price in the market. If you want that the farmer should make use of the high quality seeds available, you will have to give them the seeds at a cheaper price, so that the poor farmers, marginal farmers and small farmers, for whom you have already made various schemes, may make use of them.

Now, I would like to draw hon. Minister of Agriculture's attention to a disparity. On the one hand the Government constructs a dam by spending many crores of rupees, dig a canal and the farmers take the canal to his farm and a band of high officials are employed to look after it. The irrigation tax of that canal in Madhya Pradesh and other places is Rs. 25 per acre. If the farmers gets a tubewell or a well sunk by taking loan from the bank, he has to pay Rs. 100—125 per acre as electricity charges, whereas the Government charges only Rs. 25 per acre for irrigation through canal. This disparity in which a farmer has to pay Rs. 100—150 as electricity charges in case he himself develops the means of irrigation should better be removed. The funds which are being spent for providing canal irrigation facilities should be spent for providing well and tubewell irrigation facilities. I also want to submit that I have seen in my own constituency that a dam on which you spend hundred of crores of rupees, gets completed after 10 years and if its cost is initially Rs. 200 crores, then, by the time it is completed, the cost touches Rs. 2,000 crores. But if you give funds to the farmers for tubewell and he spends it for the same purpose, then irrigation starts in the same month. Approximately Rs.

60,000 are spent on a shallow tubewell, and it irrigates 40 acres of land. No subsidy is yet being given for that. If you give a subsidy of 50 per cent on a shallow tubewell, then you can get immediate benefit whereas this is not the case in the dams on which you spend thousands of crores of rupees.

You have encouraged the cultivation of pulses by saying that profits will be given to those who cultivate pulses. When a farmer produces more pulses, even then the Government decides to import it from abroad and when pulses are in excess in the market, its rates get reduced. I request you that in no case you go in for import from other countries and in our own country, the moment our farmers get higher prices for the pulses, their produce will be doubled, or even four times and next year you will find that there is no need to import from other countries. Therefore, you should stop importing these and other goods.

You have done a lot of work through R.L.E.G.P. and N.R.E.P. and through R.L.E.G.P. you have given permission to the State Governments that they may build primary and middle schools in their state in case they are interested. This has surely spread education to a large extent but the situation is such that the high schools built by the Government have neither any building nor any laboratory. The same ratio which is adopted for constructing a middle school, is used for constructing a high school as well. Therefore, I request you to give permission to build high schools through R.L.E.G.P. This will surely benefit the field of education.

I want to make another request with a heavy heart. While extending my congratulation and thank to the agricultural scientists for their magnificent contribution, I want to draw the attention of the House towards a news item appeared in newspapers some days back regarding the suicide of 5-6 scientists working in the I.C.A.R. due to frustration and agony they were suffering there. I personally know a case in which a officer was how badly oppressed and harassed by the authorities and if you give me an assurance that he will not be taken to task, I can tell his name also. His name is S.K. Patel and he is at present posted at Junagarh. When he was posted at Nagpur, he was to be

confirmed in his service at that time. But he was not confirmed. He was confirmed only when he went to court to redress his grievances. But the Council made appeal against the judgment of the court in the District Court, High Court and finally in the Supreme Court. In another case also, the Indian Research Council again went against him in the Sessions Court, High Court and finally in the Supreme Court. You may ask for information of this case. The lakhs of rupees were spent on litigation so that he could be deprived of any benefit. But the Supreme Court gave its ruling in his favour and provided him relief. I want to say that the concerned officers of Indian Research Council should be held responsible for this wasteful expenditure and the amount incurred on this litigation should be recovered from the pensions of the concerned officer, if required. No doubt, you have a very good team and I hope that with this team you will be able to check all these things.

The caterpillers have caused an extensive damage to the crops of pulses specially in Hosangabad, Narsinghpur, Raisen areas of my constituency and the crops of pulses have been completely damaged by caterpillers in just within three days. I, therefore, request you that a team should be sent to estimate the damage and the proper compensation should be given to farmers for this damage. Because the Government have encouraged them to cultivate this crop, therefore, the Government should also give them appropriate compensation for this damage.

With these words, I conclude my speech and thank the chair for giving me an opportunity to speak and express myself.

[Translation]

*SHRI G.S. BASAVARAJU (Tumkur) : Madam Chairman, I rise to support the demands for grants of the Ministry of Agriculture for the year 1988-89.

After Defence, Agriculture has been given the utmost importance by our Government. We are allocating more and more money to agriculture since 1952. The five year plans have given new enthusiasm to the life of farmers in the country. Much has to be done to boost the production of food grains and step up our exports.

I would like to speak on the seven very important points which are the integral aspects of progressive agriculture. They are : (1) Good quality seeds ; (2) Fertilizers and manures ; (3) Credit facilities ; (4) Irrigation facilities ; (5) insecticides and pesticides ; (6) Adoption of New technology ; and (7) Marketing facilities.

Good quality hybrid seeds and saplings have to be provided to the farmers. For this purpose more and more seed research centres have to be set up in the country. Farmers do not need our lip sympathy but they want good quality seeds. During the years 1962-65 quality hybrid seeds were supplied to farmers and there was steep increase in the agricultural production. National Seed Corporation has to take the responsibility of supplying only quality seeds. Recently in my constituency many farmers burnt their fingers. They were given very low quality seeds and the entire maize crop was a failure. Hence steps have to be taken against the bureaucrats and other connected officials who are responsible for distribution of low quality and adulterated seeds. I hope the hon. Minister will take suitable action against the culprits.

There are about 20 crores of cattle, 30 crores of sheep, and 50 crores of hens etc. Therefore, there should not be any shortage of manure. It is unfortunate that we depend upon chemical fertilizer. There is also large scale of adulteration of fertilizers. We are continuing to import fertilizers. Of course, Government is giving subsidy on fertilizers to help the farmers. This benefit of subsidy is not reaching farmers and only the factory owners of these fertilizers are deriving the benefits. This has to be avoided and steps should be taken to see that the farmers get all the benefit of subsidy.

Many farmers are not getting the loans from banks. Some farmers are asked to wait for years to get their loans. There are cases where loans have been sanctioned after the crops yield has been obtained by the

*Translation of the speech originally delivered in Kannada.

[Shri G.S. Basavaraju]

farmer. In such cases farmers' pledge the jewelry and obtain loan from money lenders at an exorbitant rate of interest. I urge upon the hon. Minister of Finance to come to the rescue of farmers and to direct the bank officials to help the farmers. The Cooperative Societies and the banks have to come forward with liberal credit facilities.

Irrigational facilities play a vital role in the field of agriculture. Our country has vast natural resources but less irrigational facilities. Even after 40 years of independence the percentage of irrigated land has not reached the mark thirty. We have great rivers like Ganga, Brahmaputra, Narmada, Krishna and others. Water of these rivers is flowing into the sea. Several crores of rupees are being spent for development of canals ; ole Delhi. Ironically we are not in a position to spend 1300 crores of rupees to provide irrigational facilities in the country. Every year the farmer is affected either by drought or floods. There the Government should make it a point to provide irrigational facilities to at least the two acres of land per family. Jaladhar scheme, has enthused the farmers community throughout the country.

Pesticides and other medicines should be made available to the farmers. There are so many crop diseases still prevailing even today. The "root wilt" disease had destroyed the coconut trees in South India resulting in huge losses of coconut crop. Therefore, insecticides and posticides should be distributed to the farmers at cheaper rates. Our hon. Finance Minister was mentioning about the tax concession to farmer for buying the pesticides. Unfortunately even after the announcement of concession by our Government many of the merchants are selling the pesticides at the old rates. Steps have to be taken against such merchants who are exploiting the farmers.

New Technology must be adopted in our agriculture. If we still pursue the traditional system of agriculture, we cannot increase the agricultural production. Per hectare agricultural yield is very low in our country when compared to some of the foreign countries like China, Japan, Ireland and Denmark etc. where New technology is being adopted to

boost agricultural production. In the agricultural research institutes and in the agricultural universities technical hands have to be appointed as far as possible. Instead of appointing IAS officers in the above said institutions the Government should appoint technically trained experts at various levels.

Marketing facility plays a vital role in encouraging the farmers. The farmers in this country will be ruined if proper marketing facilities are not provided and the standard of farmers living condition will never improve. Here I would like to cite an example. The farmer sells one KG of cotton for Rs. 5 or 6. The same farmer purchases a dhoti which made of one KG cotton by paying between Rs. 55 to Rs. 100/-. By this, we can imagine the extent to which the farmer in this country is exploited by the man. I, therefore, urge upon the hon. Minister to provide direct marketing facilities to the farmers. There should be no middle men and this should be the responsibility of the Government.

Horticulture must be encouraged throughout the country. Dripping irrigation facilities must be provided. Instead of pepsi-cola we should propagate tender coconut water which is not only tasty but also acts like medicine. The production of mango, orange, grapes, sapotu, banana and other fruits should be increased. The health of the people in the country will improve if our Government extends proper encouragement for the production of fruits instead of artificial drinks.

Animal Husbandry is another field which has been neglected since a long time. We talk about white revolution in addition to green revolution. At the same time we import certain cattle feed. Due to drought situation prevailing in the country especially in States like Karnataka, Andhra Pradesh, Rajasthan, Gujarat and other places there is no fodder. We have to make some other alternative arrangement to look after the cattle. Otherwise the cattle will perish and ultimately the farmer will be ruined.

As it is in Gujarat hybrid varieties of cattle have to be reared in all the States. Dairy Development, poultry should get all assistance from the Government.

We are spending about 2000 crores of rupees for the rural development programme. There are several programmes for the upliftment of the poor rural masses of the country. NREP, RLEGP and other programmes have laudable objectives but it is very essential for the Government to ensure that the money reaches the poor people for whom these programmes are meant. Cottage industry should also be encouraged with all financial facilities from the Government.

Agriculture should get the top place in order of priority. I hope that the hon. Minister would do their best to help the farmers to improve their living conditions and to boost agricultural production.

Madam Chairman, I thank you for allowing me to speak and with these words I conclude.

SHRI BALASAHEB VIKHE PATIL (Kopargaon): Madam, Chairman, I rise to support the demands of the Ministry of Agriculture. The Ministry of Agriculture is a comprehensive Ministry, whose jurisdiction extends to a vast part of the country including the hilly areas, desert areas, drought affected areas and the matters concerning Horticulture etc. This is the first time that Government have paid attention to agriculture and have given some relief to farmers in the Budget, but the relief provided is too sufficient to encourage the farmers to do more work and pay their full devotion to it. The Congress Party have set up a Committee under the Chairmanship of Shri Rao Birendra Singh with regard to subsidy being given to farmers. The present Minister of Agriculture alongwith the new Minister of State in the Ministry of Agriculture is doing his work with full dedication and devotion, I would like to request him to withdraw the system of providing subsidy because it breeds corruption in public life. The Government is giving loans and subsidy to the small farmers of desert areas and drought effected areas under R.L.E.G.P. and N.R.E.P. In this regard, I am to say that the Government, instead of giving subsidy to farmers, should not charge interest on the loans provided to them. In this way, the farmers will get some relief. The farmer who irrigates his fields by canal is more lucky than the farmer who irrigates his fields by his own tubewell because the tubewell is installed by taking

loan from the Government and due to non-recovery of the loan the Government files suit against him and he has to face trials in the court. I want that Government should not charge interest on the loans because both kinds of farmers equally contribute for the development of the country. The Government have brought schemes like 'Kisan Vikas Patra,' 'Jal Dhara' and 'Kuteer Jyoti' for the welfare of farmers. I think under the 'Employment Guarantee Scheme' the Government will provide open wells for the small farmers in Maharashtra and the farmers will not be charged anything for this. But farmers will have to take loans for purchasing electric motors to draw water from the wells. We have not yet decided to treat agriculture as a capital Intensive Industry. When power is supplied, only then the industry would run. But power is not being supplied to farmers. I, therefore, urge upon the hon. Minister to pay his attention to this regard otherwise, only the cities would progress by the 'Kisan Vikas Patra'. I am to request the Government to use these Vikas Patras for the development of farmers only which are being collected from farmers.

I, therefore, strongly make a demand that the setting up of Agro Processing Industries would be in the interests of farmers and labourers both. The Reserve Bank of India has prepared a very good scheme which requires the attention of the Government of India. To start with, the 10 per cent of the money may be given by the farmers and let the R.B.I. pay the rest 90 per cent of the amount to purchase shares. In Maharashtra, the farmers are required to contribute 500 rupees for a share of Rs. 1000. The Government should evolve a scheme whereunder 500 rupees should be made available to Scheduled Castes and Scheduled Tribes farmers as interest free loan and, the rest of the money, i.e. 500 rupees, is financed by N.C.D.C.

You can see that people in a very large number are migrating from villages to cities. Mahatma Gandhi had always aspired for an ideal village. All of us always talk about the development of villages, but inspite of this the people are migrating from villages to cities. But why? I will not give data in support of it, because you will ring the bell, but I want to tell as to how the villages can

[Shri Balasaheb Vikhe Patil]

be developed. A panel has also been set up in the A.I.C.C. for this. You please pay your attention towards this. We could neither understand the problems of rural areas nor find out the way to solve these problems. But why ? We have the political will but we should take strong steps to materialise it. As I have said earlier you will have to gear up the cooperative movement in village for this and have to reserve some industries for rural areas in the cooperative and agricultural sector on the pattern you have already reserved for small scale industries. You can reserve some small scale industries like fruit canning and Food processing etc. As many as 32 cases with regard to opening of Spinning mills in Maharashtra are pending clearance with the N.C.D.C. The farmers of Marathwada and Vidarbha regions, which are the backward areas, have managed to mobilise an amount of rupees two crore each by taking loans from banks to set up industries in cooperative sector. But the Planning Commission did not give them permission to set up industries in cooperative sector. The recovery of loans has already started. We often talk about the rural industries and the rural development but do nothing for their development. If the middleman is removed only then the farmers would flourish and their children would get education. Leave alone providing education to the children of farmers, the position in villages is so miserable that even today the village labourers, be it in drought prone areas or desert areas, have to lead their life just as a bonded labourer. Every member of the family has to go for work to earn his livelihood, leaving the oldman inside the house to look after it. The agriculture is no more a beneficial enterprise, there is only losses in it. You have set up a National Agriculture Commission under the Chairmanship of Shri Mirdha who has given many valuable suggestions. We are aware that the Ministry of Agriculture is facing constraints of funds, but you will have to do something. You are giving Rs. 3 crores more for agriculture credit but you will have to make a basic change in the agriculture credit itself. You are applying the same policy for every situation, be it for drought, irrigation, desert, drought prone areas and the flood affected areas. This is

not a good thing. You will have to prepare short term, medium term and long term policies. You will have to make some basic changes for this and will have to frame medium term policy for 12 years instead of 7 years, the long term policy for 20—25 years instead of 15 years and will have to withdraw the provision of charging interest on loan. If these policies are adopted, production would automatically increase and the inflation would be controlled. Unless these policies are adopted the villagers will continue to migrate from villages to cities to live in slums, and, we will simply indulge in making tall claims for farmers and village development. As a result, the slums will go on increasing without any medical and educational facilities. An hon. Minister has said on the other day that the Government is trying to restrict the migration of people into Delhi. The other cities like Bombay and Madras are also facing the same problem. Therefore, the Government should take it seriously and try to create employment in villages through the Cooperative Movements. If the people get employment in their villages, then what for they would come to cities ? There is also the need to rationalise the price of the agricultural produce. There is also the need to reduce the prices of agriculture inputs. Another thing which I want to submit is that the Government have implemented the Land Ceiling Act in villages only and not in cities. Why this injustice has been done to villages and farmers ? Is it because the urban people give more donation than the villagers ? The Congress Government have promised at the time of presenting the Land Reforms Bill in Parliament that it will be implemented in villages as well as in cities also. To export the agricultural products, the FICCI and some other private sector industries want to establish 100 per cent Export Farms and they have also submitted a proposal before the Government. Each year during the course of debate on the budget I sought information from the Government with regard to it, but the Government have each time replied, "No such proposal is under the consideration of Government". I would like to know whether the Government of India would accept the proposal of FICCI or any other private industry for establishing 100 per cent Export Oriented Farms keeping in view

the trade deficit and to increase the agriculture produce. By this way, private sector wants to violate the Land Reforms' Act. Last year, I have submitted a proposal and made suggestion also that instead of creating 100 per cent 'Export Farms', the Government should choose areas and then decide as to what items are to be exported from what areas. By deciding this, the Government will be able to export agricultural produce by taking these produce directly from farmers. In the process, there will be no middlemen and the farmers will be directly benefited. The Government have also constituted climatic zones for this purpose, main purpose of setting up this zone is to export the item directly from that very State which produces it.

Farmers will themselves export some portion of their produce through cooperatives if some incentives are given. For the last three years in every session I have been raising this issue and FICCI also has been demanding the same for the last 10 years. Something needs to be done for promoting exports.

For irrigation land our demand is introduction of sprinkle and Drip irrigation systems. For this Government should give long term interest free loans, withdraw subsidy and do away with medium term facility, so that farmers find it easy to repay back the loans.

Right now, Maharashtra is facing water scarcity. Shri K.L. Rao said that there was Ganga-Kaveri Scheme. Despite a number of schemes and experts available, I regret to say that at the time of implementation nothing is seriously done. In order to achieve the target of 175 million tonnes of foodgrains, seeds, water, electricity and timely credit are required. Soft loans are provided to a particular industry by treating it as sick. But the agriculture is not considered to be an industry. In the Budget, interest on loans has been reduced by 10 per cent. Farmers are helpless, they do not have anyone to air their grievances, but when the hon. Minister is so seriously looking after the work of this Ministry, then my request to him is to formulate soft loan policy for the welfare of farmers. Some incentives should also be given to agriculture for increasing exports.

About Maharashtra I would like to submit three-four points. In the absence of coordination between research and extension, we are helpless to undertake extension work. Unless we undertake it, how the production will increase. When we approach I.C.A.R. and Agricultural University, they say it is not their responsibility it is the duty of the State Government.

14.53 hrs.

[SHRI SHARAD DIGHE in the Chair]

About Maharashtra I would like to say one more thing that as far as the question of monopoly procurement of cotton is concerned, Government should immediately fix the price of cotton otherwise its price will steeply increase. Government is now importing cotton. So what is the difficulty in raising the price of domestic cotton? Farmers of India are so industrious that they can even produce double the quantity they are producing. Instead of helping the farmer, Government is importing cotton to help the mill-owners. What is the amount outstanding against the farmers. Despite concern expressed by the Government, RBI and Agriculturalist why loan is not recovered when amount of loan is not recovered, credit line is checked up. When we want to make basic changes in it, the officers of RBI say that repayment of loans is not being made. We should give a serious thought to why repayment of loans is not being made. But we should not withhold the amount earmarked for increasing production.

This year the agricultural production is going up in Maharashtra and whole of India due to increased sugarcane production, so the price of sugarcane is required to be increased. Arrears of sugarcane payments are mounting. The hon. Minister is requested to pay attention to it, otherwise the output of sugar will go down next year. The dues outstanding against the farmers are bound to go up and the Government will also be forced to release more foreign exchange to buy sugar from abroad.

I got a negative reply each time in response to my three notices of question in the House about progress of Employment Guarantee Scheme in Maharashtra. With the money disbursed and the foodgrains

[**Shri Balasaheb Vilche Patil**]

given as subsidy to labourers, development works are in progress under NREP, RLEGP and IRDP. Subsidised foodgrains should also be given to AGS which is as well doing development work.

In Maharashtra there is scarcity of drinking water also. There 28 thousand villages are facing the shortage of drinking water. Maharashtra is in the grip of drought for the last few years. In order to solve the problem of drinking water, Government should allocate more funds for it. In Maharashtra the State Government tried its best to tap underground water by drilling upto 300 feet but all attempts have proved futile. Government is requested to run Regional Water Supply Scheme in Maharashtra and make use of new technology. Government should make arrangement for supplying water here by bringing from far flung areas too.

In the end I will urge upon the Government to reduce the price of inputs and the things given for making investment so as to increase agricultural output. Government should also give some concession on the arrears outstanding against farmers.

With these words I support the demands for Grant of the Ministry of Agriculture.

[**English**]

SHRI K. MOHANDAS (Mukundapuram) : I am supporting the demands of the Ministry of Agriculture. This year's Budget has taken good care of the farm sector. I am happy that the Government has realised that if the farm sector fails the economy of the country fails. This is more than clear when natural calamities like drought occur as it happened this year. If there is sufficient foodgrains in our granaries there is nothing to fear. But for that the interest of the farmer has to be protected. This is exactly what the Government has tried to do. I am happy that this year the allocation for agriculture has been raised by 40% and I am sure the farmers of this country will feel encouraged to produce more.

It is true that we have brought about revolutionary changes in the agricultural production through green revolution. Production

has increased and we were even in a position to export foodgrains. While all this is true, it is also a fact that our per hectare production is very low. According to a study conducted in 1983 the per hectare production in India in respect of wheat was 1848 kgs. whereas the best production in the world was 7292 kgs. Ireland created this record. The world average of wheat productivity was 2144 kgs. We occupied the 31st position in wheat productivity. In respect of rice too our productivity is very low. In the same year, the best production in rice was 6364 kgs. which was in South Korea and the world average was 3004 kgs. India's production was only 2024 kgs. This reality must open our eyes.

If, with this production and productivity we have a surplus, in only means that our people do not have enough capacity to purchase the foodgrains. But then that is another problem which does not directly concern the Minister for Agriculture. Therefore, we must concentrate on increasing productivity. That alone is going to solve the problem of shortage of foodgrains. Although the shortage of foodgrains is not an immediate problem, it can become a serious problem if the drought condition comes back and the crops dry up. Therefore, a long term policy should be evolved and implemented to increase the productivity of cereals and pulses at least to the level of the world average.

Sir, a lot of criticism is heard about the pricing policy in respect of agricultural commodities. The farmers of this country are very unhappy over the low price they get for their produce. The Government fixes the prices and it is claimed that the cost of production is taken into account while fixing the prices. But the farmers are not fully convinced about it. I would suggest that an independent commission be appointed to study the different aspects of the pricing of agricultural produce more thoroughly and suggest a flexible approach towards fixing the prices.

15.00 hrs.

Last year, we faced the severest drought in the country and the long term impact of this drought is going to be felt in the years to come. In respect of paddy, wheat etc., the

impact can be neutralised in the next season. But there are certain crops on which the impact of drought lasts longer and the growers of these crops suffer for a longer period. For example, coconut, pepper, arecanuts etc. Once these crops are damaged, the grower has to wait for many years after replantation to get any yield. This creates serious problems for the growers. Most of them are small and marginal farmers owning 2 hectare or less. A very large number of them depend entirely on the income from their plantation crops. So if they are damaged they will be left with no income at all. This problem has not been sufficiently appreciated by the Government at the Centre. Already the coconut trees are affected by the root-wilt disease which has destroyed a very large number of trees. Although some research has been done to prevent this disease no break-through has been achieved. My feeling is that enough is not being done in this regard. When apple was affected by some disease it was declared a national disease and the Government had taken all steps to protect the apple crop. But the same eagerness and sense of urgency has not been shown in tackling the problem created by coconut disease. Coconut is not less important than apple. Therefore, I request the Government to give more funds for research and if necessary involve international research organisations in finding a remedy for the coconut disease.

Sir, there was a demand for fixing a floor price for coconut. The Government has agreed to consider that. But it has not been done so far. In fact, the problem is that the poor coconut growers of Kerala do not have a lobby in Delhi and that is why their problems do not get adequate attention. The Government must pay attention to the problems of farmers wherever they are and whatever crops they grow.

Fisheries is an important sector which needs more attention. Kerala has a great potential in this and a very low percentage of its potential has been used. Marine products are a good foreign exchange earner. More fishing trawlers should be imported for the further exploitation of the marine resources. Japan, Korea, etc. have made great advance in marine exploitation but we are lagging far behind. We must also protect the interests of the fishermen. I thank the

Government for the decision taken in regard to the import duty of outboard motors. This will really help the fishermen to improve their condition. A more purposeful plan should be chalked out for fisheries in Kerala.

Finally I want to say a word about the crop insurance. This is a good step but the present criteria are not helpful. Village should be made a unit for computing the loss. Under the present procedure many deserving farmers will not be able to get the benefits. Then the crop insurance should be extended to more crops. This will help the growers of all important crops.

With these words I once again support the Demands of the Ministry of Agriculture.

[Translation]

SHRI K.J. ABBASI (Domariaganj) : Mr. Chairman, Sir, I rise to support the Demands for Grants of the Ministry of Agriculture.

Farmers are the backbone of the country and with regret I say that during the 40 years of independence least attention has been paid to them though maximum benefits have been derived from the farmers. With the increase of production of foodgrains population is also increasing. I have little time at my disposal so I will not go into the details, but will say only this thing that please remember the period when P.L.-480 foodgrains were supplied to the people and there was hue and cry everywhere. Braving the chilly cold and scorching heat, farmers toiled in their fields. Farmers never bothered about their welfare and faced all difficulties to produce foodgrains for the country. They braved the ferocity of floods but what has the Government done to help them during floods ? If you take an honest stock of the situation you will find that the Government comes to their rescue after the floods recede. During the peak of floods, farmers have to bear the brunt of it single handedly and have to take shelter on the branches of trees. If the devastating scene of floods is narrated in the House, tears will roll down in your eyes. With what reliefs does the Government go to the flood victims ? Only after receding the floods, Government helps them by supplying gram and matchboxes.

[Shri K.J. Abbasi]

Farmers have served the country despite all these odds which they have to face. It is a fact that steps have been taken to improve their lot but with slow pace. You may recall the period when Block officials used to request the farmers to give a part of their land to them to grow crops on it. Farmers were even allowed to take away whole of the benefit accrued from it. Even then, farmers were not ready to give land. Only after great persuasion they seldom gave their land. But when the farmers reaped profits through improved seeds and implements resulting in rise in production from 4 to 6 maunds to 25 maunds a bigha, their output rose 4 to 5 times. The agricultural production can further be increased, there is scope for it. For accomplishing it, Government has 26 Universities in which several people are working, I won't go into the details but despite this there is shortage of quality seeds. I would like to tell one thing to the hon. Minister that though Government has abolished zamindari system and brought small farmers at par with large farmers, but still big farmers are very much there, not on paper but in practice. In the names of fictitious persons they own lands as much as 50 to 400 bighas. They own big houses, cars and all of us are entertained by them at their residences. The improved seeds supplied by the Government from Satna are usurped by the big farmers in between. Seeds do not reach the poor and small farmers, resulting in great distress to these people. Now they are also interested in purchasing quality seeds. Earlier, they never took any advantage and now nothing is made available to them when they intend to avail of the facilities provided by the Government. It has been informed that there is shortage of the seeds and the Government is importing seeds worth Rs. 900 crores. But why there is shortage? Why does the Government not produce these seeds? There is neither shortage of land nor expertise in the country. Our scientists are now challenging the whole world. In India, there is shortage of neither scientists nor know-how, then what are the reasons we are not able to produce enough seeds and why are we importing from abroad? Government should think over all this. The money allocated in this Budget should have been allocated ten years ago. Government is

late by ten years. That's why shortage has emerged. It is a fact that only after farmers got agitated Government has started looking into their problems, otherwise they were continuously suffering for a long time. Only after the farmers got agitated Government realised that it must do something for them and then paid little attention towards their problems.

I hope you will now think over it that something is yet to be done for them. The most important matter which I have stressed upon repeatedly, is the market tax which the farmers have to pay when grain is brought in the market for self. As a result of continuous struggle, a legislation was enacted in Uttar Pradesh in 1982 to abolish market tax. Now farmers sell their produce in the market without paying market tax. When they carry the goods belonging to four to five persons in the tractors, to sell them in market, the goods are seized by the police. If they bring their produce in the market in bullock carts, even then their bullock cart is seized. Sometime one of their pair of bullocks dies in the police station and cases are registered against them.

THE MINISTER OF STATE IN THE DEPARTMENT OF AGRICULTURE AND COOPERATION IN THE MINISTRY OF AGRICULTURE (SHRI SHYAM LAL YADAV) : It has been stopped in the market of U.P.

SHRI K.J. ABBASI : The farmer should be free to sell his grain in the market of his own choice so as to get maximum benefit. At present grains brought in the market by the farmers are purchased by the Government, for which purchase centres have been opened at different places. But middlemen loiter around these centres to purchase grains from farmers because F.C.I. delay the purchase which forces them to sell their produce to the middle men. Later, these middle men sell it to the F.C.I. So this practice is going on with the connivance of F.C.I. without any check on it.

Nowadays, a pair of bullocks is available at a very high cost, due to which half of the rural population do not have a pair of bullocks. So they are interested to do the cultivation through tractors which they are unable to afford. Private individuals lend

their tractors for plough cultivation on rent at Rs. 50 per bigha. Ours is the largest State and we are interested in the welfare of farmers. Therefore, I suggest that such centres be set up in every block where tractors could be lend to farmers on minimum amount of rent, so that they can get benefit out of it. I hope attention would be paid to it. Since the days Shri Vir Bahadur Singh ji became the Chief Minister of Uttar Pradesh, he has been able to manage the power supply for 8—10 hours per day. But the timings are quite irregular and the farmers find themselves to be unable to utilize the power. How can the farmer do so when he is unaware of the timings? So timings should be announced before hand.

The hon. Member has rightly pointed out that subsidy is given on tube-wells. In my opinion, more and more farmers should be given subsidy to get the tube-well connections.

Digging work of Sarju Canal is being done in quite slow pace. The reason of its slowness is said to be the paucity of funds. Government should pay proper attention towards this and get it completed for the benefit of farmers. You will be dismayed to know that foodgrains for the work done under IRDP are provided after the work is over, as a result poor labourers are not supplied foodgrains when they need it. Foodgrains supplied later on by the F.C.I. are usurped by the middlemen. The farmers are forced to sell their produce to the middle men due to delay in making purchases by FCI officials.

Another point which I want to submit is that due to heavy hailstorm in our area, farmers have suffered a great loss. Tomorrow, I am going to my area to take a stock of the damage done at various places. Crores of rupees are spent on water supply and taps have been installed by the Water Corporation but they are dry. Government had promised to supply potable water in villages. So proper attention should be paid towards this. As the Water Corporation does not have mechanics, so the water taps are not repaired after becoming out of order. So it would be proper to entrust this responsibility to the Block Development Offices.

In the end, I would like to submit that the farmer wants to earn his livelihood by putting hard labour only. He does not want to get anything in charity. So I would request to reduce the rate of interest on loans taken by him and they be allowed to return back the loan in a longer span of time.

With these words I support these demands.

[English]

SHRI 'R.S. MANE (Ichalkaranji) : Mr. Chairman, Sir, I have my right to support the demands of the Ministry of Agriculture. As far as agriculture is concerned, it is said to be the backbone of Indian economy. In spite of the fact that it is the backbone of the Indian economy, the subject of agriculture is mostly neglected in this country.

As far as the seeds are concerned, the National Seed corporation is supplying seeds to the small and marginal farmers but that too not at economical and remunerative prices. That should be done by the Ministry of Agriculture.

Secondly, as far as the credit is concerned, credit free loan, interest free loan should be introduced by the Government and the Ministry of Agriculture, at least for the small and marginal farmers in the country. And as far as the other financial assistance is concerned, I would like to say that the spirit of the SFDA which has already been withdrawn by the Ministry of Agriculture should be introduced once again for all the blocks in the country. The small or marginal farmers, either they may be under the IRDP or SFDA, have a right to get the financial assistance. They cannot be deprived of their right. That is my plea.

As far as the cooperative lift irrigation is concerned, the Western Maharashtra is totally a hilly track. The small and marginal farmers are not getting any financial assistance because the Government of India, in the Ministry of rural development, Department has made a rule that the scheme costing only up to Rs. 2 lakhs will be sanctioned and only the small and marginal farmers under that scheme will get the

[Shri R.S. Mane]

financial assistance. This is injustice to the small and marginal farmer who come under these schemes.

Thirdly, as far as the credit is concerned, interest free loan should be advanced to the small and marginal farmers and for other farmers who are doing the dry agriculture, they should get the loan at the maximum of 6 per cent. But, now the agriculturist is still getting at the rate of 60 or 90 per cent interest. That is the greatest calamity, that is all I can say.

Sir, as far as the water resources are concerned, in my constituency, in my district Ichalkaranji, there are Doodhganga, Varana and Chikotra projects. I can say that the work on all these major and minor irrigation schemes is going very very slowly.

As far as the Doodh Ganga Project is concerned, Rs. 300 crores are required. The Government of Maharashtra has given only Rs. 59 crores in the last four or five years. If the work progresses at this rate, I wonder whether this project will be completed even by 2000 AD or not. Same is the case with Varana Project. The location of the Chikotra Project is not yet finalised by the Government of India and the administrative approval of the Government of India is not given either to the Varana Project or to the Doodh Ganga Major Irrigation Project. In this context, I would say that if we want to develop agriculture, we have to complete the irrigation projects in the shortest time possible. All these important irrigation programmes should be made time-bound. Water Resources is one of the very important departments of the Ministry of Agriculture. Therefore, I request the Minister of Agriculture to look into the matter.

Secondly, I introduced one Farmers' Welfare Provident Fund Scheme. The resolution in this regard has been made unanimously by the Kumbhi Kasari Sugar Factory at Kolhapur. The money required for this scheme is going to be raised totally from out of the factory funds or from the membership money. All that we need is the exemption from income-tax, for this scheme. I have requested the Minister of Agriculture many times to take up this issue with the

Ministry of Finance. I had written to the Ministry of Finance also in this regard. This scheme, which I have introduced, is the first of its kind and it is unique in its character. I have been pursuing the matter with the Minister of Agriculture and the Ministry of Finance, but nothing is heard finally so far, and for the last three or four years the file is moving from Finance Ministry to Agriculture, from Agriculture to Cooperation and so on. No final decision has been taken in this regard.

As far as the sugar industry is concerned, I would like to mention that the industry is suffering because of three rigid guidelines. As per these rigid guidelines, if a new factory has to be established from another factory already established, the distance between the two must be 40 Kms. Western Maharashtra and the entire Maharashtra is suffering because of this rigid guideline because no new sugar factory can be established in the entire Maharashtra and more especially in the Western Maharashtra region. There is ample crop of sugarcane either on the border of Karnataka or on the border of Maharashtra. I am very sorry to mention here that this year about 10 lakh tonnes of standing crop of sugarcane has to be burnt, because there are no factories. The Seventh Plan envisaged about 157 new factories, but only 15 or 20 licences have been approved by the Government of India for establishing sugar factories. I request that the Ministry of Agriculture should look into this matter and they should take it up with the Department of Food and Civil Supplies. There should be a liberal policy as far as issue of licences for sugar factories is concerned. There should be a liberal policy with regard to further expansion also.

I want to say a few words about remunerative prices. Government of India is definitely trying to give support prices to agricultural products. But we are not satisfied and these support prices should further be enhanced. The maximum possible remunerative prices should be given to agricultural products.

In the case of fertilizers also, I request the Government to give a lot of concessions. As far as diesel engines, spare parts and tractor trolleys are concerned, 10 per cent excise duty is imposed on these items by the

Finance Ministry. I request that these items must be exempted from excise duty, at least in the case of the farming community. I say this because it is an unnecessary taxation on the small and marginal farmers. Imposition of this excise duty on the diesel engines, spare parts and tractor trolleys must be exempted. This is my request.

With these words, I thank you.

15.25 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*]

[Translation]

*SHRIMATI N.P. JHANSI LAKSHMI (Chittoor) : Mr. Deputy-Speaker, Sir, at the outset I thank you for giving me this opportunity to take part in the discussion on the Demands of the Ministry of Agriculture. Agriculture is the fountain head of culture. Agriculture is the backbone of our economy. All of us know the fact that agriculture depends on irrigation to a large extent. But nothing significant has been done in the past to improve our irrigation potential. Even to this day, nearly 70% of our agriculture depends on rains. The wells and tanks which are dependent on rain for water go dry when there is no rain. Tanks are the main source of water in our villages. In many villages, these tanks beds are used for cultivation. Hence the Government should at once come forward with a legislation to ban cultivation on tank beds. Then only tanks will serve their purpose. I also take this opportunity to request the Government of repair and renovate the supply channels of the tanks. This way, the Government can ensure the supply of available water to the farmers in our villages. Sir, the use of fertilizers is being encouraged in the country today. It is good. But, Sir, the fertilizers need lot of water. Consumption of fertilizers has to be appropriately matched by the consumption of water. Using more water results in loss of crop. Hence excessive dependence on chemical fertilizers will not ensure good production. Instead the Government should try to promote the use of manures. Manure which is prepared from organic substances strengthen the soil in a natural way. The use of manure is highly beneficial. It is cheaper also.

Though the biogas plants are being located in our villages, they are not yet very popular. Though the Government has provided some encouragement, the bio gas plants have not yet come up in our villages. Hence setting up of bio gas plants on a large scale in our rural areas is very much necessary at this hour when the country is facing energy crisis.

The Government should also take steps to encourage agro-based industries.

Dairy, Poultry and sheep breeding are highly beneficial to farmers. The Government should whole-heartedly encourage dairy development, poultry and sheep breeding. D.R.D.L. and IRDP loans should be specifically earmarked for these vocations.

Sir, the price of Sugarcane is not encouraging. It is most unfortunate. Though the Government has increased the price from Rs. 170 to Rs. 185, it is still far from remunerative. While increasing the price of cane marginally the Government has doubled the price of molasses. This uneven increase in the prices of cane and molasses has affected the farmer adversely.

Procurement of Levy sugar has now been changed from 65 : 35 to the ratio of 50 : 50. This step would benefit only the millowners. The cane growers have not benefited in any way by this measure of the Government.

The technology mission has made certain recommendations regarding the Supply of Protected water. But the recommendation have not yet been implemented at the district level.

The technology mission has remained just on the paper. I am sorry to make this observation.

We have been requesting the Government since the last three budget sessions to provide a fair representation to farmers in the Agricultural Costs and Price Commission. But, it is most unfortunate that the Government has not yet taken any decision in this regard. Hon. Minister for Agriculture has been promising more representation to farmers. But the promise has just remained promise.

*Translation of the speech originally delivered in Telugu.

[Shrimati N.P. Jhansi Lakshmi]

It shows how the Government treats the farmers of the country.

Sir, it was considered a sin by the farmers to send their sons and daughters for other jobs. But the situation has now changed completely. The sons and daughters are searching for other jobs in order to ekeout their livelihood. It is the most unfortunate and pitiable condition for which everyone should feel sorry. Now the farmers has stopped dreaming about a bright future. They consider the bygone days as the happiest ones. The farmer in the country now shudders to think about the future.

The time has now come to make a proper study of the problems of the farmers in the country and take up appropriate steps to solve them.

Sir, once again I thank you and conclude my speech.

*SHRI V. KRISHNA RAO (Chikkballapur) : Mr. Deputy-Speaker, Sir, I wholeheartedly support the demands for grants of the Ministry of Agriculture for the year 1988-89.

'Sarvagna' the most popular poet and philosopher of Karnataka has said that "Agriculture is the best form of education among the crores of forms it has." Farmer is the backbone of our country's economy. I will be failing in my duty if I do not congratulate our Prime Minister Shri Rajiv Gandhi and our Finance Minister Shri N.D. Tiwari for presenting to the nation the most popular 'Farmers' Budget'.

Shri Bhajan Lal, our hon. Minister hails from a farmers family and he has the first hand experience in the field of agriculture. Similarly Shri Hari Krishna Shastri, the hon. Minister, also has vast experience in the field of agriculture. Shri Shyam Lal Yadav and Shri Prabhu are also contributing their best for the improvement of agriculture in our country.

There was a time when we were importing foodgrains. When our late lamented

leader Indiraji became the Prime Minister the situation in the field of agriculture changed dramatically. We became self sufficient in the production of foodgrains. Indiraji generously donated wheat to some African countries which were facing acute drought situation at that time. However, we cannot be complacent over the matter. Because we must have the capability to export foodgrains to all the countries in the world, if need be. We have fertile land, plenty of water and all other necessary requirement for boosting the production of foodgrains. Further, to encourage farmers, we should provide good marketing facilities. The Government have all sympathy and love towards farmers. In every nook and corner of the country people are hailing the budget and particularly farmers are supremely happy.

If all the facilities are provided to the farmers we can make agriculture a flourishing profession. At present business is a very attractive profession. Many people would prefer Government job to agriculture. This is because we have not provided all the facilities that the farmers needs. Agriculture should be treated as an industry.

In Ireland the production of wheat is more than seven thousand Kilograms per hectare whereas in India it is not even one and a half thousand Kilograms per hectare. In China the per hectare yield of tea is much more than in our country. Hence it is very essential to use modern technology and to increase the production.

Regarding the production of pulses there is a gradual increase. It is as follows :

1980-81	10626800 tonnes
1981-82	11507200 "
1982-83	11856900 "
1983-84	12893400 "
1984-85	11962600 "
1985-86	13361400 "
1986-87	11737400 "
1987-88	14000000 (target)

I feel that our target should reach at

*Translation of the speech originally delivered in Kannada.

least 20 crores tonnes during the year 1987-88. There is no considerable increase in the consumption of fertilizers. The farmers must be guided and financial assistance must be given to them.

Animal Husbandry also need encouragement from the Government. Similarly irrigation should be given top priority. There are so many irrigation projects pending in the country especially in my State of Karnataka. I urge upon the hon. Minister Shri Bhajan Lal to look into this matter and to complete the ongoing projects in Karnataka at the earliest.

We the Members of Parliament are pleading to the Government of India to set up a seed Research Centre in Karnataka. Many foreign countries are able to provide very good quality of seeds to the farmers because they have seed research centres. Hence it is very essential to set up seed research centres in our country.

Hon. Minister Shri Hari Krishna Shastri visited our State recently. During his visit we requested him to set up a seed research centre in my constituency. Shri Shastriji was very kind to our request and he promised us that a seed research centre would be set up in Tiptur. We are grateful to him for his assurance and hope the Centre would be set up the centre at the earliest. I also owe my gratitude to the hon. Minister Shri Bhajan Lalji, Shri Shivilal Yadavji and Shri Prabhuji for their best efforts to help and encourage the poor farmers of this great nation.

Mr. Deputy-Speaker Sir, you were generous to accommodate me to speak today on the demands for agriculture I thank you for that and with these words I conclude my speech.

[English]

MR. DEPUTY-SPEAKER : The House shall now take up Private Member's Business. Shri Basavaraju.

15.35 hrs.

CONSTITUTION (AMENDMENT) BILL*

(*Insertion of New Articles 75A and 164A*)

[English]

SHRI G.S. BASAVARAJU (Tumkur) : I beg to move for leave to introduce a Bill

*Published in Gazette of India Extraordinary, Part II, Section 2, dated 8-4-1988.

further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI G.S. BASAVARAJU : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(*Substitution of New Article for Article 263*)

[English]

SHRI H.N. NANJE GOWDA (Hassan) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI H.N. NANJE GOWDA : I introduce the Bill.

15.36 hrs.

PUBLIC PREMISES (EVICTION OF UNAUTHORISED OCCUPATIONS) AMENDMENT BILL*

(*Amendment of Section 2*)

[English]

SHRI SYED SHAHABUDDIN (Kishanganj) : I beg to move for leave to introduce a Bill further to amend the Public Premises (Eviction of Unauthorised Occupations) Act, 1971.

MR. DEPUTY-SPEAKER : The question is :

[Mr. Deputy-Speaker]

"That leave be granted to introduce a Bill further to amend the Public Premises (Eviction of Unauthorised Occupants) Act, 1971."

The motion was adopted.

SHRI SYED SHAHABUDDIN : I introduce the Bill.

INDIAN CONTRACT (AMENDMENT) BILL*

(*Substitution of New Section for Section 72*)

[English]

SHRI HAROOBHAI MEHTA (Ahmedabad) : I beg to move for leave to introduce a Bill further to amend the Indian Contract Act, 1872.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Indian Contract Act, 1872."

The motion was adopted.

SHRI HAROOBHAI MEHTA : I introduce the Bill.

15.37 hrs.

COMMISSION OF SATI (PREVENTION) AMENDMENT BILL*

(*Amendment of Section 2, etc.*)

[English]

PROF. MADHU DANDAVATE (Rajapur) : I beg to move for leave to introduce a Bill to amend the Commission of Sati (Prevention) Act, 1987.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to amend the Commission of Sati (Prevention) Act, 1987."

The motion was adopted.

PROF. MADHU DANDAVATE : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(*Amendment of Article 124*)

[English]

SHRI V.S. KRISHNA IYER (Bangalore South) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI V.S. KRISHNA IYER : I introduce the Bill.

15.38 hrs.

HIGH COURT AT BOMBAY (ESTABLISHMENT OF A PERMANENT BENCH AT PUNE) BILL*

[English]

SHRI V.N. GADGIL (Pune) : I beg to move for leave to introduce a Bill to provide for the establishment of a permanent Bench of the High Court at Bombay at Pune.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the establishment of a permanent Bench of the High Court at Pune."

The motion was adopted.

SHRI V.N. GADGIL : I introduce the Bill.

15.39 hrs.

CONSTITUTION (AMENDMENT) BILL**(Amendment of Article 276)**[English]*

SHRI V.S. KRISHNA IYER (Bangalore South) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted.

SHRI V.S. KRISHNA IYER : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL**(Amendment of Article 276)**[English]*

SHRI ANOOPCHAND SHAH (Bombay North) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted.

SHRI ANOOPCHAND SHAH : I introduce the Bill.

15.40 hrs.

PREVENTION OF SOCIAL DISABILITIES BILL**[English]*

PROF. NARAIN CHAND PARASHAR (Hamirpur) : I beg to move for leave to

introduce a Bill to prevent the imposition of social disabilities by a member or members of a community on a member or members of his or their own community and to provide for penalties for such an act or acts and for matters connected therewith.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill to prevent the imposition of social disabilities by a member or members of a community on a member or members of his or their own community and to provide for penalties for such an act or acts and for matters connected therewith.”

The motion was adopted.

PROF. NARAIN CHAND PARASHAR : I introduce the Bill.

PROFITEERING PREVENTION AND PRICE CONTROL BILL**[English]*

PROF. NARAIN CHAND PARASHAR (Hamirpur) : I beg to move for leave to introduce a Bill to regulate the prices of essential articles of daily consumption and to prevent profiteering in such articles.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill to regulate the prices of essential articles of daily consumption and to prevent profiteering in such articles.”

The motion was adopted.

PROF. NARAIN CHAND PARASHAR : I introduce the Bill.

15.41 hrs.

PROVISION OF RELIEF TO INDIGENT PERSONS BILL**[English]*

PROF. NARAIN CHAND PARASHAR (Hamirpur) : I beg to move for leave to

*Published in Gazette of India Extraordinary, Part II, Section 2, dated 8-4-1988.

[Prof. Narain Chand Parashar]

introduce a Bill to provide for monetary relief to indigent persons.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for monetary relief to indigent persons."

The motion was adopted.

PROF. NARAIN CHAND PARASHAR : I introduce the Bill.

PREVENTION OF FOOD ADULTERATION (AMENDMENT) BILL*

(Amendment of Section 16, etc.)

[English]

PROF. NARAIN CHAND PARASHAR (Hamirpur) : I beg to move for leave to introduce a Bill further to amend the Prevention of Food Adulteration Act, 1954.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Prevention of Food Adulteration Act, 1954."

The motion was adopted.

PROF. NARAIN CHAND PARASHAR : I introduce the Bill.

15.42 hrs.

NEWSPAPERS (PRICE AND PAGE) BILL*

[English]

SHRI V.N. GADGIL (Pune) : I beg to move for leave to introduce a Bill to provide for the regulation of the prices charged for newspapers in relation to their pages and for matters connected therewith for

the purpose of preventing unfair competition among newspapers so that newspapers may have fuller opportunities of freedom of expression.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for the regulation of the prices charged for newspapers in relation to their pages and for matters connected therewith for the purpose of preventing unfair competition among newspapers so that newspapers may have fuller opportunities of freedom of expression."

The motion was adopted.

SHRI V.N. GADGIL : I introduce the Bill.

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL*

(Amendment of Order XXXVIII)

[English]

SHRI V.N. GADGIL (Pune) : I beg to move for leave to introduce a Bill further to amend the Code of Civil Procedure, 1908.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Code of Civil Procedure, 1908."

The motion was adopted.

SHRI V.N. GADGIL : I introduce the Bill.

15.44 hrs.

CRIMINAL LAWS (AMENDMENT) BILL*

[English]

SHRI HAROOBHAI MEHTA (Ahmedabad) : I beg to move for leave to introduce

*Published in Gazette of India Extraordinary, Part II, section 2, dated 8-4-1988.

a Bill for amending certain provisions of the Indian Penal Code, 1860 and the Code of Criminal Procedure, 1973 relating to the offence of defamation.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill for amending certain provisions of the Indian Penal Code, 1860 and the Code of Criminal Procedure, 1973 relating to the offence of defamation."

The motion was adopted.

SHRI HAROOBHAI MEHTA : I introduce the Bill.

15.45 hrs.

CONSTITUTION (AMENDMENT)
BILL—Contd.

(*Insertion of New Article 15A*)

[*English*]

MR. DEPUTY-SPEAKER : We will now take up further consideration of the following motion moved by Shri Thampam Thomas on the 4th December, namely :

"That the Bill further to amend the Constitution of India, be taken into consideration."

Mr. Ataur Rahman to continue his speech. The time left over is one hour and fifty-two minutes.

SHRI THAMPAN THOMAS (Mavelikara) : More than that may be required.

SHRI ATAUR RAHMAN (Barpeta) : Mr. Deputy-Speaker, I must recall what Shri Vasant Sathe said on this Bill last time. He mentioned about steel export from India and the cost of steel in India. He further said that the cost of the steel in India is much more than what it is in China and Korea. He also pointed out the misdirection in which India is going on in the matter of export of steel.

I have found that this kind of Bill had come in the past also and a number of Bills

of this kind have been recorded. Shri Banatwalla had also brought a Bill of this sort. Prof. Thomas's Bill is not one too late and I recall what the previous speakers had said in the past and a few days earlier. If a Bill of this sort can be passed, then it will be a boon to India. But, I have my own misgivings, whether this kind of Bill can be seen through. Prof. Thomas is being very stringy, I would say as he has suggested only one hundred rupees for unemployed man or youth. I feel, this can be increased. Least said about India's poverty, the better. It is a colossal problem and of the greatest magnitude. I do not know, whether this can be solved at all. This cannot be measured even by Richter scale. If at all this sort of Bill is coming out, it should be on a selective basis. It will have to be brought only after surveying the poverty areas and poverty families in the country.

The Government of India, through its very meaningful schemes, like Twenty Point Programme, IRDP, NREP, RLEGP, has made a dent, but this has to go a long way in the matter of implementation of these well meant schemes. We have noticed a kind of unholy alliance between the petty officials at the block level and the contractors.

What happens is almost best known to them. It is almost a closed book. If these schemes could be made public, then people can take advantage of it. We should make it public so that people could know what sort of a Bill it is, what a sort of estimates has been called for and what is being implemented in the matter of these works.

The miseries of our country are due to so many evils. The number one evil is 'population explosion'. It is a social evil. This explosion also is a kind of population implosion, which has ramifications in our society. These ramifications are spreading into hearths and homes of our poor villagers.

The birthrate in India is so fast and so big at the present moment. We are soon going to be number one in the matter of population figures in the world. We are going to lead the world.

Whereas China's population growth is 20 per cent, ours is 32 per cent. This is some thing which is really very alarming. We have to do something about it. We have a partial

[Shri Ataur Rahman]

answer to it. The answer, of course, is as China has done—deprivation of rights and privileges to the extent of suspension of fundamental rights if it comes to that. But there are other measures which can be taken like stoppage of promotion if a couple has more than two children, stoppage of increments and denial of other social benefits which people enjoy. Those people who are unaware of it, and who think that nothing will be done if they have more children, they will be producing children in numbers like rats.

The second social evil is something terrible. And that is the traditional feudalism that we have in our country. It is a pity that we eulogise traditional feudalism. We see the rich preying upon the poor and the down trodden. We see the lust and greed to acquire property depriving the poor people who do not have anything. We can see people just disregarding the miseries of their neighbour. He is enriching himself at the cost of his neighbour and fellow men. I am constrained to point out the state of affairs that we have in our feudal society—a society where sons and daughters are traded for money, a society where daughters commit suicide because the parents cannot afford to pay the dowry that is demanded, a society where during weddings we see perverted show of wealth and such a show of wealth is considered as a matter of prestige and where in these wedding houses, I have noticed that maunds and maunds of foodstuff is wasted while outside the gate and elsewhere emaciated half-dead bodies go without food for days on end extending their empty and sickly hands, a society where we have so called nawabs and zamindars who flaunt feudal traditions and where traditions are glorified, what can you expect, a society where the servants hold the shoes of the master to put on and where servants hold up spittoons for the masters to spit into, where a master lives in an ivory tower and the servants live in filthy unhygienic and leaky shacks, in a society where the master and the servant cannot sit together—leave alone eat together. I have nothing but pity for this sort of vaunted culture.

The third evil is, of course, unpardonable omission in respect of land reforms.

Many 'bonafide husbands and wives have

registered themselves as separated, divorced, just to acquire some wealth. They have resorted to falsification of records. And these are all supposed to be gentlemen! I am only touching on some of the points. We have the restrictive regulations where ever prospering licence and permit *raj* prevails, and this licence and permit *raj* has innumerable loopholes in it. I would not talk about the corrupt petty officers.

Another social evil that I am going to point out is the bureaucratic attitude in the matter of administration, in the matter of revenue administration, in the matter of any administration, and the ugly goddess of delay that is propitiated by so many of our bureaucrats up and down the level.

The last but not the least is our Defence budget. Defence Budget, of course, is frightening. Probably it cannot be helped. But we must ask ourselves whether we are basing our Defence budget on the basis of self-interest. It is more based on sentimentalism than on self-interest. I think we, as the leading elder brother of the region, should have both sobriety and large-heartedness. In politics, or in international politics, we do not have a permanent enemy or a permanent friend.

With these words, I would recommend that the Bill be accepted, though I have great doubt about it.

SHRI SHARAD DIGHE (Bombay North-Central) : Mr. Deputy-Speaker, Sir, I rise to express my views on the Bill of Mr. Thampan Thomas regarding the Amendment to the Constitution. In this Bill, he has suggested the introduction of one new article, article 15A, which gives to all citizens the right of employment, and if any citizen cannot be provided with employment, he is given a right to have an unemployment allowance. In short, the Right to Work which is already there in the Directive Principles, is sought to be transferred from the Directive Principles to the Chapter on Fundamental Rights, with the result that if this Right is not honoured by any State, it becomes justiciable. Therefore, a citizen can approach the court and get it implemented. That appears to be the whole idea as far as this Bill is concerned.

16.00 hrs.

Otherwise, in Article 39 which falls under

the Chapter on Directive Principles, there is already a mention under sub-clause (a) that the citizens, men and women equally have the right to adequate means of livelihood. So, as I was saying, it is already there in the Directive Principles and the mover of this Bill seeks to transfer it to the Chapter of the Fundamental Rights so that it becomes a justiciable right.

Now, there are several rights under the Directive Principles which really speaking also need a better treatment and in fact when the Constitution was framed, the idea was not to keep the Directive Principles merely in the book of the Constitution. But the real purpose was also that in due course of time, State should endeavour to put it in practice. Therefore, Article 37 was there in this fashion that this right shall not be enforceable by any court of law. They would be fundamental in the governance of the country and it shall be the duty of the State to apply these principles. And it is on record that while speaking on these Directive Principles, Dr. B. R. Ambedkar, in his speech made the following remarks. I quote :

"But whoever captures power will not be free to do what he likes with it. In the exercise of it, he will have to respect these instruments of instructions."

He called these Directive Principles as instruments of instructions. So, he says :

"he will have to respect these instruments of instructions which are in our Directive Principle. He cannot ignore them. He may not have to answer for their breach in a court of law, but he will have certainly have to answer for them before the electorate at the election time and the great values these Directive Principles possess will be realised better when the forces of right contrive to capture power."

So, according to Dr. Ambedkar also those who would respect these Directive Principles will have to face the electorates and if the rightists in this country strive to capture the power, then these Directive Principles will be the real test, as far as the working of the Constitution is concerned.

Now, relying upon these observations of

Dr. Ambedkar the Constitutional Expert, Mr. Seervai, in his book on the Constitutional Law of India, in the Third Edition at page 759 says, and I quote :

"The object in enacting the Directive Principles appears to have been to set standards of achievement before the legislature and the executive. The local and other authorities....."

because some of these principles can be implemented by the local authorities also, by the States also. Therefore, he says :

".....before the legislature and the executive the local and other authorities by which their success or failure could be judged."

And then he adds a very important sentence.

"It was also hoped that those failing to implement the Directive Principles might receive a rude awakening at the polls."

That was the hope expressed by this Constitutionalist also. I will not go into the question of what happened for not respecting the Directive Principles, but the fact remains that some of the very important salient Directive Principles which have been put, we have not been able to put into practice as far as these are concerned.

Now, many people feel that this right to work which the mover is seeking to put in the Bill as a Fundamental Right is impracticable. They feel that we are asking for moon. How can you do it ? Is it possible to do it for this country with these resources ? But I may point out that we are already trying to implement some of these and as far as Maharashtra State is concerned, as far back as in 1972 we have got employment guarantee schemes...

SHRI PIYUS TIRAKY (Alipurdwar) :
Sir, if you allow me to make one submission. We have just received information from Calcutta that today at about 3 p.m., a bomb was thrown inside the Assembly House by...(Interruptions).

MR. DEPUTY-SPEAKER : No, no. That will not go on record.

SHRI BIPIN PAL DAS (Tezpur) : This cannot be raised here.

MR. DEPUTY-SPEAKER : I cannot allow it.

(*Interruptions*)**

SHRI BIPIN PAL DAS : This cannot be allowed. This cannot go on record.

SHRI THAMPAN THOMAS : If it happens here, if somebody throws a bomb in the Parliament House.. (*Interruptions*).

MR DEPUTY-SPEAKER : No. no. That is a State subject. There is an Assembly there, they will look after it. I can't allow it. We cannot discuss it here.

KUMARI MAMATA BANERJEE (Jadavpur) : There is no authenticity, Sir.

MR DEPUTY-SPEAKER : I am not allowing it to be discussed.

(*Interruptions*)**

MR DEPUTY-SPEAKER : No, no. It will not go on record. I cannot allow.

(*Interruptions*)**

MR DEPUTY-SPEAKER : It is a State subject. It is a State problem. I can't allow. There is an Assembly there, they will look after.

(*Interruptions*)**

MR. DEPUTY-SPEAKER : No, no. I can't allow. Shri Sharad Dighe may continue.

(*Interruptions*)**

MR. DEPUTY-SPEAKER : It will not go on record.

(*Interruptions*)**

MR. DEPUTY-SPEAKER : It is a State subject. That cannot be discussed here. The Assembly is there.

SHRI THAMPAN THOMAS : Even it may happen here.

(*Interruptions*)**

SHRI BIPIN PAL DAS : Sir, I am on

a point of order. This is a State subject. This cannot go on record.

MR. DEPUTY-SPEAKER : That everybody knows. This will not go on record.

(*Interruptions*)**

MR. DEPUTY-SPEAKER : Please allow me to run the House properly. Take your seat. Don't shout here.

(*Interruptions*)**

MR DEPUTY-SPEAKER : No. Not allowed.

SHRI SHARAD DIGHE : Mr. Deputy-Speaker, Sir, as I was saying that this experiment is already being done in the Maharashtra State. In the month of May, 1972, the Government of Maharashtra launched employment guarantee scheme in that State guaranteeing employment in rural areas to all able bodied persons, aged 18 years and above who were willing to do manual work for stipulated wages. Now, later on this scheme was converted into an Act and the Maharashtra Employment Guarantee Act, 1978 was passed. Under that scheme and under the Act, all able-bodied persons in rural areas are required to register their names, with the village officials where they wanted employment and if a group of 50 persons demand employment, then work is undertaken within a radius of 5 kms. of their residence so that work is made available to them within their range. Then, according to that scheme, not only work is provided, but the District Collector has to draw up a plan and a blueprint and the work that is undertaken is also a productive work, i.e. laying of roads, construction of bunds, digging of wells etc., of the Government. That work is not entrusted to contractors. But that is done departmentally by the Government itself. And then, the wages which are fixed are paid, payments are made weekly. Accordingly, all those able-bodied persons in rural areas who demand work from the Government are provided with work. When this Act was also passed, the Preamble of that Act also refers to the Directive Principles which I have referred to, namely, to make effective provision for securing the right to work, as in Article 41 of the Constitution of India by guaranteeing

employment to all able-bodied persons who volunteer to work, unskilled or manual work in rural areas of Maharashtra.

Here, not only work is provided but further on, the scheme also provides for training and upgradation of the skills of the unskilled labour. Not only the work is provided to all adult persons who desire to have work, but if no able-bodied adult member is there in a family and only minors are there, in such a family, even a minor who has completed 15 years of age is also provided with work.

Now the question arises from which source the funds are provided. Employment Guarantee Fund is set up. Under that Act, tax on professions, trade, calling and employment are levied as allowed under the Constitution, which we call the professional tax. At present, the maximum is only Rs. 250/- and this State as well as several other States are demanding that in the Constitution itself the level should be raised to enable the State Governments to levy professional tax up to Rs. 1,000/-. Some Private Members Bill is also pending before this House. As I was saying, this scheme has been put concretely into force by one State. I do not know whether it is there in the other State. But, if it is there in one State, I see that it is not an impracticable idea to say that right to work should be made a fundamental right. There may be some difficulty. In the beginning limitations may be there. As in Maharashtra, we have been able to do it in the rural areas only. This right has not been extended to the urban cities. But I am sure that in due course of time when we get experience from this experiment, then extension of this experiment can be made even to the urban cities and, as I said also earlier, even on behalf of the Centre also, all our schemes are for alleviating poverty and we are also spending money for these schemes in which also some sort of employment scope is already provided by the Centre also. Therefore, one should not say that this is something impracticable and not possible in this country. We need not go to the experiment in other countries because if I mention other Western countries, then one might say "Oh, they are all prosperous countries. They have got vast resources and, therefore, they are able to do it or some of them have no democracy and they are totalitarian countries

etc." Therefore, even if without going to the argument that several other countries are having this right of work, I may merely say that if one of the States in this country itself can make this experiment successful for all these years from 1972 till today, then, I think, the Central Government also may be pleased to consider the introduction of any such scheme by which, right to work may be given to the citizens, in the beginning in a limited way to the rural areas or in some other limits which we may decide according to our resources. We have been working under this Constitution for all these years. I think the time has now approached when we should seriously think about converting some of the rights which are there in the Directive Principles into Fundamental Rights so that we honour this National Manifesto. I call the Directive Principles as a 'National Manifesto' of our country to be implemented in due course of time and not merely to be kept as a show piece in our Directive Principles. I feel that we are already making progress as far as some of the Directive Principles are concerned and as far as the right to work is also concerned, serious thought may be given by the Government and a beginning should be made in a limited way by trying to implement this Directive Principle in such a way that it is converted into the Fundamental Right.

Now, the thinking of the Supreme Court also appears to be, according to me, that right to life which is there in the Fundamental Rights is being liberally construed. In one of the cases which went from Bombay to the Supreme Court based on or arising out of the provisions of the Bombay Municipal Corporation Act in which the hutments were to be demolished by the Bombay Municipal Corporation and the Petitioners laid their stress on the Fundamental Rights of right to live and then they said : "You cannot demolish our hutments. Otherwise, we are in due course of law".

While interpreting right to live, the Supreme Court has made certain relevant observations, which if they are further extended, I think they may also cover right to work also. I will just refer to one paragraph in that judgement which is reported in the All India Reporter, 1986, Supreme Court Case. It begins at Page No. 180 and is titled *Olga Tellis and others Versus Bombay Municipal Corporation*.

[Shri Sharad Dighe]

There, at page 193 they have stated :

"For purposes of argument, we will assume the factual correctness of the premise that if the petitioners are evicted from their dwellings, they will be deprived of their livelihood. Upon that assumption, the question which we have to consider is whether the right to life includes the right to livelihood. We see only one answer to that question, namely, that it does. The sweep of the right to life conferred by Article 21 is wide and far-reaching. It does not mean merely that life cannot be extinguished or taken away as, for example, by the imposition and execution of the death sentence, except according to procedure established by law. That is but one aspect of the right to life. An equally important fact of that right is the right to livelihood because, no person can live without the means of living, that is, the means of livelihood. If the right to livelihood is not treated as a part of the Constitutional right to life, the easiest way of depriving a person of his right to life would be to deprive him of his means of livelihood to the point of abrogation".

If right to life includes right to livelihood, then I would submit further that this fundamental right itself, really speaking, includes right to work. Without giving the right to work, there is no real meaning for the right to live which is granted under this Constitution. Therefore, from this aspect also I urge upon the Government to consider seriously and promptly that we can consider giving right to work, atleast as a Fundamental Right or to interpret the right to live in such a manner that we, in fact, give this right to live or right to work to every citizen of this country. In the beginning, it may be given in a limited way but somehow or the other, the time has come when a beginning should be made.

SHRI E. AYYAPU REDDY (Kurnool) : Mr. Deputy-Speaker, Sir, I wholeheartedly support this Bill. Mr. Thomas has attempted to make explicit what is already implicit in

the Constitution. Just now, my learned friend Mr. Sharad Dighe has pointed out that right to work is enshrined in the Directive Principles. And, in fact, a right interpretation of the totality of the Constitution shows that the Directive Principles were not there as merely decorative show pieces but were placed there as the objectives for which each State has been commanded constitutionally to work for.

The Forty-Second Amendment introduced one word in the Preamble to the Constitution. It added the word "Socialistic" also to the Constitution. I think, this was not introduced as a vote catching device. Unless we say that it was merely introduced as a vote catching device, therefore, do not give importance to it, it may have to give respect to this Forty-Second Amendment which introduced the word "Socialistic" in the Preamble. It means every citizen has got a right to work. Without a Right to Work, there cannot be a socialistic State. In fact, Article 14 of the Constitution becomes a mockery if millions of the citizens are without work, while a segment of the population has got prosperity, wealth which it is not willing to share with others. If Article 14 has to be given its proper place and interpretation, if we want to implement it in the true spirit, then taking Article 14, Directive Principles and the Preamble, all these together, it automatically means that Right to Work is implicit in the Constitution, it must be deemed to be part of the Fundamental Rights.

Just now, my learned friend Shri Sharad Dighe quoted the Supreme Court judgment. In fact, there are number of other judgments also where the learned judges have said that at least a distinct section of the Supreme Court and some of the liberal judges have always interpreted that the Directive Principles are as important as the Fundamental Rights. In fact, the Forty-Second Amendment introduced that wherever to give threat to the Directive Principles an enactment is made, its Constitutional validity cannot be silenced. So, if we have to refer to our own Constitutional history and Constitutional amendments, it is quite clear that Right to Work is as fundamental as any other Right.

But, unfortunately, we are thinking that

Right to Work is something which a citizen must have as of right. On the other hand, the philosophy of the State must be that every citizen must work. If only this Right that every citizen must work was included in the Fundamental Rights and made mandatory for the State to issue work card to every citizens to work, there are two aspects to it. One is right of the State to insist upon every citizen to work. The other thing is right of every citizen to seek useful occupation or work. If this duality is accepted and if the philosophy of the State gives that every citizen must work, then our State would have been, our country would have been one of the super powers today. If only our founding fathers had included this Right to Work as part of the Fundamental Rights, it would have changed the entire philosophy of the State. The State today would have been the super power. I would like to illustrate this. Just the other day, Shri Vasant Sathe, while replying to the debate on Energy, bemoaned about the tremendous loss that was incurred on account of the six-day strike by the public sector workers.

He stated that about a lakh and odd mandays were lost. The workers lost Rs. 10 crores. He also estimated the loss in terms of rupees, in terms of production and its value. Stretching the same logic, how many mandays have been lost by all the unemployed people in this country from the date the Constitution came into existence? Incalculable mandays have been lost, hundreds of workers, adults who wanted to work have not worked and highly educated persons were running after jobs wasting their time and most of them had to seek jobs elsewhere.

Unfortunately there has been something fundamentally defective with our planning. Our planning aims at achieving certain physical targets--at the end of the 7th Plan we must have 175 million tonnes of food-grains, we must go in for 10 million tonnes of coal, so many megawatts of power, etc. We have been trying to aim at achieving physical targets. But unfortunately we forgot the lesson taught by the Father of the Nation. He was planning in terms of human beings. His fundamental approach was planning on the basis of human beings. Every human being, every citizen must have work; that was the philosophy of Gandhiji.

Now we have got a Planning Commis-

sion. Did they ever think of having an estimate of the human resources of India? Do they know what amount of wealth we have got in our people? They have never planned in terms of human resources that are available in India. That has been the fundamental defect in our planning. So far as Indians are concerned, their talents are concerned, their ability to work is concerned and their commitment to hard work is concerned, they are second to none to any other citizen in the world.

What is the secret of Japan, West Germany, and all these countries which are now considered to be super powers where they are in a position to dominate and dictate the entire world market? Do they have the same natural resources as India has got? Certainly not. For instance in Japan they get iron ore from us; probably they get coal from Brazil. They manufacture steel and sell it at a rate which is cheaper than that of India by Rs. 500 per tonne and they make a profit of Rs. 500 per tonne. Whereas our steel is costlier than the steel of Japan by Rs. 500 per tonne and yet we are incurring a loss of Rs. 500 per tonne!

We have not attempted to evolve a national work ethos. This is on account of our planning being totally defective. Take for instance that if we insist that every citizen has to work, and take into account what is his occupation, what is his job, etc. there would not be this sorry spectacle of terrorism. Because every citizen is accounted for, there is a dossier for every citizen about his occupation and about what he is doing.

There is accountability automatically by the citizen to the State and by the State to the citizen. On account of the fact that State does not insist on useful work being carried on by every citizen we are now in a chaotic condition.

No doubt, India has made progress and achieved some physical targets but strictly speaking there are islands of prosperity in a desert of poverty. There are rich people with crores of rupees. After we adopted this 42nd amendment and introduced the word 'socialistic' it has been on record that 15 top business houses have multiplied their assets by 15 times. How has that been possible?

[Shri E. Ayyappu Reddy]

Some friends were saying how it is possible to provide employment in a country like ours which is so thickly populated. I can give a first-class plan. The only thing is that we should abandon the old ideas. Let us take the field of education. The literacy rate in India is hardly 40 per cent. In the field of education alone if we take a proper estimate of primary education, secondary education, collegiate education, university education, research and advanced research one-tenth of our adult population will be required to man our education. Then let us take health sector. There are still hundreds of villages where they do not have approach to a properly educated professional doctor. Similarly, the health sector requires at least one-tenth of our population. Three-tenth of our people are required on the agricultural sector. So agriculture, education and health can account for 50 per cent of our population. As regards industry to least two-tenth of our population will be required to man our industries. Then there are areas like irrigation, mighty river valley projects, etc. Over the last 40 years river Godavari has been flowing into the sea and we have not been able to even harness 30 per cent of its water. If some friends come to Rajamundhry during flood season they will find a sea flowing into the sea.

The other day Shri Dinesh Singh said it is a State subject. What is it that I can do? If we want to exploit our water resources and want to connect Ganga-Cauvery and go in for a national grid which is quite essential for the development of this country, one day or the other, we have to go in for a national water grid. If we want to prevent the floods, the havoc of floods, convert the floods into useful productive purposes, then, what is the employment potential? How many people do we want? How many people do we want to man our engineering services in the field of irrigation, transport and other things? So, why should there be any unemployment at all in India? We are not a highly developed country. We are a developing country.

Take, for example, the housing problem. My learned friend, Shri Sharad Dighe, quoted the case of slum dwellers in Bombay. Panditji said, "I don't want to see the slums

in India." What is happening today? Sixty per cent of our townships have become slums. Even if you take up this housing problem itself, it is so enormous. Therefore, something is fundamentally defective with our planning unfortunately.

If we want to properly utilise our manpower, we do require our manpower. My learned friend, Mr. Ataur Rahman was saying: 'Explosion in population, explosion in population.' We are not at all afraid of population explosion. (Interruptions)

Rangaji knows that today the ryot is not able to find a farmhand to pick up the cotton. The ryot is in an unfortunate position. We have not been able to organise our manpower in a proper way because our values are so distorted. An advocate goes to the Supreme Court and just stands up: "Yes, My Lord." And there is special leave question. 'There is no point.' 'Yes, My Lord.' He will sit. But he would put into his pocket Rs. 7,500 or Rs. 5,000 for one minute or two minutes. We have got such distorted values and still we call ourselves 'Socialistic State'. We got that appellation into our Preamble.

Unfortunately, this was not the position, this was not the condition in India 500 or 600 years ago. The Aryans had invented, rightly or wrongly, a caste system. We may now find fault with that caste system. I don't support the caste system in the meaning in which we try to understand it today. But the caste system was a beautiful way of finding employment, useful occupations for every person. That system worked for a long time. There was no question of unemployment. He had a ready-made employment and got a training from his very inception, from that time he knew something. But we have abandoned that caste system. Now, we have not been able to go for any other type of system also. Gandhiji's principles also, we don't want at least the spirit of Gandhiji. In the principles of Gandhiji, we care two hoots. We have forgotten about that. We have got a totally lopsided planning. Our Planning Commission Members are there. They are blissfully ignorant about the sufferings of the thousands and thousands of people.

How much are we spending on our security today? How many crores of rupees

are we spending for our security ? Is this the State which we were envisaging ?

SHRI THAMPAN THOMAS : What about Sri Lanka ?

SHRI E. AYYAPU REDDY : Leave aside Sri Lanka. In our own country, we have become a police State, not a welfare State. Our forefathers dreamt of a welfare State that was contained in the Directive Principles. But unfortunately, we have become a police State. The entire Punjab is a police State.

How many hundreds of personnel are there roundabout this House ? What for ? What for is the security ? Why should there be any security ?

How many battalions do you require ? Is this the way of providing employment ? Is this useful to employment ? Is this a productive employment ? Has anybody thought about it ? Is policing also an employment ? We must be ashamed that we have become within forty years of the Republic a police State and are racing towards becoming a super Police State.

Therefore, something is fundamentally defective and I hope that the Bill of Shri Thampan Thomas will awaken our planners. This is not a Constitutional issue though it appears to be a Constitutional issue, an amendment to the Constitution. This is a fundamental issue to remove the defects to planning which we have been adopting.

SHRI RAJ MANGAL PANDE (Deoria) : Mr. Deputy-Speaker, Sir, some of us in this august House sometimes talk of such noble and lofty ideals just only to convey to the people of this country that they are the real benefactors of this country and the Government in power is not looking to the interest of the people at all. My friend, Shri Ayyapu Reddy, spoke just now from the other side ; he is a very learned colleague of ours and I have worked under him. He was reminding us like the preachings of Mahatma Gandhi. If everything should have been done in this country, as he envisages, why should he not start from Andhra Pradesh ? He should do it. Who has stopped him from doing it ? He says our education policy is defective. Education is a State subject.

SHRI E. AYYAPU REDDY : I did not exclude myself. I was always saying— we, and that we have committed this mistake or that mistake. I have not accused anybody of having committed the mistake.

SHRI RAJ MANGAL PANDE : If you are also a party to such crimes, then I have nothing to say on that.

The whole tragedy is that we did not care to develop a national character. We suffered under an alien rule so heavily for such a long time. Even after getting the independence, we did not care to follow those lofty ideals which Gandhiji preached us. Apparently, we tried to follow, but the things developed in a different way. There was partition ; we had Pakistan and India, and the subsequent happenings led to an enormously confusing situation, and many ideals were lost. The people of this country could not believe that some two or three years ago, we had Gandhiji on the soil of this country. He was such a lofty man. He gave us the independence, he gave us all those things, which nobody else could give. He told us about morals, ethics and socialism, which are the dominant feature of a strong economy and a strong nation. But after the death of Gandhiji and after the death of other stalwarts, this country saw many abnormal happenings for which each one of us is to be accused. We can see, what is the situation today.

The lofty and noble ideas which have been preached by seeking an amendment to the Constitution look very nice, but are those practical ? Even the most developed countries of this world, as he said in his speech, after they obtained independence, took years and years with their zeal and vigour to build a nation, with sound economy and a national health system. They took some forty, fifty or hundred years.

At least some 40 or 50 years back their system was different than what we have. My friend believes in the population growth. Would you believe the per capita income in some of the States is going down every day. Take the case of Bihar. The population growth is very heavy. My friend says 32 per thousand whereas in China it is 20 per thousand. You could very well imagine that this country is now having a population of eight hundred million people and out of

[Shri Raj Mangal Pande]

that 80 million people have almost no or very little work for them.

The condition of drought is prevailing. Our sense of comfort and our sense of thinking has undergone a lot of change. Our youngmen do not like to work. They have different approach to life. They have different approach to the problems that the nation faces or the society faces. How could a nation without the resources, without the vigour, without the zeal of the young people, who really are the assets of this country, who do not take this country in the same spirit in which the youths of other countries have taken, could develop ?

Now, the fact is, Sir, that there has been a social imbalance. It was not the caste prejudice that led to the social imbalance. Social imbalance was there. It was not the fault of our planning but it is a fact that the gains of planning went only to some hardly 30 to 35 per cent people of this country. And those who are poor, they could not get the profit, could not have the gains and the result was that their conditions could not be improved and did not improve. Ultimately, Smt. Indira Gandhi and Shri Rajiv Gandhi, our leaders, introduced anti-poverty scheme just to bring the people of this country above the poverty line. We have enunciated many schemes like this just to bring the people to that level. But the difficulty is, Sir, that we have a lack of foresightedness ; we have lack of a national character ; we have lack of political will ; we have lack of all these things which we demand from our young generation to create a politically strong and economically sound nation. This is one of the main reasons that in spite of our best efforts, in spite of 8,000 to 10,000 crores that we have spent in all anti-poverty elimination schemes, we have not got the desired success which we should have got. And the grudge is that more money should be given for it.

To be very frank, Sir, this country owes a debt of Rs. 2,24,000 crores and we are paying an annual interest of 14,100 crores of rupees. A country which is paying international and internal debt to the tune of Rs. 14,100 crores per year, can you not imagine that this amount, this resource would very well have gone for the development of the country ? But what is to be done. The

Britishers had left us absolutely in such a condition where we had nothing to build for our economy.

Every un-developed or semi-developed country has to depend on some developing or some developed countries for its own survival and naturally that was the case with India. Could we, specially you, Sir, forget that we had a programme of PL 480 under which we could get the red American wheat which no human being could ever think of consuming. But all the same we did it, and even under obligation. That was the condition on our food front.

Our illiteracy was so high that people did not know what amount they are taking as loan from their lenders and the result was that even for the loan of Rs. 10 or Rs. 50, the generation had to suffer. Would you stop it, Sir ? Even for the vast changes in our educational policy that we have all glorified here in this House, hardly a Budget of 3.6 per cent is allotted.

What all the noble ideas, we want to set up the Navodaya Vidyalayas in distant rural villages, where the children of the poor people can study and have the best of education to show their talent. Now, that too seems to be a distant dream because that much of land and other facilities which are required to build that kind of an educational infrastructure are not available and the State Governments are not forthcoming with that kind of help. Therefore, at every stage, there is some or the other hindrance, when it comes to real development of the nation.

Of course, everybody talks of development. We see it in this Parliament. Even over a minor scuffle or an incident in the West Bengal Assembly, anybody can speak here, knowing full well that it does not really lie within the purview of the Parliament because it is a State subject. But we find here that in each such cases everybody speaks as if he is the guardian of law. Not only that, he expects that the Central Government has to do everything. This kind of a notion can never bring a country to the stage of full development and maturity.

16.57 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

Now I would like to remind the hon. Members about the experience of those

countries which have given social security, doles and so on, to their unemployed population. In those countries and in the countries where social security is given to the unemployed just temporarily, it is found that efficiency has gone down. Imagine what will happen in this country where the efficiency of the people is not upto the mark that we expect. To build up a strong economy and a strong nation, can unemployment dole ever create some incentive to development? It will be a sheer waste of our precious resources. Even if we calculate at Rs. 100 per unemployed youth, it comes to an enormous amount of Rs. 800 crores! Rs. 800 crores is too big an amount and with the increase in population, this amount will have to be increased every year. Then what will happen?

We have our neighbouring countries like Pakistan, Sri Lanka, Burma, China, etc. which have very strong defence forces. And some of these countries are receiving enormous aid from other countries. A country like Pakistan which is much smaller in size than India, almost one-third of India's size receives aid to the tune of 4.6 billion dollars, equivalent to Rs. 6000 crores, from America. And our total defence budget, if I remember correctly, is just Rs. 14,000 crores. You may well imagine what will happen, how this country is destabilised by the enormous aid that our neighbouring country Pakistan has been receiving from America and so on. Secondly, who does not know that our country's defence forces are fighting on some other soil, just to keep our national prestige and morale high, so that others may not raise their fingers and accuse us that we are interfering in the internal affairs of Sri Lanka? That is the main reason why we have to send our IPK Forces to Sri Lanka. And on this account, we are incurring an expenditure to the tune of Rs. 2 crores every day. With strong enemies as our neighbours, we have to build a strong defence base. And that will demand enormous funds. Defence of the country being so vital and important, it has to be maintained at all costs. Even if the pace of development has to be slowed down, it has to be slowed down then. But the defence of the country must be maintained. It does not matter how much sacrifice we may have to make and how much agony and suffering we may have to undergo. We must never forget that our uppermost social obligation is to our people

and that our borders must be safe and secure against all attacks and invasions. For this purpose, we have to maintain our Defences at all cost and that will depend upon us. Now, we find that Pakistan is preparing for a nuclear war.

17.00 hrs.

Pakistan has already weapon grade nuclear capability. It has got some 80 missiles from China. With all these enormous aid which Pakistan is having, relations with all our neighbours are not very congenial, naturally we have to spend a huge amount which could have really gone to the development of this country.

Our tragedy is in spite of our best efforts and the best efforts of the Government, we are not able to do as much as we hope.

For building a strong economy, at least three things are pre-requisites—power, irrigation and transport. Our Annual Budget will show the amount that we are allocating to these Departments. The allocations are so meagre that we cannot undertake a very adventurous scheme—as my friend Shri E. Ayyappu Reddy was telling—that we have to link or connect Godavari with Ganga or Cauvery with Ganga for enabling the whole area to be irrigated. In that way, it will take thousands and thousands of crores of rupees for just building this kind of project. That will take about 50 years to complete, since we do not have funds, we do not have such a base. Because we have to invest so much to defend our frontiers, naturally all these developments and all these kinds of adventurous projects have to be kept in abeyance. Until we build a strong economic base and until we build up our defences, we cannot think of having such schemes as proposed in this Bill. So long as we are not able to do that, it will be obliterating our own responsibility to the nation and to the people if we just forsake our defences in the name of development or in the name of education or any other project.

So I shall very humbly say that these lofty ideals made with the political bias and when they are made with the purpose to embarrass the Government, knowing it fully well that no Government worth the name could be able to achieve this object, at least for 15-20 years, then a premium has to be put on that kind of testimony. And only for

[Shri Raj Mangal Pande]

that reason I am just quoting Article 16(A), which our forefathers deliberately inserted, knowing fully well that the country and the people of this country, with such little resources, are not in a position to give job to every person. It looks so nice, that everybody must have job. It looks very nice if right to work is guaranteed to everybody. But how could the Government give job to everybody?

If I correctly remember, my Minister will tell, in Uttar Pradesh the Government has banned recruitment for five years. Here in the Central Government too there is some kind of a ban. What does it indicate? In spite of the vacancies, we are very short of funds. The constraints of funds are such that we cannot take all these things. Even minor and petty postings and appointments are prohibited. So all these things require funds.

Article 16 of the Constitution says :

"Equality of Opportunity in matters of public employment :

- (1) There shall be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State.
- (2) No citizen shall, on grounds only of religion, race, caste, sex, descent, place of birth, residence or any of them, be ineligible for, or discriminated against in respect of, any employment or office under the State.
- (3) Nothing in this article shall prevent Parliament from making any law prescribing, in regard to a class or classes of employment or appointment to an office (under the Government of, or any local or other authority within a State, or Union Territory, any requirement as to residence within that State or Union Territory) prior to such employment or appointment."

So, this is clear. Our forefathers or those who contributed to this Constitution were absolutely sure that the country was not in a position, and the country did not have

enough resources, to guarantee such kind of rights to every citizen who was able to work; and for that reason, the States were given such powers, namely, in certain situations, the States were empowered to appoint people, and give jobs; and many States are doing it. Some States are doing it at a small level; States like Maharashtra are giving some kind of help, when there is drought or some kind of a calamity. They have authorised District Magistrates, and they have automatically given employment to people. Such an arrangement is there in Uttar Pradesh also. Some States are doing it. But even the States have very meagre resources. They cannot do it. So, it is not possible.

The only plausible factor could be a reduction in population as China has done, by deprivation of certain citizens' rights. Any person who has more than two children must be denied some of the privileges and rights which the State gives to him. If it is not done, and if the population growth is maintained as it is, then it will be one of the biggest problems that this country will have to face, and our entire resources will have to go to meet the needs of such people, and our *per capita* income will go clearly down to such an extent that this country will not have enough funds to secure its own borders, to defend its own borders and to build a strong economy and a strong country.

SHRI PIYUS TIRAKY (Alipurduar) : I support this Constitution (Amendment) Bill moved by Mr. Thampan Thomas.

You know India has got vast resources. Whatever resources Nature has given to this country, if we can exploit them properly, nobody will remain unemployed. Our Constitution provides that India does not belong to a few alone. India belongs to all—even to those who are still trying to get employment. They have every right to employment, to work for the country, for the betterment of the country, along with their own betterment. So, this right must be the fundamental right, I think, and every Indian should support this idea, and Government should work towards this idea.

Just now what is needed is not enforcing family planning by force. The standard of living is so low that you cannot think of forcing people in matters of family planning immediately, as my friend was saying just

now. What is needed is this : in our country, some people are dying due to over-diet and a much greater number without any food. In between, some people are struggling to live somehow. This is the condition in our country. You have no check. So, first you must have a check on those who have already accumulated crores and crores of rupees, and are having unaccounted money also, not only within India. Our economy has failed because of black money. You cannot control the price rise. Because of the few, you have no control over it. Even Government is getting influenced by it. Politics is going to be influenced by it ; and if this goes on, there will be a black money Government here in Parliament. There will be no people's representatives at all. There will be the representatives of the black money.

This is because this politics has gone to the people who are having money or people are purchased or some sort of animal power is also used in politics. If people have work or get some employment, then they are supposed to work for the betterment of their country. But how can you expect them to work for the betterment of their country or love their country when they do not have any type of work, not to speak of getting employment anywhere. So, you cannot expect unemployed people to love their country.

The figures are with you. I need not tell you those figures. The number of educated people who are seeking jobs is 3 crores. What about the uneducated people, labourers and what not ? They are also seeking jobs. They also want to work for the betterment of their country, but the government cannot provide them even a simple job or any kind of job ; they do not want big jobs ; they only want simple jobs.

We, the Members of Parliament, are meeting people from our constituencies ; even from Delhi also. They are coming to us and asking for any kind of jobs anywhere. Some people are making money out of this ; some sort of exploitation is going on and Rs. 10,000, Rs. 20,000 are taken from people on the basis of giving them assurance that they will be sent to foreign countries for some jobs. This kind of a thing is going on in this country. Whom to blame for this ? You are responsible now, who are in the Government. It is happening because

some policy or other is wrong somewhere. That is why people are becoming poorer and poorer. In the meantime, some people are becoming fatty and they are comparing with England or America. The rich people in India are comparing with rich people in America. This is the condition of our socialist country. It is ashamed to say that we are a socialist country. What kind of socialism is this ? I do not understand this kind of socialism. Perhaps the Minister and the Government also do not understand about this socialism. What I mean by socialism is that everybody has a right to live, at least a right to work ; that is a fundamental right. Do you want to make people beggars ? You know that beggars are increasing in our country.

Are you happy that beggars are increasing in our country ? Do you want India to be a country of beggars ? Blind men are also increasing. There are so many types of diseases here. Even after 40 years of our independence, we are not able even to provide a simple job to our people. We are very much ashamed if the people are saying that this country is a country of beggars and beggars are increasing ? Are you proud of it ?

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SHEILA DIKSHIT) : I am proud to be an Indian.

SHRI PIYUS TIRAKY : I am also, but I am ashamed to tell that we have not been able to provide a simple job to our people. Can we not solve this problem ? (Interruptions) I was Adivasi much before I was sent to India. You came much later.

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : Adivasis are more proud of India than you are.

SHRI PIYUS TIRAKY : I love India. What is happening is that our policy is wrong. Land problem is there. Those who are not the tillers of land—just see the figures of the land-less people—those who have got nothing to do with the land ; those who are working in office as clerks and doing some other jobs, they are the masters and the owners of the land.

But they are the masters and they are

[Shri' Piyus Tiraky]

the owners of the lands. Immediately, you have the power to say that all lands should be turned over to the State. The State owns all the agricultural lands, you can say. You can train the farmers, such of those farmers who are included to do farming, only those people should be given opportunities. It is not for individuals. One individual cannot have all the money and resources and deprive the others. The Government has to ensure that this is not done.

My previous speaker, Shri Pande was asking why we should not start from our State. It is a funny argument. Every State has to follow the Constitution of India. It has been amended here. No State can do on its own. In some States, to some extent, to the extent they can, they have done it. But it is the Government of India, the Central Government which has to think about its own people because the problem of unemployment is not decreasing, it is increasing. Unemployment is increasing, illiteracy is increasing and there are a number of problems. There are starvation deaths.

The other day I mentioned that in Orissa many people have died, even children and women are being sold. Is it India? We are interested in the people of India. You see the people staying in Five-star hotels. They are also Indians. There are people who do not have employment, they are also Indians. How much money do the people staying in the five star hotels spend per night? They spend Rs. 2000 or 5000. And this is supposed to be a socialist country. There must be a check. One cannot go too low and one cannot go too high. You have got all the people who are human beings in India. They have all got equal rights. They have a right to live and a right to work. This Government should come forward to solve this problem. Otherwise, everybody knows what is going on. People coming from outside India they see these things.

We Indians are experts only in adulteration, even in corruption. What for? Because the policies are individualist policies and profit making people only can flourish. But if everybody runs after his own profit, then who will look after those people who are not employed? So, this profit-oriented

society, individualist society should be changed.

The State should provide some employment because the people have the right to work, a fundamental right to live and work. We love this country, more than we love the Himalayas or the Ganga. We love the people also. But in this country some people are poor, there are naked, illiterate, blind people, beggars, who are all Indians. At the time of asking for votes we call the people of India brothers. We promise that this will be done, that will be done and so on but so far they have only been cheated as the promises are not fulfilled.

Because the Government has the majority and also the power, it is time for them to think over, they can bring a bill to ensure that the right of the people to employment is fulfilled. They do not want to be beggars. The people of India want work and that right that fundamental Right they must be enabled to exercise.

SHRI S.B. SIDNAL (Belgaum): Mr. Chairman Sir, this is a very beautiful, debatable and a laudable subject. I welcome it for thinking purpose only.

With this vast sea of population when we think about forty years back, our natural resources and sources for exploitation was very much limited. With this background, we are living today.

'Right to employment' is really an economical problem. Nobody denies the right to employment. It is a good one. Everybody must live as you said and everybody must get employment. But our situation is quite different because we have the Education, which is not a very productive one and we have the population, which is multiplying every minute; and production, though it is good, it is not in proportion to the population. Sir, natural resources are many, but exploitation is not to that extent which can fulfil the desire of the people. It is true that we want to create a just society and we want to live very much comfortably. How is it possible to provide jobs to everybody at this stage? For future, it is a good idea. Sir, when we look forty years back, the poverty was there and even today, the poverty is there. What were the means we employed to do away with the poverty? The late Prime Minister Shrimati Indira

found out Twenty Point programme only to give employment to the rural people, and this scheme has been found to be very much practical. We have done better in this regard.

Now the real problem is, whether the poverty is still there. According to me, in those forty years back, we had the poverty which was absolute without food, without shelter, without medicine, without transport and without any aid. Today we have the poverty and tomorrow also we shall have the poverty. It is a comparative term. The problem is, whether we can do away with the poverty with this population. In my opinion, we have to make certain plans, as my friends have said, to curb the population voluntarily. The sources are limited and eating mouths are many. Though every person has a pair of hands, there is no work. Unless we build economy, we cannot live comfortably, and we cannot seek redress through the Court for employment, because there is no work. Sir, recently we had a chat with an Italian delegation. We asked them, whether there is any unemployment problem there. They said, we employ people by rotation, on contract basis. When we go and make a survey in the whole world, everywhere the unemployment problem is there. It is here also. How to overcome it ?

When we see the agricultural sector, it is heart burning. A lot of labourers, uneducated, unemployed, and unskilled people are lying idle because there is no monsoon, no input, no instrument, no production, no economy. Hence, no employment. Though there is a lot of land, a lot of rivers and a lot of natural resources, we cannot exploit it. So, it is very difficult to imagine the situation at this juncture.

Then, we come to the urban area. There are a lot of problems. There are only limited opportunities for employment. When we go to the mills, there are limited jobs. When we go to the offices, only we want white collar jobs. Rest of the people are unemployed. When you analyse step by step rural as well as urban, it is heart-burning. How to overcome it ? Can we just get disappointed looking at the position of this country ? We cannot because we are optimistic and we are going ahead and we have to think of the agricultural sector to

provide employment there by exploitation of the natural resources. Now, according to me, we have fragmented the land by legislation and by population. In the Budget speech and on the Demands of the Agriculture Ministry, many of my friends have demanded implementation of the Land Reforms Act. It has been implemented by increase of population, according to my personal opinion, because 20 years back when we had this law, there were two or three members in a family and now it is multiplied by 10 to 15. So legislation and population both have fragmented the land. Unless we mechanise the agriculture and bring together all these fragments, we cannot produce and flourish in the agricultural sector. Unless there is a good amount of production, employment cannot be provided. How to do it ? The question becomes very important whether we can nationalise lands of this country. It may be very much heart-burning and many people think that we are adopting dictatorial form of idea. When Nehruji adopted the socialistic pattern of society, people criticised him that under the garb of socialism he was embracing communism. These are the things in this country which are more sentimental than productive. So we have to think very seriously about this problem. We have to analyse it and we have to go only for production on scientific lines.

Thirdly, all of us want white collar jobs. Even our educational institutions are producing guarantees and literates who do not want to do physical work nor do they get jobs. So the unemployment register is bulging and swelling every minute. So the system of education has to be changed. Though we are advanced and we are third in the engineering field, unless we change the entire system of education into productive ways, we cannot get any productive means. Unless production is there, employment column is nil. Therefore, education is an important thing to achieve the goal of my friend which he wants, that is, the right to employment.

In urban areas slums are being increased. What is the result of the slums ? It is only because of the disparity created between urban and rural areas. In a rural area, a person does not get even Rs. 10 a day. In Bombay and Delhi he gets Rs. 100 even by boot polishing. It does not matter whether he sleeps on the road or in the slum areas.

[Shri S.B. Sidnal]

He gets money, he gets good food, good water and everything else except a sleeping place. We have failed to build satellite cities. We have built only cities and filled everything there. We have provided good education, good institutions, potential employment and everything else. So the rural people run away to urban areas because we have not provided anything in rural areas. When you industrialise in the rural areas and give employment there, their economy will be built, capital will be built and then nobody has to go to the court of law for seeking a job because there will be lot of employment.

Why should we create a law and swell the number of cases in the courts to get a job, when we can produce well, when we can plan well ? There is no need for this. It is required only when the Government denies employment though it can afford to give. Here, the thing is that in a family the poor father is there but the son wants a motor car. How can he afford to do so, even with all his efforts ? So, it concerns all of us, it does not concern only the Government. Every citizen has to give a thinking about the society about its texture, about its behaviour, about its scientific approach.

Our Prime Minister, Rajiv Gandhi, has given a concept of 21st century. He has motivated the country's feeling. He has given the direction to the country as to how we should go to the 21st century. Many a friend from the other side have criticised cynically. I do not mind if they criticise constructively. They may criticise cynically, but it is really a good concept. We will definitely go to the 21st century in a better way. In the last forty years we have run a lot, we have been doing exercises, we have been building our bodies. So, we can run faster. In these fifteen years we can cover more mileage than we have covered in these forty years. So, that is also very important. What is needed is the scientific approach. Some people say that computerisation and other things throw people out of jobs. It had happened in Japan. When they brought new machinery, many persons were thrown out of their jobs. But these people went and learnt new things and adapted to the new system of machines. So, the scientific

approach is also one of the factors to see that the production is increased and the economy is bettered. When the economy is better, the question of seeking redress through court of law for getting a job does not arise. Therefore, the whole idea is to modernise our education, curtail our population, and systematically build our rural economy so that we can provide employment. That only will help and then only we can think of building the nation and also providing employment. Thank you very much for the opportunity given to me.

MR. CHAIRMAN : Is it the pleasure of the House that the time for this Bill should be extended ?

SHRI THAMPAN THOMAS : How many speakers are there, Sir ?

MR. CHAIRMAN : At the moment four Members are there.

SHRI THAMPAN THOMAS : Then it is better to extend the time.

MR. CHAIRMAN : How much ?

AN HON. MEMBER : Two hours.

MR. CHAIRMAN : Are you all agreed ?

SOME HON. MEMBERS : Yes, Sir.

MR. CHAIRMAN : The time is extended by two hours. Now, Dr. C.S. Tripathi.

[Translation]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad) : Mr. Chairman Sir, in the Constitution Amendment Bill introduced by our hon. Member Shri Tampan Thomas, which has been discussed in detail, he has asserted that a specific amount should be given to all unemployed citizens of India for which a statutory provision should be made. It is not justified that people in the country should face starvation due to unemployment. The proposal is quite good in itself. But the hon. Member will be aware of the fact that when India was made a republic in 1952, our concept had been to establish welfare state and make the people prosper by raising their standard of living through the implementation of welfare schemes. The Government was determined in this regard and as a result various achievements were

made. I do not agree with Shri Piyush Tiraky that nothing has yet been achieved. Earlier it was too difficult to find an educated person even to read a telegram message in English and innumerable people had to go to bed in the night without satiating their hunger in the lean months of Magh and Pausha. Production of food grains was insufficient, people were too poor to fulfil even their basic needs. A large number of people died due to lack of proper medical facilities and medicines were not supplied in the hospitals. So it can't be said that no progress has taken place. But we will have to ponder over it as to why the unemployment is increasing inspite of development in every field.

One of the significant factors that various hon. Members of the House have attributed to this is population explosion. It is really terrifying and Government is much concerned about it and introduced a number of schemes and issued various guidelines. Sufficient amount of money is being spent to check its growth. Our Government is making all out efforts to check it. But it is regretted that this programme has not been accepted as People Movement and the desired results have not been attained I personally feel that unemployment cannot be curbed unless population growth is controlled. Mr. Chairman, Sir, I feel that such a serious problem cannot be solved just by enacting laws.

I feel that unproductive employment has been the other reason to it. Such schemes should be prepared that might be helpful to provide them productive employment, and this would positively help to increase our production, goods and make our services efficient. Employment generated in unproductive services, has bad effects upon the economy of the country as a result of which our economic structure may collapse. While preparing programmes for generating employment the Government should pay proper attention to this effect that employment is generated in that sector only that with which production also increases and pace of development is accelerated.

Hon. Sir, Government has reviewed the situation from time to time and it is a matter of proud and happiness that our Prime Minister has taken strict actions in this regard. Extravagancy of Ministries should strictly be curbed. It will help in

saving crores of rupees. Lakhs of rupees are being spent lavishly in various Public Undertakings, Ministries, institutions, factories etc., which can be easily saved. Money is being spent on having telephonic talk with their kith and kin living abroad. A fleet of vehicles have unnecessarily been provided to each Managing Director though one is sufficient for them.

Sir, inspite of so many rules and regulations framed, public awareness and discussion, those people who were given responsibility have not been made accountable. Crores of rupees were spent on constructing a bridge on Mandavi river in Goa in 3-4 years, collapsed a few days after its completion. The Government assured to hold investigations when the matter was raised in the Parliament. We cannot contribute in progress of country in this way.

As many as 50 to 60 Junior Engineers, 10 to 20 Assistant Engineers, 1 to 2 Executive Engineers, 1 Superintending Engineer, would have been employed to construct this bridge. All these would have a hand in collapsing this bridge. Why did they grant the certificate that this bridge was worthy of use and should be opened to traffic. But when this bridge was opened to traffic, it collapsed, as a result of which crores of rupees have been wasted, these robbers escaped after looting crores of rupees, sum earmarked for development plans of our country was snatched before our eyes and these people escaped enjoying themselves. Till today they are enjoying with this amount unpunished. It is being stated that an enquiry is being held but this enquiry will not be completed even in hundreds of years, Government will not be able to do anything and these people die before they are brought to book. Therefore the need of the hour is that accountability should be fixed directly. If a primary school collapses within ten days of its construction, the man responsible for it be penalised, no mercy should be shown to him, he should, in no case, be pardoned.

I have just given a tip of an iceberg, there are many projects where crores of rupees are being wasted, money of the country is being wasted in making enquiries and we are watching this situation helplessly, we are not able to do anything. We will be able to stop this wastage only, if accounta-

[Dr. Chandra Shekhar Tripathi]

bility is fixed for all type of work, only then we will be able to do some constructive work in the country.

Besides this, I would like to tell hon. Members Shri Tirakay, who belongs to Communist Party about yet another disease of industrial unrest which is spreading fast in our country, due to which huge sums are wasted. If this problem does not exist in our country we need not borrow foreign exchange to run big projects. We have not developed a sense of work culture in ourselves, we only demand for more wages, facilities and perks. What are our duties, we have not been able to specify them. If we observe honestly we will find that our Government has enacted many legislations for welfare of labourers, their children and to provide for education for their children, minimum working days, provident fund and to abolish bonded labourer system, so that their working conditions improve, but if you see the returns received for all these, it is found that somebody is talking away the wheel from the factory, someone gives fire to the factory, someone dislocates the fishplates of the railway line, a feeling of devotion to duty is found lacking everywhere. Inspite of many suggestions made and many good laws enacted over the years, we have not been able to carry the country forward. From where the people will get employment, from where will we provide work to the people when no work is done in the factories.

Whose Government is this? It is the Government of all of us, atleast we think it so. We work more for the people belonging to Opposition parties than that of the people of our own party because we believe that the Government belongs to all of us. Rising above the party politics, if we think how can we get together to carry the country forward, how can harmony be established between duties and rights, if these things are considered then we believe that we will be definitely able to solve the problem of unemployment.

Keeping in view the number of unemployed people, the hon. Member has stated that if this scheme is implemented in this country, Government will have to spend Rs. 800 crores on it, many people have

raised doubt about the source from where this sum will be made available. I say that the question is not about the source of money, money can be arranged by mopping black money and levying taxes, of course this will push up prices, but it is not the question, we can arrange this amount by mopping black money or by imposing ceiling on property, but the question is that the money so collected by mobilising black money and imposing ceiling on properties, where will it be proper to spend the same. People have amassed disproportionate assets worth crores of rupees, it should be seized and taken away from them. The question is whether it should be distributed among the unemployed people, or it should be invested on various development schemes for carrying this poor country forward. It will have to be decided, we think giving the doles to unemployed out of the money so mobilised will obstruct the progress of the country and the youths, who are to come forward to work and a feeling of entrepreneurship is required to be develop among them, will become lazy and they will not be able to succeed due to lack of responsibility and experience. I say with great pride that our Government has started job oriented schemes. The Government launches programmes about vocational training from time to time, but the scheme of self employment started for the last 10 years, has proved very significant for the lakhs of educated unemployed people living in villages who keep moving here and there in search of jobs. We will have to tell the youths of India that they need not bothered about Government jobs and this feeling would have to be imbibed in their minds that they should themselves raise resources from the infrastructures available and start their own enterprise for which they will be provided incentive, technical training, financial assistance and grants. I feel glad that our Government has taken a good steps in this direction, but hon. Sir, there are many flaws in its implementation like flaws in implementation in any of our other schemes. To generate self employment, amount has been increased from 25 thousand to 35 thousands but the young man has to go from pillar to post for years together to obtain a license to establish industry and they have to visit banks hundreds times to obtain loans. I would submit that it should be simplified. The procedure should be made us simple as possible so that crores of unemployed youths of our country can get

license within one-two months under this scheme, bank loan should be provided as early as possible so that they can start their own work. As far as I am informed that inspite of taking necessary action in this direction, the youth losses his patience after many unfruitful visits to the bank. He leaves his efforts half way and loses all initiative to start his own work. Existing cumbersome laws should be simplified so that lakhs of unemployed people can get employment after taking benefit from this scheme, Sir, it had remained an eternal wish of Gandhiji that this country which lives in village, where even today 80 per cent population live in the villages, employment opportunities should be provided to them through small scale industries and cottage industries. Steps taken in this direction by the Government are not commendable because programmes initiated in this direction are not implemented the way they should be implemented. Government must focus its attention towards it so that employment could be provided to thousands of people through cottage industry and small scale industries by exploiting the resources locally available. Almost all State Governments have implemented Ceiling Act in the rural areas. It is worth nothing that we have not been able to do anything about urban ceiling. I would like to quote example of Delhi. Even today, 25 to 30 crores of people exist in India whose women folk do not get even a pair of sarees a year. On the other hand, there are people in Delhi who feed their dogs rich diet and take them for ride in their cars. There are people who spend 5 thousand rupees on wine in a five-star hotel daily. If such disparity is allowed to continue in this country, we will not be able to do the quantum of work as desired. The way Government has enforced ceiling in rural sector that should be enforced in urban areas too. Limit should be fixed, property found to be in excess of limit should be taken away from them and job opportunities should be provided to lakhs—crores of people by implementing a number of schemes.

Sir, a survey of the people living below the poverty line has been undertaken and their number was estimated to be around 30 to 35 crores, but luxury line has not been fixed. I would like that Government should take steps in this direction very expeditiously and should fix urban ceiling and should also specify luxury line. Efforts should be made

as to how work is provided to the poor people through entrepreneurship, how their standard is to be raised and how unemployment is to be eradicated.

Even agreeing with the views expressed by Thampan Thomas Sahib, I can not support this Bill because it will merely add some more pages to the statute book. Thus, unemployment can not be eradicated simply by passing law. Why is unemployment increasing? I have given some reasons for it. If the people of the whole country, rising above their party affiliations, devote themselves to this job and find solution to these problems, only then poverty can be eradicated from this country.

With these words, though respecting the spirit of this Bill, I feel that there is no utility of this Bill. Already many laws exist in our country. There should be an implementation machinery for them and those should be implemented honestly, then unemployment will be removed for ever in the country.

SHRI DHARAM PAL SINGH MALIK (Sonepat) : Mr. Chairman, Sir, the Constitution Amendment Bill introduced by Shri Thampan Thomas is based on good ideas, but I agree to the views expressed with regard to it by Dr. Tripathi to the great extent and taking one step further, I would like to submit that unless we make changes in the present system, we will not be able to provide everyone with employment. But the people of this country are not ready to accept the changed system. When we are demanding the right to work, we must forego the right to property. If this right to property is allowed to remain as it is, it will increase imbalance in society and we will not be able to give everyone the right to work and right to equality.

As our Government is not responsible for our security, we have to take that responsibility on ourselves. Corruption spreads due to this system. In the present system, more a man possesses wealth, more he feels secured. In the process, every one is running after earning more and more money in a bid to ensure more security for himself. We cannot get rid of this corruption, unless the Government's takes the responsibility to provide social security to the people, because we are trying to get

[Shri Dharam Pal Singh Malik]

security through corrupt ways. So I support the views of Dr. Tripathi.

If we want to include the right to work in this Constitution as sought to be done by the hon. Member through an amending Bill, we have to forego the right to property alongwith it. So long as this right to property is allowed to exist, we will not be able to provide right to work and right to equality to every citizen of the country and without ensuring social and economic equality to all, our freedom will be incomplete. Although, we got political freedom, we have not yet achieved the desired economic freedom. I would like to submit that it is the Government's policy to provide everyone with food, clothing and shelter. To provide clothing and shelter is meaningless without providing food. We can talk of them only when we provide everyone with employment. In his Address, the hon. President also made mention of job oriented education. Unless we make changes in the education policy suitable to our present situation, we will not be able to provide everyone with employment and equal status. Our present education policy is out-dated and unsuitable to the present situation.

Today, many unemployed youths are misled and their services are taken for anti-social activities. They are forced to do so to satiate their hunger. In this way, they are exploited by other people. This problem of terrorism has risen due to unemployment. If we provide them with employment, then this problem of terrorism can be eliminated.

During the recent elections held in Haryana, the present Government has promised in his election manifesto to give unemployment allowance to each matriculate and graduate unemployed youth at a rate of Rs. 150 and Rs. 300 per month respectively. But it is a way of exploiting the unemployed. The politi-

cians take advantage of their weakness and arouse their feelings. They tempt them in order to make their position safe. So, I would like to submit that this unemployment problem is so acute that any one can be allured to take a wrong path. One can become a terrorist, or a thief or a dacoit even and it is all due to unemployment.

It is very easy to say that unemployment allowance should be given. But it is very difficult to implement it, as we have very limited resources. This Bill has been brought forward with political motive. Though idea is very lofty and everyone agree to it. But this will not improve the quality of life of the people, I think so. This Bill, if passed, will make the Government's situation more worse. I don't know what suggestions were given by the hon. Member to provide everyone with employment and unemployment allowance. In my opinion, we should bring changes in our education policy. It is difficult to solve this problem under the present situation. The Congress Party has already suffered once, due to the suggestions given by the party to solve this unemployment problem. In 1977, the Congress Party lost the elections, because they had given the suggestion of family planning. Neither the Congress Party nor its Members were to be benefited from the family planning programme. It was started only because of the rising problem of unemployment in the country and it can only be stopped, if we spend according to our limited income...

{English}

MR. CHAIRMAN : You may continue next time. The House stands adjourned to reassemble on Monday, the 11th April, 1988 at 11.00 A.M.

18.00 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Monday, April 11, 1988/Chaitra 22, 1910 (Saka).