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Friday, March 21, 1986

Phalgun 30, 1907 (Saka)

# LOK SABHA DEBATES

## (English Version)

**Fifth Session**  
**(Eighth Lok Sabha)**



*(Vol. XV contains Nos. 21 to 30)*

**LOK SABHA SECRETARIAT**  
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*No. 21, Friday, March 21, 1986/Phalguna 30, 1907 (Saka)*

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## LOK SABHA DEBATES

### LOK SABHA

*Friday, March 21, 1986/  
Phalgun 30, 1907 (Saka)*

*The Lok Sabha met at  
Eleven of the Clock.*

[MR. SPEAKER *in the Chair*]

### ORAL ANSWERS TO QUESTIONS

*[English]*

#### Profit ratios of Indian banks vis-a-vis foreign banks

\*387. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to states :

(a) whether it is a fact that in the case of nationalised banks in India, the all profit ratios of income/expenditure, operating and establishment expenses as well as to interest payments are much lower as compared to the foreign banks;

(b) if so, what are these ratios in respect of (i) State Bank of India, (ii) Punjab

National Bank, (iii) United Commercial Bank, (iv) Central Bank of India and (v) Union Bank of India;

(c) whether any restructuring of the banks is proposed to be undertaken to streamline their functioning and improving their earnings;

(d) if so, when; and

(e) if not, the reasons therefor ?

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

#### Statement

(a) and (b) : The Profit ratios of 28 Public Sector Banks is lower than those of the foreign banks. The Profit ratio of State Bank of India, Punjab National Bank, UCO Bank, Central Bank of India and Union Bank of India as a percentage to (i) working funds, (ii) total income, (iii) total expenditure, (iv) interest expenditure, (v) establishment expenditure and (vi) operating expenses (other than interest and establishment expenditure) for the year 1984 is given below :—

	1	2	3	4	5	6
	State Bank of India	Punjab National Bank	UCO Bank	Central Bank of India	Union Bank of India	
1. Published profit as a percentage to working funds	0.09	0.16	0.07	0.05	0.10	
2. Published profit as a percentage to total income	1.06	1.74	0.77	0.62	1.14	
Published profit as a percentage to total expenditure	1.07	1.77	0.77	0.62	1.15	

1

2

3

4

5

6

4. Published profit as a percentage to interest expenditure	1.61	2.48	1.19	0.91	1.75
5. Published profit as a percentage to establishment expenditure	4.51	8.90	2.99	2.61	4.53
6. Published profit as a percentage to operating expenses	11.31	20.79	8.59	8.23	13.97

(c) to (e) : Banks adopt administrative structures appropriate to their spread of branch network and composition and volume of business. By and large, the banks evolve proposals for restructuring of their organisations on the basis of their own experience and felt needs. No major restructuring of the banking system as such is considered necessary at present.

With a view to secure an all-round improvement in their working, Public Sector Banks have been advised to pursue various objectives such as improvement in customer service, modernisation of operations, streamlining and strengthening of systems and procedures, orderly house-keeping, improvement of profitability, etc. The banks have also been advised to improve their operational efficiency. Some of the specific steps taken to improve the profitability of banks include enlargement of the capital base of banks, enhancement of the interest rate on cash deposited with Reserve Bank of India, non-deduction of tax at source on interest on Government securities held by Public Sector Banks, etc.

**PROF. NARAIN CHAND PARASHAR :** The statement reveals a dismal picture in the case of ratios for 1, 2 and 3. In the case of item 1, published profit as a percentage to working funds, not even one per cent is there; in item 2, published profit as a percentage to total income, it is nearly one per cent and in some cases less than one per cent; the same is the picture in respect of item 3, published profit as a percentage to total expenditure. In view of the large investment of public funds in these banks and in view of reports of fraud and corruption and writing off of loans

even to the extent of more than Rs. 10 crores in each Bank, is it not necessary that Government takes a closer look at the banking system and instead of saying that no major restructuring of the banking system as such is considered necessary at present and that the banks are allowed to evolve their own structure and all that, is it not the right time to have a closer look and ensure efficiency in the banking system in this country by either restructuring it, by amalgamating the ten major Banks or so, or by bringing the entire system within the purview of parliamentary control and scrutiny?

**SHRI JANARDHANA POOJARY :** It is better if I explain as to what is this working fund. All the assets of the bank, including buildings, furniture, investment, cash in hand, are included so far as this working fund is concerned, and then the profitability in relation to this has been shown. We do not say that there is a lot of improvement. But at the same time I can bring it to the notice of the hon. Member that the profit of the banking sector in the year 1984-85 was about Rs. 82 crores and this time it is estimated to go up to Rs. 109 crores; the increase is to the tune of 32 per cent. The hon. Member has made a point. I want to tell him that we have to keep in mind here the fact that we have got social banking also : we have to give loans at concessional rate of interest. So far as one per cent of the banking deposits is concerned, we have to give at the rate of four per cent; for IRDP also we have to give at the rate of ten per cent; and even for export also, the hon. Member knows, we have to give at concessional rate. The hon. Member has be-

making the point that for the hill areas and backward areas, more concession should flow, and there also we have been giving. Here instead of centralising, we have to decentralise; instead of amalgamating the ten banks, we have to see that there is decentralisation. Decentralisation is taking place within the banking structure. We have given more powers to the Bank Manager and he can generally grant loans upto Rs. 25,000/- In this way we are monitoring the functioning of the banks. Not only that, instead of going to the top people, we are going to the customers. The top executives have been asked to go to the customers, and customers' cells have been set up throughout the country. I am grateful to the hon. Member for asking this question. We are making a lot of improvement in the banking sector.

**PROF. NARAIN CHAND PARASHAR :** He has evaded the most important part of my question. I believe, the executive cannot ensure the functioning of the public sector banks to the extent to which parliamentary control and scrutiny would ensure the health of the system. When all other public undertakings of the Government of India are brought within the purview of the Committee on Public Undertakings for closer look, scrutiny and control, how is it that the banks are kept out of the purview of Parliamentary scrutiny and control ?

**SHRI JANARDHANA POOJARY :** As the Hon. House knows the Estimates Committee is looking into it and last year also they had taken up this subject. Not only that, in Parliament also every day in every budget there will be a debate. We are also looking into the functioning. Questions are being asked. The Parliament has decided that we cannot give the details of every day to day functioning. This is the thinking. If the Parliament desires we don't have any objection.

*(Interruptions)*

**SHRI ANANDA GAJAPATHI RAJU :** I would like to know what is the spread between the deposits of the bank and the interest that they are charging. This seems to be quite substantial. Is the additional amount going to be utilised towards provi-

ding man days employment to the weaker sections in the rural areas? In fact, in Andhra Pradesh very little of banking funds are going into providing of man days employment in the rural areas. Will the Hon. Minister consider this proposal ?

**SHRI JANARDHANA POOJARY :** We are providing funds for the purpose of the IRDP loans. In so far as the NREP is concerned, banks have nothing to do with it. The budgetary allocation is there from the Central Government and as the Hon. Member knows, we have increased the allocation. But here the implementation authority is the State Government.

**SHRI Y. S. MAHAJAN :** The introduction of computers in the foreign banks has increased their efficiency and they are supposed to be 30% more efficient than their Indian counterparts. In view of these facts, I want to know whether the Hon. Minister will introduce computers or if he has begun the process how far it has gone and what are the advantages which he has realised.

**SHRI JANARDHANA POOJARY :** It is true that computerisation is going to help the management to have efficiency. In fact more efforts are being made to computerise. The cooperation of the employees are also sought and the Government is determined to go in this direction.

**SHRI SONTOSH MOHAN DEV :** The Hon. Minister in his reply has stated about the decentralisation of banking service among the banks. Five regional offices of the State Bank of India are stationed at Gauhati only. I would like to know whether the Government will consider decentralising these regional offices in Jorhat, Cachar and Tezpur instead of keeping in Gauhati only.

**SHRI JANARDHANA POOJARY :** I will look into this and write to the Hon. Member.

**Import of edible oil against export of non-basmati rice**

\*388. **SHRI INDRAJIT GUPTA :** Will the Minister of COMMERCE be pleased to state :

- (a) whether Government have decided to allow import of edible oils by the private traders against the export of non-basmati rice;
- (b) if so, the details of the plan;
- (c) the quantity of rice proposed to be exported; and
- (d) the quantity of edible oil proposed to be imported during 1986-87 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (d) Government have not taken any decision to allow import of edible oils by private traders against export of non-basmati rice.

SHRI INDRAJIT GUPTA *rose--*

SHRI P. SHIV SHANKER : How does the supplementary arise ?

MR. SPEAKER : He will make it arise.

SHRI INDRAJIT GUPTA : We have to depend on various sources of information, there may be some slight error. I would like to know whether it is not a fact that the Government have in fact issued a notification already permitting export of non-basmati rice and non STC rice by private traders under the Open General Licence—not export of edible oil but export of basmati rice by private traders. I would like to know whether this is being sanctioned. If so, what are the agricultural commodities which they expect to be able to import against these exports.

SHRI P. SHIV SHANKER : I find the thrust of the question is import of edible oils by the private traders in lieu of the export of non-basmati rice. In fact the position is that in so far as the export of non-basmati rice is concerned in lieu of those of what will be imported is the edible oil. The idea behind this is that a lot of foreign exchange is being spent on the edible oils. Therefore, the idea behind is to get edible oils in lieu thereof.

SHRI INDRAJIT GUPTA : Sir, my specific question was whether the export

of non-basmati rice is going to be done by private traders under OGL ? It seems they are going to be permitted or probably they have already started exporting this quality of rice and in exchange for that Government hopes to be able to import edible oil and thereby some savings may be affected in our foreign exchange. I would like to know what are the countries to which these private traders are going to export this rice and whether those are countries from which it is possible to import edible oil in exchange, because prices here are higher than the prices in the international market. Does it mean that at a later stage these private traders may ask for subsidies in order to be able to sell this in those markets ? I would like to know which category of farmers they hope to benefit by this measure and whether they will be giving them subsidy also so that they can enter those markets ?

SHRI P. SHIV SHANKER : As regards the export of non-basmati rice this has been allowed from February 1986 through private exporters as well as public sector agencies. On the question of price that the hon. Member referred to I must submit that in today's *Economic Times*—I was just looking into it—the 'permal' rice price in Bombay market is Rs. 320 to Rs. 360 per quintal while the export price has been fixed at Rs. 400 per quintal. Therefore, so far as the export earning is concerned it will be much better as compared to the price that would be running here. No subsidy will be given for the export of rice on this issue.

SHRI INDRAJIT GUPTA : I had asked specific question about the countries Sir, he is relying on *Economic Times* and I am also relying on *Economic Times*. He should be better informed.

SHRI P. SHIV SHANKER : Sir, so far as the names of the countries are concerned they are not available. Perhaps by the end of the supplementaries I will be able to supply.

SHRI E. AYYAPU REDDY : Is there any prospective Plan to make India self-sufficient in edible oils ? What is the approximate foreign exchange allocated for import of edible oils and what is the cost

ratio benefit to make India self-sufficient in edible oils ?

**SHRI P. SHIV SHANKER :** Sir, I have got the information with respect to the countries which had been asked for. The export of rice is to Gulf countries, U.K. and the USSR. The import of oil is mainly from Malaysia.

The hon. Member asked the question as to what is the value of the imports of the edible oils. The edible oils that have been imported during 1986-87 the—programme that has been fixed for that—would be...

**MR. E. AYYAPU REDDY :** My question has not been properly understood by the hon. Minister. I would repeat it. What incentives are being given for the production of edible oil this year ? Is there any perspective plan to make India self-sufficient in edible oils ?

**SHRI P. SHIV SHANKER :** I would require a separate notice for this. I am concerned only with reference to the question that has been asked and that too on the concept of the export of non-basmati rice in lieu of the edible oil.

**SHRI A. CHARLES :** The House has been demanding that there should be a total ban on the import of edible oils. The coconut producers are suffering. The Kerala Government has been requesting that coconut be treated as edible oil and distributed through the public distribution system. May I know from the hon. Minister whether he will consider the possibility of treating it as edible oil and distributing it through the public distribution system ?

**SHRI P. SHIV SHANKER :** I thought, I was dealing with the import and export part of the edible oils. So far as the coconut oil is concerned, that is not imported at all. The question whether it should be treated as an edible oil is a different issue which could be considered.

#### Increase in foodgrains procurement prices

\*389. **PROF. MADHU DANDAVATE :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) what is the latest increase in the procurement prices of foodgrains like wheat and rice announced by the Government;

(b) what are the corresponding increases in the issue prices of the same commodities;

(c) whether the increase in the issue prices is disproportionate to the increase in procurement prices; and

(d) if so, the reasons thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) It has been decided to increase the procurement price of wheat from Rs. 157 to Rs. 162 per quintal. In the case of paddy, for common variety the procurement price has been increased from Rs. 137 to Rs. 142 per quintal. Similar increases have been allowed for the fine and superfine varieties. In the case of wheat, the increase is effective from 1.4.1986 and in the case of paddy from 1.10.1985.

(b) The central issue price of wheat has been increased from Rs. 172 to Rs. 190 per quintal. In the case of common variety of rice, it has been increased from Rs. 217 to Rs. 231 per quintal with corresponding increases for fine and superfine varieties.

(c) and (d) With the increase in the procurement prices, there are in-built ad-valorem increase of diverse charges like mandi charges, interest charges etc. which cannot keep up the proportion even if the same amount is increased in the issue prices.

**PROF. MADHU DANDAVATE :** Sir, it is very clear from the reply that has been read out by the Minister that he has clearly admitted the disparity between the increases in the procurement prices of wheat and rice on the one hand and the increases in the issue price of the same commodities on the other.

Let me tell you, Sir, that our Government is following a strange agricultural economics.... (*Interruptions*). On the one side, the kisans do not feel that they

are getting the remunerative price for the agricultural produce because you are increasing exorbitantly the price of inputs that are required by the kisans and as a result of that whatever be the price that is offered to them, they feel that it is not remunerative; and at the other end, you are also increasing the issue price. Both are dissatisfied. I would pin down on the question. Is it not a fact that whenever the kisans ask for remunerative price, the Government tells them that the urban as well as the rural consumers are demanding cheap foodgrains, therefore, they cannot afford to give the remunerative price, and when the urban as well as the rural consumers demand that the issue price should be less, they are told that because the agriculturists are demanding more procurement prices, it is not possible for the Government to reduce the issue price ?

In order to solve this dilemma, will you have a second look over the problem of controlling the prices of inputs that are required by the agriculturists ? Then alone, you will be able to solve this problem.

SHRI A.K. PANJA : With all due respect to the senior and respected member, I may inform him that this is a request for action and not a question.

PROF. MADHU DANDAVATE : I can ask whether you will take that 'action'.

SHRI A. K. PANJA : We have answered clearly that whatever could be given to the farmers, that has been given as far as possible. There has been an increase of Rs. 5 in the support price. You have seen that. But immediately, other costs such as bank interest, Mandi charges etc. come in and automatically thereafter, a proportional increase takes place in the issue prices. Except for two times when there was an increase of Rs. 15 and Rs. 12 in the issue price of wheat during the last three years, there has been no consequential increase in the issue price at all. We have to look after the farmers and naturally the end users also. We have to tell the farmer that there are so many people who have to eat. We have to argue both ways.

PROF. MADHU DANDAVATE : Are you satisfied Sir ? I will leave it to you. You are the umpire and I will accept your decision. But anyway, I am not satisfied about the first question.

[Translation]

SHRI BALKAVI BAIRAGI (Mansaur) : I would like to know whether we are consuming wheat or sucking the blood of the farmers ? It appears to me that by denying them remunerative prices, we are sucking their blood.

[English]

SHRI DINESH GOSWAMI : Sir, nowadays the umpires are regularly beaten. Don't be an umpire.

MR. SPEAKER : A good advice !

PROF. MADHU DANDAVATE : My second question flows from the first one. Is it not a fact that we have a strange paradox in our country ? There is growing production and at the same time we are seeing that a large section of our poor population are semi-starved or they are at the starvation level. Is it not a fact that this is happening for a number of reasons, one of them being that our Food Corporation of India is actually in distress ? Is it not a fact that production is outpacing the actual storage capacity of the FCI ? Is it not a fact that as a result of these factors, the losses are increasing heavily ? (Interruptions) Do not worry ! The Speaker will take charge. Speaker is not decentralised.

As a result of all these factors, is it not a fact that to avoid giving subsidies, you are taking the softer option of increasing the issue price, thereby creating hardship for the consumers ? Will you avoid this ?

MR. SPEAKER : First facts, and then the question.

SHRI A. K. PANJA : Since you have allowed the question, I may say that in fact there are five questions.

PROF. MADHU DANDAVATE : I connected them well.

MR. SPEAKER : They are connected well with an unbreakable link.

SHRI A. K. PANJA : Since you have allowed it, so far as the last question is concerned, my answer is a categorical 'no'. So far as the first question regarding the FCI is concerned, we, along with the Minister-in-charge Shiv Shankerji, are looking into the entire functioning of the FCI from the stage of procurement upto the end use.

MR. SPEAKER : We had this question the other day.

SHRI A. K. PANJA : Yes. Last time also we answered a question on this. So far as production and storage are concerned, we are visualising the whole picture and this year we are having a monitoring system to see as to what would be the approximate production, and the storage capacity will be augmented to the extent necessary. But as you know, in spite of the best efforts, in spite of constructing a lot of storage facilities, we have to keep some quantity in the open, not in the open air, but under the 'CAP' system. So far as the loss is concerned, this question has already been answered. It is coming down. Not to our satisfaction, no doubt, but we are trying our best. Action being taken at various angles is being reported in the newspapers also. You have seen that. And we are taking action. Almost daily we are having some meeting over it, so that we can give some relief.

PROF. MADHU DANDAVATE : This answer is not correct. The year before last, it was 22 million tonnes and during last year it was 29 million tonnes. At that rate, difficulties are going to increase. So, unless commensurate progress is made in the storage facilities, you will have more storage losses.

SHRI A. K. PANJA : That is not correct, the figures they give. In 1980-81, the total quantity that was purchased and sold, that is, from the procurement upto the end was 232.55 lakh metric tonnes. Then, Sir, the value was...

(Interruptions)

May I complete it ? It was 232.55 million lakh tonnes...

(Interruptions)

SHRI S. JAIPAL REDDY : How can it be when the total production is around 150 million tonnes ?...

(Interruptions)

MR. SPEAKER : Might be the carry over stock...

(Interruptions)

PROF. MADHU DANDAVATE : I was referring to the storage...

(Interruptions)

SHRI A. K. PANJA : If they are anxiously hearing me and if they are not impatient, then I will give the percentage. We are not happy with 1980-81 percentage. But as per the Report, I was saying that in 1980-81, the percentage of loss in value was 2.89.

MR. SPEAKER : Mr. Panja, what they are agitated about is the quantity. They say that it cannot be 232.55 million tonnes because the total production itself is 151 million tonnes or something like that.

(Interruptions)

PROF. MADHU DANDAVATE : Sir, whether he is using classical mathematics or modern arithmetic !

MR. SPEAKER : It is just a question of reading. It is all right. Don't worry. Let him answer.

SHRI A. K. PANJA : This is purchase plus sales.

MR. SPEAKER : That is what I said and may be carry over stock.

SHRI A. K. PANJA : The total purchase of FCI plus sales. We are not happy with the situation. This is the figure...

(Interruptions)

SHRI BASUDEV ACHARIA : But the total production is 120 million tonnes.

PROF. MADHU DANDAVATE : I was referring to the responsibility with which the FCI was saddled. Year before

it was 22 million tonnes and next year it was 29 million tonnes. These are the figures, which are available.

(*Interruptions*)

SHRI A.K. PANJA : But what we are saying is that so far, taking the transit loss and also the storage loss....

(*Interruptions*)

SHRI S. JAIPAL REDDY : We are not talking about that.

MR. SPEAKER : That we have got it....

(*Interruptions*)

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : Sir, I agree with the figures of stocks that have been given by Prof. Dandavate, 22 million tonnes last year, then later on it became 29 million tonnes, I am not disputing that. It is true that, these storage facilities are not in commensuration with the storage requirement. We are trying to develop that. There are some difficulties.

(*Interruptions*)

MR. SPEAKER : Let him answer, Sir.

(*Interruption*)

SHRI P. SHIV SHANKER : There are financial constraints and other things. We are trying to get over it.

(*Interruptions*)

MR. SPEAKER : There is no question of conclusion. It is just a question of statistics. Don't depend too much on it.

(*Interruptions*)

SHRI MANORANJAN BHAKTA : Mr. Speaker, Sir, I want to ask the hon. Minister because the increase in procurement price of paddy and rice is applicable towards the Union Territory of Andaman, and Nicobar Islands and whether you will ensure that those procurement prices are ensured to the cultivators of that remote island ?

SHRI A. K. PANJA : It is applicable all over India.

SHRI V. SOBHANDREESWARA RAO : The Government is expressing its helplessness to procure the entire quantity offered by the Kisans due to constraints of finance, storage and all these things.

MR. SPEAKER : No, no. I think you are wrong there. They have assured only on the floor whatever is offered they will buy. Why are you diluting it ?

SHRI V. SOBHANDREESWARA RAO : Sir, in spite of their promise, they are not fulfilling it.

MR. SPEAKER : The Finance Minister is sitting here. He gave a categorical assurance that whatever money is needed we will give.

SHRI V. SOBHANDREESWARA RAO : Inspite of that promise, they are not fulfilling it.

PROF. N. G. RANGA : That is not being done in Andhra Pradesh.

SHRI V. SOBHANDREESWARA RAO : In our State, they are not procuring.

MR. SPEAKER : That is what you should ask. In that, I go with you.

SHRI V. SOBHANDREESWARA RAO : I would like to know from the hon. Minister : instead of leaving it to private traders, why not Government itself try to export fine and superfine varieties of rice, to enable farmers of this country to get a more remunerative price ? Why not Government itself take up the task, because it can earn more foreign exchange and utilise it for the import of several other things ? Why not Government itself take the initiative ? Will the Government now take it ?

SHRI P. SHIV SHANKER : From Food and Civil Supplies, I seem to be going to Commerce, on the basis of this question.

SHRI V. SOBHANDREESWARA RAO : Because both are with you.

**SHRI P. SHIV SHANKER :** On the question of procurement, I do not know; I am not sure; I was not clear about the observation of the hon. Speaker. But I must submit that if it is a case of procurement on the basis of the levy price, there is a levy order under the Essential Commodities Act. And on that basis, the maximum that could be procured is being procured. This is what I thought I should explain.

Then, on the question as to why not Government itself export the *basmati* and non-*basmati* rice—both, as the hon. Members was saying—if at all there is any benefit, it should not go to the traders; that part of it is a matter which could be considered. And we will consider it.

**SHRI V. SOBHANDREESWARA RAO :** No, the export of this rice should benefit the farmers.

**SHRI P. SHIV SHANKER :** That is what I said. I said I would go into the economics of it. It will have to be gone into. It cannot be answered just off the cuff.

**Functioning of nationalised banks in Sikkim**

\*390. **SHRIMATI D. K. BHANDARI :** Will the Minister of FINANCE be pleased to state :

(a) the names of the nationalised banks which are in operation in Sikkim and the number of their branches;

(b) what are their activities in the sphere of encouraging savings habit amongst the people; and

(c) the total amount of agricultural loans these banks have advanced during the last three years and the number of beneficiaries ?

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

**Statement**

(a) According to the information avail-

able from RBI, in the State of Sikkim, three public sector banks, namely, State Bank of India, Central Bank of India and UCO Bank, were operating as on 30.9.1985 with 19 branches. The bank-wise break-up was as follows :—

Name of the Bank	No. of Branches
State Bank of India	11
Central Bank of India	6
UCO Bank	2

(b) The public sector banks encourage saving habit amongst the people by way of providing interest on deposits and publicity through leaflets and campaigns highlighting the advantages of savings.

The total amount of agricultural advances outstanding and the number of borrowing accounts of public sector banks, in Sikkim as at the end of last three years were as follows :—

As at the end of December	No. of Accounts	Amount outstanding (Rupees in lakhs)
1982	747	18.00
1983	2028	41.00
1984	4613	98.02

**SHRIMATI D. K. BHANDARI :** We have got 19 branches of three public sector banks in Sikkim within a short span of time. I would like to know from the hon. Minister, what are their activities to encourage the savings habit among the people of Sikkim ? Secondly, what are the languages in which they are bringing out leaflets to educate the people, and how far is it successful ?

**SHRI JANARDHANA POOJARY :** So far as the savings habit is concerned, we have been giving incentives. So far as the 6th and 7th Issues of the National

Savings Certificates are concerned, the hon. Member knows about them.

So far as the deposits are concerned, if some body keeps the deposit for more than five years, a rate of interest of 11% is given. Not only that. Through media and other forms of publicity also, we are encouraging this habit of saving.

Coming to branch licensing and branches as the hon. Member made out a point, we have got now one branch for a population of 17,000. So far as the spatial gap is concerned, the present policy of the Reserve Bank of India is to have one branch for every 10 Kms. In this direction also we are taking steps; and the amount had been given in this area, so far as priority sector is concerned, has reached about 52% during 1984, as against 40% of the trial target for the priority sector. In the case of direct agricultural lending, we have been able to give 18.3%, as against 14.2%, which is the all-India average for the agricultural sector.

In the case of DRI advances, in respect of Sikkim we have been able to give them to the weaker sections there to the extent of 4.9%, as against the all-India average figure of 1.17%.

**SHRIMATI D. K. BHANDARI :** What are the languages in which they are bringing out the leaflets to educate people ? How far is it successful ?

**SHRI JANARDHANA POOJARY :** I require notice. I will write to you about it.

**SHRIMATI D. K. BHANDARI :** How many boys and girls have been employed in these branches from Sikkim? Is it not a fact that Sikkim has become only the recruiting centre for the people of other States ? Is there any policy of the government to employ local boys and girls in these banks even if they are not trained ? Is it possible to train them in this line ?

**SHRI JANARDHANA POOJARY :** I don't have the figures relating to the number of employees in the banking sector in Sikkim. I can give the all India figure. About 7,50,000 people are working in the

banking sector. (*Interruptions*). She has asked about the training to be given to the bank employees. We are giving them training.

**SHRI DINESH GOSWAMI :** What was asked was the agricultural loan that has been given and the reply showed the amount outstanding. What is the total amount of agricultural loan ? Is it not a fact that in Sikkim and in the entire north eastern region the deposit credit ratio is adverse from the rest of this country which is rather a paradox because in the backward region more money should be pumped in, because one of the main objectives of nationalising banks was to reduce regional imbalances. One reason why the people are not taking help of these advances is because they are not attuned to the banking habit, they are not also attuned to the cultural background. What steps the government is taking to see that the people are attuned to banking habit ? The officers who are sent there, they should know culture and other background of the people; and in that context, the question put forth by my learned colleague is very important. What steps are taken to see that people in those regions are employed in those banks, because people of those regions will be in a better position to come to contact with the people and make them understand better.

**MR. SPEAKER :** I don't think this is relevant question.

**SHRI JANARDHANA POOJARY :** It is true that credit deposit ratio in this north eastern region is low. I am personally monitoring to raise this credit deposit ratio and more fund will flow to the weaker section and we will see that banking activities and also banking habit improve in the north eastern region.

Now coming to employment and giving them training so that they are employed in this region, I require some notice.

**Need for improvements in marketing system of cardamom in Kerala.**

\*392. **PROF. P.J. KURIEN :** Will the Minister of COMMERCE be pleased to state :

- (a) whether the primary marketing system of Cardamom in Kerala needs to be improved;
- (b) whether under the present system of marketing, the interest of the small growers suffers;
- (c) if so, whether the Cardamom Board has any plan to improve the primary marketing system to ensure remunerative price to the growers; and
- (d) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (d) A statement is given below.

#### Statement

(a) to (d) Primary marketing of cardamom i.e. sale by growers to wholesalers, is done through the system of public auctions. Public auctions are considered beneficial, particularly for small growers, in terms of open transactions and price formation through competition between a large number of sellers and buyers.

Cardamom Board has already taken steps to regulate credit in auction sales. It has also started indirect auctions in Karnataka. The scope for further improvement is being continuously reviewed in consultation with various interests involved in production and trade in Cardamom.

PROF. P.J. KURIEN : I agree with the hon. Minister that auction is beneficial to the farmers, but auction where a large number of sellers and buyers are taking part. Here the problem is that there are a large number of sellers who are small growers but buyers are very few, a handful. A few of them compete in the market; in agreement, they are in collusion, and they under-cut the price. Already the price is very low and the farmers are in distress. But the unfortunate thing is that whatever expert price is available, we are not able to pass it to the growers. Whatever price is available we should be able to pass onto the growers. Now, that is not possible, because the buyers are very few and they in turn, undercut the price.

This year we exported 3,000 tonnes of cardamom. All that is done by a handful of buyers. Our CTCL which is a body meant for exporting cardamom, has not exported even a single tonne of cardamom. In view of this, I would like to ask the hon. Minister what steps he is going to take to get a higher price for cardamom, and to see that whatever export price is available is passed on to the grower.

SHRI P. SHIV SHANKER : I think that—I presume—I do not know, I am not sure about it, but I think that the hon. Member is a Member of the Cardamom Board, and you have been taking the measures.

PROF. P.J. KURIEN : The Cardamom Board has got nothing to do with the sale. It has nothing to do with marketing.

SHRI P. SHIV SHANKER : And they have been taking measures.

PROF. P.J. KURIEN : You give us the authority, allow us to buy and sell, then we will do it.

SHRI. P. SHIV SHANKER : The point is that so far as the private traders are concerned, those traders purchase it in the market. In fact the position, as it stands today and perhaps as the hon. Member is very well aware, that as this price has been better, but when it comes to the question of our trying to compare it with the last year's price, the position last year was that there was a shortage of material and because of the shortage of material the price was higher. Because of the drought that was prevailing in those areas for the purpose of production of cardamom this year the crop has been better, as compared to the last year, the price is a little less than that. I can concede that. But then, since the auction system has started, the prices are fairly better which would have been otherwise. If the hon. Member as a member of the Cardamom Board is prepared to give me some suggestions as to how best improvement could be effected, so that the growers could get better price. I am prepared to do that. I am not shirking my responsibility. But as a member of the Cardamom Board the hon. Member can take effective steps, he

also monitors the auction. He himself conducts the cardamom auction, Sir. He himself can take care that a proper price is paid to the farmer.

**MR. SPEAKER :** Professor, you are caught in your own snare?

**PROF. P.J. KURIEN :** I thank the hon. Minister for his willingness to accept whatever good suggestions are given from the Cardamom Board. Sir, for your information, that the Cardamom Board is not supposed to market cardamom. That is not there with them. If the Cardamom Board is also to enter the market, and also export, I agree that this is a very good suggestion.

But, my supplementary is that, why do you not think of developing the cooperatives, and assist the cooperatives? There are some cooperatives of farmers but these cooperatives are not working well, due to so many reasons and there is no apex cooperative society for exporting cardamom. Will you consider assisting the cooperatives and if necessary forming an inter-State cooperative society in order to compete the cardamom auction centres, and export cardamom so that the middlemen get eliminated and the export earnings can be passed to farmers.

**MR. SPEAKER :** It is all right, now. You must stop some.

**SHRI P. SHIV SHANKER :** Speaking for myself, there is no doubt that there are lot of divergent views on the question of whether the cooperatives should be in a position to purchase. There are lot of divergent views. But if the Cardamom Board goes into it and makes a suggestion, I am willing to go into the whole economics of it. The hon. Member also has made an accusation against the cooperatives' not functioning at all. He can go into it and come forth with a proper proposal.

**PROF. P. J. KURIEN :** We will make a suggestion, will you accept it?

**SHRI P. SHIV SHANKER :** I said, I will consider that.

**SHRI SURESH KURUP :** In the

reply the hon. Minister has given, he has mentioned that the price of cardamom when compared to last year, has come down, but it actually has gone down, but very steeply. It was Rs. 300 last year and now it is Rs. 100. It has, therefore, gone down very steeply and the cardamom growers are on a strike path. One of the demands of the farmers is that the Government should increase export of cardamom. I want to know from the Government specifically as to what steps Government contemplates to increase the export of cardamom?

**SHRI P. SHIV SHANKER :** For the purpose of increase in export, a lot of incentives have been provided. A few of them I can straightway narrate. They are:—

Cash compensatory support of 10 per cent is given on export of cardamom in consumer packs of upto 2 kgs.

Import replenishment upto 5 per cent on cardamom whole or ground in consumer packs of 1 kg or less and of 3 per cent of spices oil and of 2 per cent on spices whole or ground in bulk.

The material permitted for import being packing material.

Various other measures have been taken. For example, sponsoring market surveys/consumer research and sale-cum-study delegations abroad; participation in international exhibitions/fairs by the Cardamom Board for propaganda and publicity.

These are various measures that have been taken so that incentive could be provided for the export.

On the question of cost and the price that has been fetched, I had, some time back, made this position clear that the cost to the growers that has been worked out is between Rs. 90 and Rs. 120 per kg. and the price that has been fetched in the auctions is at the rate of Rs. 140/- per kg.

**SHRI SURESH KURUP :** Now they are getting only Rs. 100.

**SHRI P. SHIV SHANKER :** I am prepared to learn where it is necessary.

What I am saying is that it is low. There is no doubt about it. But I have given reasons also. In past year, it was a case of drought. Because of drought and non-availability of the produce, the prices were hiked in the auctions. But this year, because of a record production, naturally the prices have come down. But nonetheless, prices are not that bad. That is what I am trying to demonstrate.

**SHRI SURESH KURUP :** With due respect, I am saying that this is wrong.

**SHRI K.H. RANGANATH :** Government has come to the rescue of the Cardamom Board. Karnataka is one of the State which grow cardamom. May I know the difficulty for the Government to organise Cardamom Board on the lines of the Coffee Board which has been doing a good work, because the hon. Member was suggesting that the Cardamom Board was not doing marketing ? Why does the Cardamom Board not procure cardamom from the growers and do the marketing as is done by the Coffee Board ?

**SHRI P. SHIV SHANKER :** It could be gone into. But I am not sure what result would come out of it. Since a suggestion has been made, I would certainly like to go into that. I wish to submit that when it comes to the question of Coffee Board, the position that was taken was that on the basis of the working of the entire economics it was found that Coffee Board must procure the entire coffee and then do the marketing. This has not been done in respect of other Boards including Tea Board. But since a suggestion has been thrown, I will examine it. Whether it is really feasible we will certainly go into that. I will not rule it out. I will certainly get it examined.

**Direction to textile mills to produce more standard cloth.**

\*393 **SHRI SRIBALLAV PANIGRAHI :** Will the Minister of TEXTILES be pleased to state :

(a) whether Government have laid emphasis while issuing instructions to the textile mills that a certain proportion of

their products should be standard cloth for the use of common man; and

(b) if so, whether these directions are being followed by the textile mills ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) At present, only mills of the National Textile Corporation are engaged in the production of controlled cloth.

(b) Does not arise.

**SHRI SRIBALLAV PANIGRAHI :** Sir, I would like to know from the hon. Minister the number of mills owned by National Textile Corporation presently engaged in production of controlled cloth, whether there has been any target fixed in respect of such production, what is the quantity produced by these mills and what is the requirement of the nation. As you know, the National Textile Policy, recently prepared and presented before the House, clearly envisages the responsibility being transferred to handloom sector for production of controlled cloth. So, I would like to know whether all the controlled cloth produced both by these mills as well as in the handloom sector, is reaching the poor people in the rural areas, whether the Government is aware that because of the improper functioning of the public distribution system of this cloth, many poor people are not getting this cloth, and if so, what steps Government are thinking to take to streamline the distribution of this cloth.

**SHRI KHURSHID ALAM KHAN :** Sir, at the first instance, the hon. Member wanted to know the number of mills we have in the National Textile Corporation. We have a total number of 125 mills, out of which 102 are nationalised and the rest are managed mills. The target fixed for the controlled cloth is 700 million metres for 1985-86, out of which the NTC will produce 280 million metres while the handloom sector will produce 420 million metres. The distribution of the controlled cloth and the *janata* cloth is done through the NTC and the State Governments. Wherever there are

any problems or wherever any complaint is brought to our notice, we make a reference to the State Government concerned to take appropriate action so that the *janata* cloth reaches the targeted population.

**SHRI SRIBALLAV PANIGRAHI :** Sri, my second supplementary is whether the Government is aware of the bad state of the handloom sector in the country inasmuch as 20 per cent handlooms are presently idle, they are without any work. So, to solve their problems and also according to the provisions of the new textile policy, will the responsibility of production of controlled cloth be shifted in an increased way and rapidly also to the handloom sector? What is the Government's programme regarding this, how quickly they are doing this work? Also I would like to know what is the amount of subsidy kept in this year's budget under this head and whether that amount will be sufficient to meet the requirements. Thirdly, whether the Government has any programme to ensure supply of raw material to the weavers for production of *janata* cloth at the time of scarcity, and also the safeguards provided against the fluctuation of input prices.

**SHRI KHURSHID ALAM KHAN :** Sir, a number of questions have been put by the hon. Member. So, at the first instance, I would like to mention that the Government has already taken the decision to transfer all the controlled cloth to the handloom sector. The beginning in this regard has been done only this year. In 1985-86, 50 million metres of extra cloth have been given to the handloom sector. Besides, it has been decided that 20 per cent of controlled cloth will be transferred each year to the handloom sector so that by the end of the Seventh Plan, the total production of 700 million metres will be done by the handloom sector.

As regards the unemployment, we have particularly mentioned that this 50 million metres cloth which we have given to the handloom sector this year, should be given to those 20 per cent handlooms which are reported to be not having enough work, in the remote rural areas, and I hope that by the transfer of these 50 million metres

cloth, they will be getting extra work and it will be possible for them to run their looms for a larger part of the year, since they have not been making full utilisation of their looms during the past years.

As regards subsidy, the subsidy is already available. The subsidy in respect of the controlled cloth produced by the mills this year is Rs. 51.71 crores while in the case of handloom sector, it is Rs. 72 crores.

**SHRI SRIBALLAV PANIGRAHI :** What about the safeguards to be provided to the workers? That was my question. He has not replied.

**SHRI KHURSHID ALAM KHAN :** They are being given loans. They are provided with raw materials; they are being helped financially also.

**SHRI S. JAIPAL REDDY :** May I know whether it is a fact that National Textile Mills owned by the Government of India are incurring huge losses? In that case, how is it that the responsibility for production of standard cloth has been entrusted to these mills, while the private sector mills making huge profits have been liberated from this obligation? Sir, if the responsibility is being transferred completely to the handloom sector, what special incentives are being provided to handloom sector for production of standard cloth and to meet the possible loss?

**SHRI KHURSHID ALAM KHAN :** In 1964 when the controlled cloth was introduced, this responsibility was given to the private mills also but it was found that the private mills were not able to fulfil the responsibility. Therefore the Government decided in 1981 that the National Textile Mills alone would meet this requirement according to the needs of the people. As regards the handloom sector we are quite confident that whatever responsibility is given to the handloom sector, they would be able to fulfil their responsibility.

**SHRI S. JAIPAL REDDY :** I said that the National Textile Mills owned by the Government are incurring huge

losses and this responsibility will only add to the process of incurring of losses. The private sector mills which have made huge profits are liberated from this responsibility. He has not answered that part which was the thrust of the question.

**SHRI KHURSHID ALAM KHAN :** The private mills are paving for the subsidy by means of a special excise duty for this purpose.

**KUMARI MAMATA BANERJEE :** The Minister has stated in his reply that textile mills are producing more controlled cloth, for common man. May I know whether Government has given any instruction in respect of those textile mills which are now going to be closed for their mismanagement and mishandling of the management. Especially I am telling you about the National Textile Mills of Calcutta. Why are these mills going to be closed? What steps are being taken by the Government regarding this to overcome this situation?

**SHRI KHURSHID ALAM KHAN :** Sir, I don't know if any decision has been taken about closing of any mills.

*[Translation]*

**Excise duty on bidi**

**\*394. SHRI DAL CHANDER JAIN :** Will the Minister of FINANCE be pleased to state.

(a) the amount of Central excise duty on bidi realised during the last three years, year-wise;

(b) the amount realised on bidi as bidi cess during the last three years and the amount spent on Bidi Workers Welfare Fund Scheme, item-wise and year-wise; and

(c) the estimated amount of exemption in excise duty given to small bidi manufacturers during the last three years, year-wise?

*[English]*

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

**Statement**

(a) and (b) The amount of central excise duty on bidi realised during the last three years, year-wise, and the amount realised as bidi-cess during the last three years are furnished below:

(Rs. in lakhs)

Year	Excise duty collected on biris	Cess collected on biris
1982-83	12094	320
1983-84	12916	346
1984-85	12829	345 (provisional)

The amount spent on Bidi Workers Welfare Fund Scheme, item-wise and year-wise, is furnished below:

	Actual expenditure			(Rs. in lakhs)
	1982-83	1983-84	1984-85	
Administration	19.27	23.93	31.48	
Health	82.79	97.77	128.87	
Education	40.16	49.13	51.82	
Recreation	3.40	0.21	0.34	
Housing	0.66	0.47	0.37	
Water Supply	—	—	—	
	146.28	171.51	212.88	

(c) No account is maintained in respect of the quantum of exemption enjoyed by the small bidi manufacturers. The information, therefore, is not available.

*[Translation]*

**SHRI DAL CHANDER JAIN :** Mr. Speaker, Sir, I would like to know as to what are the statewise details of collection of cess on bidis per annum and what has been the expenditure under this Head?

*[English]*

**SHRI JANARDHANA POOJARY :** Statewise, I don't have the figure. I require notice.

*[Translation]*

**SHRI DAL CHANDER JAIN :** Mr. Speaker Sir, Approx. an amount of Rs. 3 crores is collected by way of cess every year, but out of that amount approx a sum of Rs. 2 crores is spent on Bidi Workers Welfare Fund Scheme. What is the purpose of saving a sum of Rs. 1 crore every year and what are the reasons for not spending the entire amount on the welfare of workers?

*[English]*

**SHRI JANARDHANA POOJARY :** This is being spent for the welfare of the workers. We are going to set up two hospitals, one in West Bengal and another in Karnataka and the amount will be spent for that purpose also.

#### WRITTEN ANSWERS TO QUESTIONS

*[English]*

**Tourism potentialities of privately owned palaces, forts, etc. of rulers of erstwhile Princely States**

\*391. **SHRI DIGVIJAY SINGH :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state:

(a) whether Government are aware of tourism potential of privately owned pala-

ces, stately homes and forts of rulers of erstwhile Princely States;

(b) if so, whether Government propose to set up a Committee to evaluate their tourism potentialities;

(c) if so, when; and

(d) if not, the steps proposed to be taken for preservation of the national assets?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) to (d) The Government is aware of the tourism potential of privately owned palaces. Stately homes and forts of former rulers of erstwhile princely States. The Department of Tourism has published a variety of tourist brochures, posters and promotional material for use by our officers abroad.

Several well-known palaces have already been converted into hostels which are professionally managed by public and private sector agencies. The "Palace on Wheels" a special train, utilising the private railway saloons of former Maharajas sponsored by the Department of Tourism and operated jointly by the Railways and Rajasthan Tourism Development Corporation is run weekly during the season to take tourists from Delhi to Jaipur, Udaipur, Jodhpur, Jaisalmer, Bharatpur and Agra where they visit princely cities, palaces and forts.

Evaluation of the tourism potential of various places is an on-going process in which the Department of Tourism is engaged in consultation with the State Governments. Schemes forwarded by the States for developing facilities for tourists to visit various forts and palaces will be examined by the Department of Tourism for Central financing depending on the importance of the place, availability of funds and inter-se priorities. There is no specific proposal for a committee for evaluating forts and places.

Preservation of monuments of National importance, however, falls within the purview and responsibility of the ASI where-

as providing amenities for tourists is the responsibility of the Central and State Tourism Departments.

**Closure of NTC mills in West Bengal, Andhra Pradesh, Uttar Pradesh and Karnataka**

\*395 SHRI AMAR ROYPRADHAN : Will the Minister of TEXTILES be pleased to state :

(a) whether some units/mills of the National Textile Corporation are going to be closed in West Bengal, Andhra Pradesh Karnataka and Uttar Pradesh in the near future;

(b) if so, the reasons therefor; and

(c) the steps Government propose to take to provide alternative employment to those workers who will be rendered jobless ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) No final decision has been taken regarding the closure of any mills so far.

(b) and (c) Do not arise.

**Export of Kudremukh Iron-Ore to Japan.**

\*396. SHRI DHARAM PAL SINGH MALIK :

SHRI M. RAGHUMA REDDY :

Will the Minister of COMMERCE be pleased to state :

(a) whether an agreement has recently been signed with Japan for the export of Kudremukh Iron Ore;

(b) if so, the terms of the agreement; and

(c) the foreign exchange likely to be earned thereby ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) : A Memorandum of Understanding has been signed with Japanese Steel Mills by

Minerals and Metals Trading Corporation of India Ltd. and Kudremukh Iron Ore Company Ltd. on 14th February, 1986. It provides for export of 2.5 million tonnes of Kudremukh iron ore concentrates in 1986-87. Foreign exchange likely to be earned thereby would be about Rs. 38 crores.

**Conference of financial institutions and banks to review financing and reviving of sick industries.**

\*397. SHRI K. PRADHANI : DR. B.L. SHAILESH :

Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry had asked the Reserve Bank of India to convene a conference of financial institutions and banks to review all aspects of financing and reviving of sick industrial units;

(b) if so, the conclusions arrived at by the said conference; and

(c) Government's reaction thereto ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) Reserve Bank of India (RBI) convened a meeting on 21.2.86 to consider matters relating to co-ordination between State Financial Corporations (SFCs) and Banks, identification of incipient sickness in small scale industrial sector, and other related matters. The meeting was attended by representatives of several SFCs and Commercial Banks, Industrial Development Bank of India (IDBI) and Ministry of Industry. The main decisions arrived at in the said meeting were joint or simultaneous appraisal of term loans by SFCs and Banks and expeditious sanction of working capital, so that it is conveyed to units within 3 months before their going into production.

*[Translation]*

**Construction of Tourist Lodges**

\*398. SHRI BANWARI LAL BAIRWA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state ;

(a) whether it is a fact that Union Government have made arrangements to construct a tourist lodge in Haryana; and

(b) if so, the number of similar tourist lodges, proposed to be constructed during the Seventh Plan period and which of these will be constructed in Rajasthan?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT):** (a) and (b) In order to cater to the needs of low and middle income tourists, the Department of Tourism has initiated a scheme for construction of Yatri Niwases for this category of tourists. During the Seventh Five Year Plan, in the first stage at least one Yatri Niwas is proposed to be constructed in each State/Union Territory. So far, proposals for financial assistance for these projects have been received from 20 States/UTs. Funds for the purpose have already been released in 4 cases. Other proposals are at various stages of processing.

In Haryana, the Department of Tourism has approved a scheme for construction of a Yatri Niwas at Kurukshetra. The Government of Rajasthan has forwarded proposals for construction of a Yatri Niwas each at Mount Abu and Udaipur. They have been requested to select only one project as their first priority and also furnish certain other details, on the receipt of which further action in this case will be considered.

**[English]**

**Spinning mills in Maharashtra.**

\*399. **SHRI HUSSAIN DALWAI:** Will the Minister of TEXTILES be pleased to state :

(a) the total number of spinning mills presently functioning in Maharashtra;

(b) out of those mills, the number of mills in (i) private sector; and (ii) co-operative sector; and

(c) the number of applications relating to new spinning mills in cooperative sector pending with Government?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN):** (a) and (b) Total number of spinning mills in Maharashtra and their sector-wise break up :—

(i) Private Sector	20
(ii) Cooperative Sector	26
(iii) Public Sector	1
	—
	47
	—

(c) No applications for the setting up of new spinning mills in the co-operative sector in Maharashtra State are pending with Government.

**Raids in Calicut District in Kerala to unearth black money and tax evasion**

\*400. **SHRI MULLAPPALLY RAMACHANDRAN:**  
**SHRI VAKKOM PURUSHOTHAMAN :**

Will the Minister of FINANCE be pleased to state :

(a) the number of Income tax raids conducted in Kerala during 1985-86 to unearth black money and tax evasion;

(b) the number of raids conducted in Calicut district during the above period; and

(c) the particulars of raids in Calicut district and the amount thus unearthed ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) to (c) During the financial year 1985-86 i.e. 1.4.1985 to 28.2.1986, Income-tax Department conducted 156 searches in Kerala. During the same period, the Department conducted 24 searches in Calicut district and seized, prima-facie, unaccounted assets worth Rs. 21.40 lakhs approximately.

**Six Indian banks facing financial losses due to failure to repay loan by Singapore-based firm.**

\*401. **SHRI YASHWANTRAO GADAKH PATIL :**

**PROF. NIRMALA KUMARI SHAKTAWAT :**

Will the Minister of FINANCE be pleased to state :

(a) whether six major Indian banks are facing financial losses on account of failure of a Singapore-based firm to repay \$ 18 million syndicated Deutsche mark loan as has been reported in the 'Economic Times' of 21 February, 1986;

(b) if so, the details thereof; and

(c) the action proposed to be taken in the matter ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) A syndicate of three Indian banks, a Hong-kong based Finance Company owned by three Indian banks and a foreign bank had granted a deferred payment guarantee facility to a Singapore based shipping company. On the guarantee being invoked, the full amount of guarantee had to be paid by the syndicate of banks. The syndicate of banks have acquired the assets covered under the guarantee and are taking steps to dispose of the same at a proper price. The extent of the losses in this transaction will be known only after the assets have finally been disposed of.

*[Translation]*

**Income and profit of multi-nationals and monopoly houses.**

\*402. **SHRI JAGDISH AWASTHI :** Will the Minister of FINANCE be pleased to state :

(a) the extent to which income and profit of multi-national establishments and monopoly industrial houses in the country have increased during the last ten years;

(b) the amount of income tax paid in proportion to that; and

(c) if no income tax has been paid, the action taken against them ?

**THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH):**

(a) The profit before tax of the large industrial houses was Rs. 675.10 crores in 1975 which has gone up to Rs. 1191.71 crores in 1984. The figures of profit of multi-national establishments are, however, not available as no such statistics is maintained.

(b) and (c) The amount of income-tax paid cannot be co-related with the increase in profits due to various lawful exemptions.

*[English]*

**World Bank loans for projects in India**

\*403. **PROF. K K. TEWARY :** Will the Minister of FINANCE be pleased to state :

(a) whether any negotiations were carried on with the World Bank in recent months for grant of loans or financing of any projects in India; and

(b) if so, the details of the same and the results thereof ?

**THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) :** (a) Yes, Sir.

(b) The details of projects negotiated with the World Bank during its fiscal year 1986 (1st July 1985 to June 1986) are as follows :

(in US \$ Million)

Sl. No.	Name of the project	Estimated project cost	Amount of loan/credit negotiated		Month of negotiation
			IBRD	IDA	
(1)	(2)	(3)	(4)	(5)	(6)
1.	Gujarat Urban Development	130.51	—	62.0	Oct.-Nov. 1985
2.	National Agricultural Research-II	110.93	—	72.1	October, 1985
3.	National Bank for Agriculture and Development (NABARD)	5355.6	—	375.0	November, 1985
4.	Cement Energy Saving	469.8	200.0	—	December, 1985
5.	Industrial Exports (Engineering)	1000.00	250*	—	August-Sept.-1985
6.	Andhra Pradesh-II Irrigation	451.1	140.0	131.0	January, 1986
7.	Combined Cycle Power Project.	1164.3	485.0	—	February, 1986

\* US \$ 90 million to Government of India.

US \$ 160 million to Industrial Credit and Investment Corporation of India (ICICI) with GOI guarantee.

**Supply of Palmolein and Rape-seed oil to Orissa**

(b) the total quantity of each of the above items supplied to Orissa during the said years ?

\*404. SHRI ANANTA PRASAD SETHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total quantity of Palmolein and Rape-seed oil sought by Government of Orissa from the Union Government during last two years; and

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Orissa Government indicated its requirement for imported edible oils for the Oil Years 1985-86 (November to October) as under :-

(Quantity in M. Tonne)

Name of Oil	Oil Year 1984-85	Oil Year 1985-86
Palmolein oil	48,000	28,800
Rapeseed oil (Refined)	12,000	Nil
<b>Total</b>	<b>60,000</b>	<b>28,800</b>

(b) The quantity of imported edible oils allocated to and lifted by Orissa Government is as follows :—

(Quantity in M. Tonne)

Name of Oil	Oil Year 1984-85		Oil Year 1985-86	
	(November-October)		(November, 1985 to March, 1986)	
	Allocation	Lifting	Allocation	Lifting
Palmolein oil	6,250	3,038	3,500	2,730
Rapeseed oil (Refined)	8,650	Nil	—	—
RBD palm oil	1,500	Nil	—	—
<b>Total</b>	<b>16,400</b>	<b>3,038</b>	<b>3,500</b>	<b>2,730</b>
(upto 8.3.1986)				

**Tax-evasion by leading beverage manufacturers**

[Translation]

\*405. SHRI S. M. GURADDI : SHRI BANWARI LAL PUROHIT :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Income Tax authorities raided some leading beverage manufacturers in the country recently;

(b) whether it is also a fact that these raids were for the evasion of tax payments; and

(c) if so, the details thereof ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c) Searches were conducted by Enforcement Directorate on 9.7. 1985 in United Breweries Group of cases and Income-tax Department was also associated with these searches. During these searches, Income-tax Department seized jewellery worth Rs. 9.35 lakhs approximately from the residential premises at Bombay of Shri Vijai Mallaya, Chairman of M/s. United Breweries.

Under the Income-tax Act, no searches are conducted for evasion of tax payments.

**Demand for Commission to enquire into working of Nationalised Banks**

\*406. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :—

(a) whether it is a fact that complaints from customers regarding the working of banks have been constantly increasing following nationalisation of banks;

(b) if so, whether a demand has been made to Government for a full-fledged enquiry into the service charges and standard of service of banks and for substantial improvement therein;

(c) if so, whether a demand for constituting a commission to go into the entire matter has also been made to Government; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) The Government and the Reserve Bank of India have initiated several measures during the recent past to improve the services rendered by banks to their customers and to ensure that customers' grievances were redressed quickly. Recently, the public

sector banks have raised their service charges in accordance with the schedule adopted by the State Bank of India. The schedule of service charges, which is based on cost studies undertaken by the Indian Banks' Association, is expected to ensure recovery by the banks, to a substantial extent, of the cost incurred by them in rendering these services.

Government have received some suggestions for appointment of an Expert Committee to undertake comprehensive study of bank service charges. As already mentioned the service charges presently adopted by the banks are based on cost studies undertaken by an Expert Committee of the Indian Banks' Association. So far as the quality of customer service is concerned, some studies have been commissioned through the National Council of Applied Economic Research for assessing the customers' response to the functioning of the customer service centres at Bombay, Calcutta, Madras and Delhi and customers' evaluation of the quality of customer services at a few other selected centres.

*[English]*

**Reported malpractices of traders dealing with NTC in Eastern Region**

\*407. SHRI ANIL BASU : Will the Minister of TEXTILES be pleased to state :

(a) whether attention of Government has been drawn to the news-item in the "Telegraph" dated 16 January, 1986 with the caption "Traders fleecing NTC" ;

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

(c) the steps taken or being taken to save the National Textile Corporation from the loss which is reported to be due to malpractices of the traders ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Yes, Sir.

(b) National Textile Corporation (Holding Co.) was asked to inquire into

the allegations mentioned in the said news item. The report submitted indicates that no such fraudulent transactions have been established.

(c) Does not arise.

**Investment opportunities to Indian Expatriates in Saudi Arabia**

\*408 SHRIMATI USHA CHOU-DHARI : Will the Minister of FINANCE be pleased to state :

(a) whether the Indian expatriates in Saudi Arabia and other countries had submitted a memorandum to him expressing their keenness for investment opportunities in the home country;

(b) if so, the details thereof; and

(c) the reaction of Government thereto ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c) An "Economic Forum for Indian Expatriates", which has been formed in Jeddah, Saudi Arabia, has recently expressed a desire to establish ancillary units for some Indian companies. However, no specific proposal has been received in this regard. Proposals, if and when received in this regard, will be considered by Government in accordance with the policy and guidelines for NRI investment.

**Theft in Food Storage Depots of FCI**

3652. SHRI KALI PRASAD PANDEY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that during December, 1985, 380 Kattas of imported sugar of 50 Kgs. each stored at one of the Food Storage Depots of Food Corporation of India in Delhi were stolen by the employees in collusion with the Depot Officers and Watch and Ward staff;

(b) if so, action taken by the concerned authorities and the steps taken by Government in this regard to prevent such loss;

(c) whether all thefts apart from this took place in the last three years together with the losses sustained by Food Corporation of India; and

(d) action taken against the employees responsible for thefts?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA):** (a) During December, 1985, 360 Kattas of imported sugar were found short at one of the depots of the FCI, New Delhi during physical verification by the Special Team deputed by FCI. The preliminary investigations revealed this to be a case of misappropriation.

(b) The officials prima-facie found involved have been placed under suspension and their Headquarters shifted. The case has also been referred to the CBI for detailed investigation. The security arrangements have been tightened to prevent such happenings in future and trustworthy officials have been posted for the custody of the stocks.

(c) and (d) The details of thefts which took place in Delhi Depots during the last three years and action taken are given below :

- (1) Attempted theft of 2 bags of wheat costing Rs. 360/- approximately on 3.2.83. The watchman involved in the case has been removed from service.
- (2) Theft of 50 Kg. wheat costing Rs. 86/- (approximate) by watchman on 13.3.84. The watchman involved in the case has been charge-sheeted for imposition of a major penalty.
- (3) Attempted theft of 45 kg. of wheat costing Rs. 80/- (approximate) by watchman on 7.10.84. The watchman involved in the case has been awarded major penalty of reduction in pay by two stages for two years.

**Impact of hike in prices of petroleum products on Government expenditure.**

**3653. SHRI C. JANGA REDDY :** Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has made any calculations to assess the impact on Government expenditure in respect of their vehicles of various types due to the recent hike in prices of petroleum products;

(b) if so, the assessment thereof; and

(c) if not, the reason for not making such assessment?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) No, Sir.

(c) The details in this regard sought are possible only after a certain period when the staff cars have consumed petrol at the increased rates.

**Export of leather goods**

**3654. SHRI CHINTAMANI JENA :** Will the Minister of COMMERCE be pleased to state :

(a) the details of leather goods being exported; and

(b) the steps being taken by Government to develop this industry?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Leather goods being exported from India are footwear, footwear components, garments, handbags, wallets, saddlery and harness etc.

(b) Liberalisation of the licensing policy for setting up new units and expansion of the existing units for manufacture of leather footwear and other leather goods in the organized sector in centrally notified backward areas, an easy access to essential inputs, reduction in

import duty on machinery, raw materials and components, training of man power engaged in this industry etc. are some of the steps being taken to develop this industry.

**Development of tourist facilities in Chilka Lake in Orissa**

**3655. SHRI BRAJA MOHAN MOHANTY:** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the details of the projects undertaken and completed during the Sixth Five Year Plan for development of tourist potentialities in Chilka Lake in Orissa;

(b) whether any project for development of communication and entertainment of tourists had been taken up, if so, details thereof; and

(c) whether any initiative has been taken for preparing a documentary film about the natural beauty of Chilka Lake and the birds coming from foreign land and assembling at Chilka; if so, the details thereof ?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) :** (a) and (b) The Department of Tourism allocate funds to the State Government for individual projects received from the State based on evaluation, inter-se priority and availability of funds. On the request of the State Government three different schemes for developing tourist facilities at Chilka have been taken up by the Centre :

(i) Celebration of boat race at a cost of Rs. 2.14 lakhs.

(ii) Preparation of Master Plan for Chilka at an estimated cost of Rs. 8.25 lakhs and

(iii) Purchase of boats with equipment for water-sports at Chilka at an estimated cost of Rs. 2.00 lakhs.

(c) 50 copies of the film titled "Orissa-a Land of Unforgettable Memories" that covers Chilka Lake also produced by the State Government, have been purchased and placed with the Central Tourist Offices in India and abroad for screening.

**Occupancy in India Tourism Development Corporation Hotels**

**3656 SHRI JAGANNATH PATTNAIK :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number and names of the India Tourism Development Corporation (ITDC) hotels, particularly ITDC hotels in Delhi indicating their occupancy ratio during the last three years, year-wise.

(b) the names of Ashok Group Hotels which have shown poor occupancy during the last three years, year-wise;

(c) the names of ITDC hotels in Delhi which have shown poor occupancy during the last three years, year-wise; and

(d) the encouragement (bonus, etc.) given to the staff working there for their good performance during the last three years, year-wise ?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) :** (a) to (c) Statement I giving the rate of occupancy of ITDC (Ashok Group) hotels for the last three financial years is given below.

(d) Statement-II is given below.

**\* Statement-I**

(Percentages)

S. No.	Name of the Hotels	82-83	83-84	84-85
1	2	3	4	5
1.	Ashok Hotel, New Delhi	50	43	47
2.	Hotel Ashok, Bangalore	50	50	63

49	Written Answers	PHALGUNA 30, 1987 (Saka)	Written Answers	50
1	2	3	4	5
3.	Akbar Hotel, New Delhi	69	44	34
4.	Kovalam Ashok Beach Resort	42	40	43
5.	Qutab Hotel, New Delhi	74	54	57
6.	Lalitha Mahal Palace Hotel, Mysore	44	39	47
7.	Hotel Airport Ashok, Calcutta	53	50	54
8.	Hotel Samrat, New Delhi	41	32	43
9.	Janpath Hotel, New Delhi	92	86	79
10.	Hotel Varanasi Ashok	28	38	35
11.	Hotel Jaipur Ashok, Jaipur	50	43	47
12.	Hotel Kanishka, New Delhi	54	56	45
13.	Lodhi Hotel, New Delhi	83	66	65
14.	Ranjit Hotel, New Delhi	82	55	59
15.	Hotel Hassan Ashok, Hassan	52	37	31
16.	Laxmi Vilas Palace Hotel, Udaipur	73	72	63
17.	Temple Bay Ashok Beach Resort Mamallapuram	42	34	43
18.	Hotel Kalinga Ashok, Bhubaneshwar	79	72	46
19.	Hotel Madurai Ashok, Madurai	32	30	30
20.	Hotel Jammu Ashok, Jammu	32	30	24
21.	Hotel Aurangabad Ashok	36	37	43
22.	Hotel Khajuraho Ashok	28	23	23
23.	Hotel Patliputra Ashok, Patna	44	39	40
24.	Ashok Yatri Niwas, New Delhi.	50	88	66

#### Statement-II

S. No.	Name of the Unit	Percentage of Bonus Paid			Remarks
		1982-83	1983-84	1984-85	
1	2	3	4	5	6
1.	Ashok Hotel, New Delhi	20	20	8.33	—
2.	Hotel Ashok, Bangalore	8.33	8.33	8.33	—
3.	Akbar Hotel, New Delhi	20	20	8.33	—
4.	Kovalam Ashok Beach Resort, Kovalam	8.33	8.33	8.33	—
5.	Qutab Hotel, New Delhi	8.33	8.33	8.33	—

1	2	3	4	5	6
6.	Lalitha Mahal Palace Hotel, Mysore	8.33	8.33	8.33	—
7.	Hotel Airport Ashok, Calcutta	8.33	8.33	8.33	—
8.	Hotel Samrat, New Delhi	—	—	—	No Bonus paid due to infancy period.
9.	Janpath Hotel, New Delhi	20	20	20	—
10.	Hotel Varanasi Ashok	8.33	8.33	8.33	—
11.	Hotel Jaipur Ashok, Jaipur	—	—	—	No Bonus paid due to infancy period
12.	Hotel Kanishka, New Delhi	—	—	—	-Do-
13.	Lodhi Hotel, New Delhi	20	20	20	—
14.	Ranjit Hotel, New Delhi	8.33	19.18	8.33	—
15.	Hotel Hassan Ashok, Hassan	8.33	8.33	8.33	—
16.	Laxmi Vilas Palace Hotel, Udaipur	20	8.33	20	—
17.	Temple Bay Ashok Beach Resort, Mamallapuram	8.33	8.33	8.33	—
18.	Hotel Kalinga Ashok, Bhubaneswar	8.33	8.33	8.33	—
19.	Hotel Madurai Ashok, Madurai	8.33	8.33	8.33	—
20.	Hotel Jammu Ashok, Jammu	8.33	8.33	8.33	—
21.	Hotel Aurangabad Ashok	8.33	8.33	8.33	—
22.	Hotel Khajuraho Ashok	8.33	8.33	8.33	—
23.	Hotel Pataliputra Ashok, Patna	8.33	8.33	8.33	—
24.	Ashok Yatri Niwas, New Delhi	—	—	—	No Bonus paid due to infancy period

N.B. Bonus to the employees in ITDC hotels is payable on the basis of available allocable surplus in accordance with the provisions contained in the payment of Bonus Act, 1965.

**Procurement of foodgrains by  
FCI in Tamil Nadu**

**3657. SHRI N. DENNIS :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the details regarding the total quantities of each type of foodgrains procured by the Food Corporation of India in each State particularly in the Tamil Nadu during 1984-85 for Public Distribution System; and

(b) the guidelines followed by the Food Corporation of India in relation to the quality of each type of foodgrains pro-

cured in the market with regard to norms/percentages fixed by Government for moisture, broken pieces, foreign matters etc. found in the foodgrains ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) A Statement is attached.

(b) The Food Corporation of India follows the specifications prescribed by the Government of India. A copy of the specifications is attached.

**Statement**

(In '000 Tonnes)

State/Union Territory	Rice	(including paddy in terms of rice)	Wheat
1	2		3
Andhra Pradesh	1783		—
Assam	15		—
Bihar	—		—
Gujarat	—		—
Haryana	910		418
J & K	—		—
Karnataka	101		—
Kerala	—		—
Madhya Pradesh	336		30
Maharashtra	—		—
Orissa	102		—
Punjab	3835		1295
Rajasthan	46		217
Tamil Nadu	—*		—*
Uttar Pradesh	13		289
West Bengal	96		Neg.
A & N. Islands	—		—
Arunachal Pradesh	3		—

1	2	3
Chandigarh (U.T.)	5	—
Delhi (Admn.)	—	3
Pondicherry	6	—
	7251	2252

\*Procurement is made by the Tamil Nadu Civil Supplies Corporation on behalf of the Tamil Nadu Government.

Neg. Below 500 tonnes.

**Uniform specifications for Indian wheat of all varieties (Marketing Seasons) 1984-85 and 1985-86)**

Wheat shall

- (a) be the dried mature grains of indigenous red, dark other Mexican and superior indigenous farm varieties viz. *Triticum vulgare*, *T. compactum*, *sphaerococcum*, *T. durum*, *T. aestivum*, and *T. dicoccum*.
- (b) have natural size, shape and colour.
- (c) be sweet, clean, wholesome and free from moulds, living insects, obnoxious smell, discolouration, admixture of deleterious substances including toxic weed seeds and all other impurities except to the extent indicated in the schedule below.
- (d) be in sound merchantable condition and
- (e) not have any admixture of pesticides, fungicides and any obnoxious, deleterious and toxic material.
- (f) conform to P.F.A. Rules.

Schedule showing the maximum permissible limits of different refractions :

Grade	Foreign matter%	Other food-grains%	Damaged grains%	Slightly damaged grains%	Shrivelled & broken grains %
1.	0.75	6.00	2.00	5.00	6.00
2.	1.50	10.00	3.00*	10.00	12.00

\*The damaged grain percentage in Grade 2 will be 3%. However, in case of wheat stocks containing Karnal Bunt infected grains the maximum limit of damaged grains including Karnal Bunt infected grains should not exceed 5%.

**N.B.**

1. Grade 2 will have a lower price by Rs. 2/- per quintal in relation to the price of Grade 1.
2. Moisture in excess of 12% upto 14% will be discounted at full value.
3. The price cut for moisture will be in addition to the Grade cut.

4. For weevilled grains, following price cuts in addition to other cuts will be imposed :—

- (i) from the beginning of the season till end of August the rate of cut will be Re. 1/- per qtl., for every 1% or part thereof.
- (ii) from 1st September till end of October, no cut will be imposed upto 1% while for any excess, the cut will be Re. 1/- per qtl, for every 1% or part thereof.
- (iii) from 1st November till end of the season, no cut will be imposed upto 2% while for any excess the cut will be Re. 1/- per qtl. for every 1% or part thereof.
- (iv) stocks containing weevilled grains in excess of 3% will be rejected.

5. In case of stocks having living infestation a cut at the rate of fifty paise per quintal may be charged as fumigation charges.

**Definitions :-**

**Foreign matter :-**

Includes organic and inorganic matter. The inorganic matter shall include sand, gravel, dirt, pebble, stones, lumps of earth, clay and iron particles etc. The organic matter shall include chaff, weed seeds, straw and other inedible grains.

**Shrivelled grains :**

Kernels or pieces of Kernels that are not fully developed.

**Brokens :**

Pieces of kernels that are less than three fourth of the size of full kernels.

**Weevilled grains :**

Kernels that are partially or wholly bared.

**Slightly damaged grains :**

Kernels or pieces of kernels that are damaged or discoloured superficially so as not to affect the quality of the material.

**Damaged grains :**

Kernels or pieces of kernels that are sprouted or internally damaged as a result of heat microbes, moisture or weather.

**Other foodgrains :**

Any foodgrains other than wheat.

**Uniform specifications of all varieties of paddy**

The paddy shall be sound merchantable condition, sweet, dry, clean, wholesome of good food value, uniform in colour and size of grain and free from mould, weevils, smell, discolouration, admixture of deleterious substances or colouring agents and also conforming to PFA Standards.

Paddy will be classified into superfine, fine and common groups (as per report of Balasubramanian Committee). For the purpose of procurement, each group will, however, be divided into two grades viz., Grade 1 and Grade 2 as per schedule :—

**A Schedule of different refractions (Marketing Seasons 1984-85 and 1985-86).**

S. No.	Constituents of admixture of impurities etc.	Maximum limits	
		Grade 1%	Grade 2%
<b>1. Foreign matter :</b>			
	(a) Inorganic	1.0	1.0
	(b) Organic	1.0	2.0
2.	Damaged, discoloured, sprouted and weevilled grain	2.0	4.0
3.	Immature, shrunken and shrivelled grain	2.0	4.0
4.	Admixture of lower varieties	15.0	20.0
5.	Moisture	18.0	18.0
<b>(B) Grade cut per quintal :</b>			
	(a) Fine and Common	No cut	Rs. 2.00
	(b) Superfine	No cut	Rs. 2.50

**NOTE :**

1. The definitions of the above refractions and methods of analysis are to be followed as per ISI Methods of Analysis in Food Grains (IS : 4333) (Part-I), IS : 4333 (Part-II), 1967 and Terminology for Food Grains IS : 2813-1970 as amended from time to time.
2. The methods of sampling is to be followed as per Indian Standards Methods for sampling of Cereals and Pulses IS : 2814-1964.

**Uniform specifications of fine and common varieties of rice**

The rice shall be in sound merchantable condition, sweet, dry, clean, wholesome of good food value, uniform in colour and size of grains and free from mould, weevils, smell, discolouration, admixture of deleterious substances or colouring agents and all impurities except to the extent in the schedule below. It shall also conform to PFA standards.

**Schedule of refractions**

(Marketing Seasons 1984-85 and 1985-86)

Sl. No.	Constituents of admixture or impurities etc.	Tolerance limit (T. L. %)	Rejection limit (R. L. %)	Rate of quality cuts to be imposed for refractions exceeding tolerance limits
1	2	3	4	5
1.	Brekens Raw	20.0	25.0	T.L. to R.L. at the rate of 1/4 value.
	Par boiled	17.0	22.0	—do—

1	2	2	4	5
2. Foreign matter Raw/Par-boiled	0.5		1.0	T.L. to R.L. at the rate of full value.
3. Damaged/slightly damaged grains Raw	2.0		5.0	T.L. to R.L. at the rate of 1/2 value.
	Par-boiled	3.0	5.0	—do—
4. Discoloured grains Raw	2.0		4.0	T.L. to R.L. at the rate of 1/4 value.
	Par-boiled	4.0	8.0	—do—
5. Chalky grains Raw	8.0		12.0	T.L. to R.L. at the rate of 1/8 value.
6. Red grains Raw/Par-boiled	6.0		10.0	T.L. to R.L. at the rate of 1/4 value.
7. Admixture of lower classes i.e. common in fine Raw/Par-boiled	10.0		20.0	Over 10% upto 20% at the rate of 1/4th value, Down grade/ fine to common beyond R.L.
8. Dehusked grains Raw/Par-boiled	10.0		15.6	T.L. to R.L. at the rate of 1/8 value.
9. Moisture content Raw/Par-boiled	14.0		15.0	T.L. to R.L. at the rate of full value.

**Note :**

1. The definition of the above refractions and method of analysis are to be followed as given in Indian Standard "Method of Analysis in foodgrains" Nos. IS : 4333 (Part I) 1967 and IS : 4333 (Pt. II 1967) and Terminology for Food Grains IS : 2813-1970 as amended from time to time.
2. The method of sampling is to be followed as given in Indian Standard "Method of sampling of cereals and pulses" No. IS : 2814-1964.
3. Brokens less than 1/8th of the size of full kernel will be treated as organic foreign matter. The brokens of the size of 1/8th to 1/4th shall not exceed 5.0%.
4. Inorganic foreign matter shall not exceed 0.5% in any lot, if it is more, the stocks should be cleaned and brought within the limit.
5. In case of par-boiled rice, prepared by pressure parboiling technique, it will be ensured that correct process of par-boiling is adopted i.e. pressure applied, the time for which pressure is applied proper gelatinisation, aeration and drying before milling are adequate so that the colour and cooking time of parboiled rice are good and free from encrustation of the grains.

### Uniform specifications of superfine rice

The rice shall be in sound merchantable condition, sweet dry, clean, wholesome of good food value, uniform in colour and size of grains and free from moulds, weevils, smell, discolouration, admixture of deleterious substances or colouring agents and all impurities except to the extent in the schedule below. It shall also conform to PFA standards.

#### Schedule of refractions (Marketing Seasons 1984-85 and 1985-86)

Sl. No.	Constituents of admixture of impurities etc.	Tolerance limit (TL)%	Rejection limit (RL) %	Rate of quality cuts to be imposed for refractions exceeding the tolerance limits.
1.	<b>Brokens</b> Raw	18.0	23.0	T.L. to R.L. @
	Par Boiled	13.0	18.0	1/4 value
2.	<b>Foreign Matter</b> Raw/Par Boiled	0.5	1.0	T.L. to R.L. @
3.	<b>Damaged/slightly damaged grains</b> Raw/Par-boiled	2.0	4.0	full value T.L. to R.L. @ 1/4 value.
4.	<b>Discoloured grains</b> Raw	2.0	3.0	T.L. to R.L. @
	Par Boiled	3.0	5.0	1/4 value
5.	<b>Chalky grains</b> Raw	4.0	8.0	T.L. to R.L. @ 1/8th value.
6.	<b>R d Grains</b> Raw/Par boiled	3.0	6.0	T.L. to R.L. @ 1/4 value.
7.	<b>Admixture of lower classes and other superfine varieties</b> Raw/Par boiled	10.0	20.0	(a) Over 10% to 15% @ 1/4th value, over 15% to 20% @ 1/2 value. (b) Beyond R.L. it will not be purchased as Basmati Rice.
8.	<b>Dehusked grains</b> Raw/Par boiled	10.0	15.0	T.L. to R.L. @ 1/8th value.
9.	<b>Moisture content</b> Raw/Par boiled	14.0	15.0	T.L. to R.L. @ full value.

**Note :** 1. The definition of the above refractions and method of analysis are to be followed as given in Indian Standard 'Method of analysis in foodgrains' Nos. IS : 4333 (Part-I) 1967 and IS : 4333 (Part-II) 1967 and Terminology for Food Grains IS : 2813-1970 as amended from time to time,

2. The method of sampling is to be followed as given in Indian Standard 'Method of sampling of cereals and pulses' No. IS : 2814-1964.
3. Brokens less than 1/8th of the size of full kernels will be treated as organic foreign matter. The brokens of the size of 1/8th to 1/4th shall not exceed 5.0%.
4. Inorganic foreign matter shall not exceed 0.5% in any lot of rice. If it is more, stocks are to be cleaned and brought within the limit.
5. In case of parboiled rice prepared by pressure parboiling technique, it will be ensured that correct process of parboiling is adopted i.e. pressure applied, the time for which pressure is applied, proper gelatinisation, aeration and drying before milling are adequate so that the colour and cooking time of parboiled rice are good and free from encrustation of the grains.

#### Uniform Specifications of Basmati Rice

The rice shall be in sound merchantable condition, sweet, dry, clean, wholesome of good food value, uniform in colour and size of grains and free from moulds, weevils, smell, discolouration, admixture of deleterious substances or colouring agents and all impurities except to the extent in the schedule below. It shall also conform to PFA standards.

#### Schedule of refractions (Marketing Seasons 1984-85 and 1985-86)

Sl. No.	Constituents of admixture of impurities etc.	Tolerance limit (TL)%	Rejection limit (RL) %	Rate of quality cuts to be imposed for refractions exceeding the tolerance limits.
1.	<b>Brokens</b>			
	Raw	18.0	23.0	T.L. to R.L. ②
	Par Boiled	13.0	18.0	1/4 value
2.	<b>Foreign Matter</b>			
	Raw/Par Boiled	0.5	1.0	T.L. to R.L. ② full value
3.	<b>Damaged/slightly damaged grains</b>			
	Raw/ParBoiled	2.0	4.0	T.L. to R.L. ② 1/2 value.
4.	<b>Discoloured grains</b>			
	Raw	2.0	3.0	T.L. to R.L. ②
	Par Boiled	3.0	5.0	1/4 value

1 2

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4

**5. Chalky grains**

**Raw** 4.0 8.0 **T.L. to R.L. @ 1/8th value.**

**6. Red Grains**

**Raw/Par boiled** 3.0 6.0 **T.L. to R.L. @ 1/4 value.**

**7. Admixture of lower classes and other superfine varieties**

**Raw/Par boiled** 10.0 20.0
   
(a) Over 10% to 15% @ 1/4th value, over 15% to 20% @ 1/2 value.
   
(b) Beyond R.L. it will not be purchased as Basmati Rice.

**8. Dehusked grains**

**Raw/Par boiled** 10.0 15.0 **T.L. to R.L. @ 1/8th value.**

**9. Moisture content**

**Raw/Par boiled** 14.0 15.0 **T.L. to R.L. @ full value.**

**Note :** 1. The definition of the above refractions and method of analysis are to be followed as given in Indian Standard 'Method of analysis in foodgrains' Nos. IS : 4333 (Part-I) 1967 and IS : 4333 (Part-II) 1967 and Terminology for Food Grains IS : 2813-1970 as amended from time to time.

2. The method of sampling is to be followed as given in Indian Standard "Method of sampling of cereals and pulses" No. IS : 2814-1964.
3. Brokens less than 1/8th of the size of full kernels will be treated as organic foreign matter. The brokens of the size of 1/8th to 1/4th shall not exceed 5.0%.
4. Inorganic foreign matter shall not exceed 0.5% in any lot of rice. If it is more, stocks are to be cleaned and brought within the limit.
5. In case of parboiled rice prepared by pressure parboiling technique, it will be ensured that correct process of parboiling is adopted i.e. pressure applied, the time for which pressure is applied, proper gelatinisation, aeration and drying before milling are adequate so that the colour and cooking time of parboiled rice are good and free from encrustation of the grains.

**Subsistence allowance to suspended employees of Gramin Bank**

**3658. SHRI BASUDEB ACHARIA :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government have amended the relevant Act to increase the subsistence allowance being granted to the suspended employees of the nationalised banks ;

(b) if so, whether the said Act increasing the subsistence allowance is applicable to employees of Gramin Bank also ;

(c) if not, whether it is not a discrimination to employees of Gramin Banks ; and

(d) whether Government propose to extend the benefit of increased subsistence allowance to Gramin Bank employees also ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :**

(a) There have been no recent amendments of the provisions of the Discipline and Appeal Regulations of the nationalised banks or in the terms of bipartite settlements which presently govern the payment of subsistence allowance to officers and other staff of these banks.

(b) No, Sir. Employees of Regional Rural Banks are governed by the Staff Regulations of their respective banks.

(c) & (d) Does not arise.

**New Cash Compensatory Support Scheme**

**3659. DR. B.L. SHAILESH :** Will the Minister of COMMERCE be pleased to state :

(a) whether the new scheme of Cash Compensatory Support (CCS) to be effective from 1st April, 1986, for a period of three years will take into account the cascaded structure of taxation

in determining the CCS rates in respect of industrial products ;

(b) if so, the broad outlines thereof ; and

(c) the manner in which the CCS rates will be determined and the circumstances under which the compensation for product or market development given ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) The new Scheme of Cash Compensatory Support will be effective from 1st July, 1986 and will be valid for a period of 3 years. The broad outlines of the new scheme for determination of CCS rates are as follows :

- (i) In respect of industrial products re-imbursement of unrefunded indirect taxes will continue to be the main element for determining the CCS rates. However, the cascaded structure of taxation will also be taken into account.
- (ii) Compensation for product/market development will be given only in a highly selective manner on the basis of a phased out programme.
- (iii) For agricultural items, such as fruits and vegetables which are perishable in nature, a special element of compensation will be provided for the high cost transportation within India.
- (iv) For handicraft items, the value added by labour will be one of the main factors to be considered for determining the CCS rates.
- (v) The restriction regarding grant of CCS not being allowed to exceed 25% of the value added i.e. f.o.b. realisation less REP entitlement (under the Import Policy for Registered Exporters) will continue.

(vi) The present policy for granting CCS on certain categories of supplies within India treating them as deemed exports will continue.

**Suggestion for simplification of duty drawback procedures.**

3660. SHRI KAMLA PRASAD SINGH: Will the Minister of COMMERCE be pleased to state:

(a) whether the growth of exports has been sluggish and Government were considering simplification of duty drawback procedures to remove difficulties faced by Export Houses;

(b) if so, the details thereof;

(c) whether Government have received suggestions that Export Houses should identify areas of import savings while gearing up export promotion efforts and extension of rupee payment scheme to South Asian Association for Regional Cooperation countries to improve India's product acceptability;

(d) if so, whether the suggestions have been considered by now and any decisions taken thereon; and

(e) if so, details thereof?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER)** (a) Yes, Sir.

(b) A uniform simplified procedure of payment of duty drawback has been introduced at all major Custom Houses and International Airports with effect from 1st February, 1986. Duty drawback rates for Readymade garments, Leather and Footwear Industry have also been rationalised.

(c) No, Sir.

(d) and (e) Do not arise.

*[Translation]*

**Opening of bank branches in Uttar Pradesh.**

3661. SHRI JAGANNATH PRA-

SAD: Will the Minister of FINANCE be pleased to state:

(a) the number of applications received by his Ministry from various districts of Uttar Pradesh during the past one year for opening new branches of banks;

(b) the names of the places for which his Ministry has given permission to open new branches and the time by which these branches are likely to start functioning;

(c) whether his Ministry gives priority to backward and hill areas in the matter of opening new branches and if so, the details thereof; and

(d) the names of the places in such areas from where applications for opening new branches have been received and the number of places out of these where bank branches have been opened and also the number of new branches proposed to be opened during this year?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY)** : (a) The Reserve Bank of India (RBI) is the competent authority for sanction of licences for opening bank branches in the country. RBI has reported that 221 applications were received by it from the commercial banks and Regional Rural Banks during the period 1.1.1985 to 31.12.1985, for opening branches in Uttar Pradesh.

(b) Details of the 139 centres in Uttar Pradesh in respect of which allotments were made by the RBI during the period 1.1.1985 to 31.12.1985 are indicated in the statement I attached. Of these centres, banks have already opened branches in 85 centres. As opening of branches would depend upon the availability of suitable premises, adequacy of infrastructural facilities etc., it would not be possible to indicate as to when the branches would be opened in the remaining centres.

(c) RBI has reported that under the Branch licensing policy for 1985-1990,

hilly areas, sparsely populated areas and tribal regions will be given special considerations and branch expansion in such areas will be allowed on a comparatively liberal basis.

(d) Details of centres located in hill districts of Uttar Pradesh for which applications have been received by RBI

and names of the centres allotted to the banks out of these applications are indicated in the Statement II attached. RBI has reported that the licences would have validity for one year and that the banks are expected to open the branches before the expiry of the validity period of the licences.

#### Statement I

##### Details of allotments made by RBI during 1-1-85 to 31-12-85 in Uttar Pradesh

District	Name of the centre	
	1	2
1. Agra		Bah, Pinabat, Achhuera and Fatehabad.
2. Aligarh		Hathras
3. Almora		Basant, Machhorh, Kandhar and Almora
4. Azamgarh		Raniki Sarai and Doharighat
5. Ballia		Sikanderpur, Chit Baragaon and Bilthara Road Market
6. Bareilly		Jeorah—Kalyanpur, Bisalpur, Puranpur, Farehganj and Sainda
7. Basti		Kurujar Mahdeva
8. Bulandshahr		Khurja G.T. Road Murarinagar.
9. Chamoli		Topovan
10. Dehradun		Bhogpur, Nayagaon, Uddiwala Kaulagarh, Shyampur, Makhti Pokhri, Ghajra and Sat Narain.
11. Deoria		Salempur, Hata, Noonkhar, Badhaha, Sohraura, Narayanpur, Piprahi Barkulwa, Khotatha and Pipra Buzrund.
12. Etawah		Bidhuna
13. Faizabad		Ayodhya
14. Farrukhabad		Kaimganj
15. Fatehpur		Amoli, Dhota and Khajuha.
16. Pauri Garhwal		Pauri and Agroda
17. Ghazipur		Dildarnagar, Manihari

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18.	Gonda	Tulsipur, Ballipur and Mankapur
19.	Jaunpur	Chambal Tara, Nehrunagar and Haripur.
20.	Jhansi	Kochabhawar, Ambabai, Ishagarh, Bhandra, Bamhauri and Sahajahanpur.
21.	Lakhimpur Kheri	Mohammadi, Palia Kalan
22.	Lalitpur	Matatila
23.	Mainpuri	Pratappur
24.	Meerut	Sardhana, Mawana, Kaland, Baraut, Jahidpur and Sarurpur Kalan.
25.	Moradabad	Ujhari Sadat and Gajraula (Industrial Area)
26.	Muzaffarnagar	Shamli, Khatoli
27.	Nainital	Ranibagh, Devalchaur, Amgarhi, Hempur Smayal, Bhatelia, Daulatpur, Sakonia, Haripur Harson, Nathuwakhan, Khempur, Maldhan Chaur, Naukuchatal, Nainital and Tanakpur.
28.	Pithoragarh	Pithoragarh Road.
29.	Pratapgarh	Sangramgarh, Lalganj, Ramganj, Babuganj.
30.	Rae Bareilly	Pakasarawan, Bannawan.
31.	Rampur	Simaria, Rass Dandiya, Saintha Khera, Ghaukhandi, Naya Sagarpur, Narkhera Shumali Lalwala Bagh, Madhukar, Punjab Nagar, Lohapatti Bholanath, Saur and Shahabad.
32.	Saharanpur	Khajauri Akberpur, Malhipur, Khera Mugal, Buggawala, Lahboli, Ghunna, Hassanpur-Milakpur (Industrial Area) Taliwal, Ambehata Chand, Dhanauri, Sikhroha, Bhalswaganj, Dudhla, Umaeikalan, Dudhgarh, Deoband, Kurdi, Datauli Ranghar, Wadhakayasat, Gadar Hedi, Matadin Dayalpur, Ghahjahanpur, Adhiyana, Randol and Noganwa.
33.	Shahjahanpur	Gangsara
34.	Sitapur	Chandraseni
35.	Sultanpur	Sultanpur
36.	Tehri Garhwal	Nagri
37.	Unnau	Maurawan, Achalganj, Bhagwant Nagar and Nawab Ganj.

## Statement II

## A. Statement indicating names of centres for which applications received from Nationalised banks/RRBs

S. No.	District	Name of the centre
1.	Nainital	Gadarpur, Barhari, Rudrapur, Kichcha, Sitarganj.
2.	Dehradun	Mussoorie, Rishikesh, Dehradun, Jakhan, Makhti Pokhri, Jhajra, Lakshmandal, Harbutpur, Chhiddarwala, Sat Narain, Uttarkashi, Thanoo, Raiwala, Daksa, Samiwala, Kwanu, Pajethi Legi, Joli Grant.
3.	Almora	Basant, Chilayanana, Machhorh, Kwerala, Chitai, Gherigarutola, Sadar Bazar Manilla, Kandhar.
4.	Pauri Garhwal	Pauri, Kotdwara, Lansdewne, Dogadda, Naugaonkhal, Aroda, Bah Bazar, Lowali, Khankra, Kamleshwar, Chipalghat, Kirkhum Kingori Khal, Sidhkhali, Kotsisain, Durgonkhali, Kalalghati, Gawani, Baijro, Laxman Jhoola.
5.	Pathoragarh	Paleta, Gurna, Dhunaghat, Lohaghat, Champawat, Baluwaket, Dharchula, Mowani.
6.	Uttarkashi	Dichhi, Chajul, Pipli Razak, Beinighat, Naitwar.
7.	Chamoli	Gopeshwar, Joshimath, Chamoli, Karanprayag, Ukhimath, Topovan, Tilwara, Helang, Gholteer, Simli.
8.	Tehri Garhwal	Dhanolti, Devprayag, Nagni, Tehri, Dugadda, Tapovan, Koti, Bacherikhal, Agrakhal, Kamand.

## B. Names of the centres allotted to banks out of A above

District	Name of the centre
Almora	Kwerala, Kandhar, Basant, Machhorh
Garhwal	Agroda
Chamoli	Tapovan
Dehradun	Makhti Pokhari, Jhajra, Sat Narain
Tehri Garhwal	Nagani
Pauri Garhwal	Pauri

[English]

**Introduction of national cheque clearing system in foreign and non-nationalised banks**

3662. SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether it is proposed to cover all foreign and non-nationalised banks also under the national cheque clearing system; and

(b) if so, when the scheme is likely to be introduced ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Reserve Bank of India has reported that national clearing of outstation cheques between Bombay and New Delhi is proposed to be introduced in April/ May, 1986. Thereafter, the facility will be extended to cover clearing of outstation cheques between all the four Metropolitan Centres viz. Bombay, Calcutta, Madras and Delhi. All banks including foreign

banks would be participating in this scheme.

**Production of Tobacco**

3663. SHRI AMARSINH RATHAWA: Will the Minister of COMMERCE be pleased to state :

(a) the names of the States which are producing tobacco;

(b) the quantity of tobacco produced yearly by each State; and

(c) whether it is a fact that tobacco is being purchased by State Trading Corporation for exporting and selling it to cigarette manufacturing companies ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b) A statement is enclosed.

(c) Some quantity of Tobacco was purchased by STC in 1983 which was partly exported and partly sold to Cigarette manufacturers/exporters in the local market. At present S.T.C. is concentrating on exports only.

**Statement**

**Name of major Tobacco producing States and the quantity of Tobacco produced during 1984-85.**

S. No.	Name of the State	Quantity ('000 Tonnes)
1.	Andhra Pradesh	171.7
2.	Bihar	13.4
3.	Gujarat	173.5
4.	Karnataka	30.5
5.	Tamil Nadu	16.7
6.	Uttar Pradesh	26.5
7.	West Bengal	16.5
<b>ALL INDIA</b>		<b>472.8</b>

**Exemption of silver and gold ornaments from the excise duty**

3664. PROF. MADHU DANDAVATE : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government through the notification No. 181/85 published in its extraordinary Gazette of 1st August, 1985 exempted silver and gold ornaments and articles from the whole of Central excise duty;

(b) whether subsequently the Central Excise authorities in Maharashtra issued trade notices that since the Central Government's notification did not contain any reference to exemption from Central excise duty to gold and silver wires, strips and plates duty will be levied on them; and

(c) if so, whether in view of the fact that the gold and silver wires, strips and plates were not manufactured saleable items under any Act, Government propose to issue a fresh notification stating in clear terms that Central excise duty will not be levied on them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) By notification No. 181/85-Central Excises dated 1.8.1985, ornaments and the like articles made of gold or silver or both, whether or not set with stones, gems or pearls were completely exempted from Central excise duty.

(b) In Bombay, Central Excise authorities issued letters to certain units manufacturing gold wires, strips and plates stating that exemption under notification No. 181/85-CE dated 1.8.85 was not available to such products and that they should clear such goods after complying with Central Excise formalities. No such communication was issued in respect of silver wires, strips and plates which stood exempted from central excise duty under a separate notification.

(c) Notification No. 194/86-CE dated 11.3.1986 has since been issued exempting strips, wires, sheets, plates and foils of

gold used in the manufacture of articles of jewellery and parts thereof. The exemption for silver wires, strips, plates and foils available under the notification No. 234/82-CE dated 1.11.1982 in the erstwhile Central Excise Tariff, has been continued in the new tariff under notification No. 53/86-CE dated 10.2.1986.

**Decision to stop import of sugar**

3665. SHRI T. BALA GOUD : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that Government have decided to stop import of sugar;

(b) if so, whether it will reduce the quantity of sugar being supplied to ration card holders through Public Distribution System; and

(c) whether the dual price policy and freesale of sugar will continue ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Import of sugar has been restricted to the extent of shortfall in the availability of indigenous sugar for meeting the requirement of internal consumption.

(b) No, Sir.

(c) The policy of partial control with dual pricing has already been announced for the current 1985-86 season.

**Turnover based incentive to exporters**

3666. SHRI SIMON TIGGA : Will the Minister of COMMERCE be pleased state :

(a) whether Government plan to provide incentive based on turnovers and not on profits and allow the exporters to retain a portion of the foreign exchange; and

(b) if so, when; and

(c) if not, the reasons therefor ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) There is no plan to provide any new incentives based on turnovers. Government have not yet taken a decision on allowing exporters to retain a portion of foreign exchange earned.

**Cane price advised by various State Governments during 1985-86**

**3667. SHRI BALASAHEB VIKHE PATIL :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state the cane price advised by various State Governments during 1985-86, State-wise details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND**

State	Price per quintal
Andhra Pradesh	Rs. 19.50 linked to 8.5% recovery.
Assam	Rs. 22.00
Gujarat	Has not advised.
Haryana	Rs. 24.00 for common variety.
Karnataka	Rs. 26.00 for Co. 7314 and 7717 varieties.
Kerala	Rs. 27.00 for CoJ 64
Maharashtra	Rs. 18.50 linked to 8.5% recovery.
Punjab	Rs. 20.50 to Rs. 25.00
Tamil Nadu	Advance price of Rs. 20.00 (ex-field)
Uttar Pradesh	Rs. 24.00 for common variety.
East Uttar Pradesh	Rs. 27.00 for CoJ 64 variety.
West & Central	Rs. 19.50 linked to 8.5% recovery.
Uttar Pradesh	Rs. 23.00
West Bengal	Rs. 24.00
Bihar	Rs. 25.00
	Rs. 23.00

**MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** Under the Sugarcane (Control) Order, 1966, the Central Government fixes only the statutory minimum price of sugarcane payable by sugar factories. For 1985-86 season the price has been fixed at Rs. 16.50 per quintal linked to 8.5% recovery with proportionate premium for every 0.1% recovery above 8.5%. However, some State Governments have been advising the sugar factories to pay higher prices, taking into consideration among other things local factors. The Central Government is not involved in the determination of the State advised prices. However, as per information received from State Governments, the position in respect of major sugar producing States is indicated below :-

**Stoppage of loan by Industrial Development Bank of India to West Bengal Film Development Corporation**

3668. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Industrial Development Bank of India (IDBI) which had agreed to advance loan of Rs. 2.64 crores to the West Bengal Film Development Corporation (WBFDC) for the Rs. 5.5 crore colour laboratory project at Salt Lake has suddenly stopped releasing funds;

(b) if so, the grounds for stopping the payment which has resulted in the project being delayed; and

(c) the action which the IDBI proposes to take to continue payment to the WBFDC so that the project is not much delayed for want of funds ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY) : (a) to (c) The Industrial Development Bank of India (IDBI) has reported that it had sanctioned in April, 1984 a term loan of Rs. 264 lakhs to the West Bengal Film Development Corporation (WBFDC) for setting up a colour film laboratory at Salt Lake, Calcutta. IDBI has so far disbursed Rs. 220 lakhs to the project against Rs. 192 lakhs brought in by the promoters of WBFDC. The usual condition of loan agreement is that

the disbursement will be made by IDBI only after the promoters have brought in their contribution. This condition has been relaxed in the case of WBFDC by the IDBI which has disbursed loan to the extent of Rs. 220 lakhs out of a loan of Rs. 264 lakhs. Further disbursement will be made by IDBI on the basis of matching contribution by the promoters and depending on the need for funds.

**World Bank assistance for projects in Orissa.**

3669. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) the projects in Orissa that have been negotiated for execution and assistance from the World Bank during the last five years;

(b) whether some projects were abandoned due to non-supply of adequate information and plans to World Bank; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY) : (a) The details of projects in Orissa negotiated and approved by World Bank during the last five years are given in the attached statement.

(b) No, Sir.

(c) Does not arise.

**Statement**

Details of projects in Orissa negotiated and approved by the World Bank during the last five years.

(In US \$ Million)

S. No.	Name of the project.	Date of Agreement	IBRD Loan	IDA Credit	Remarks
1	2	3	4	5	6
1.	Mahanadi Barrages	5.12.1980	—	83.0	
2.	Subernarekha Irrigation	9.11.1982	—	127.0	Bihar and Orissa are participating States.

1	2	3	4	5	6
3.	Upper Indravati— Hydro-Electric.	8.6.1983	156.4	170.0	
4.	Orissa irrigation-II	16.9.1983	—	105.0	
5.	N.C.D.C.-III	12.10.1984	—	220.0	M.P., Orissa and Rajasthan are parti- cipating States. The share of Orissa is ₹ 10.6 Million.
6.	National Agricul- tural Extension.	12.12.1984	—	39.1	Orissa is one of the 9 participating States in this project. Out of a total of 7800 rural godowns with a total capacity of 43.7 lakh tonnes envisaged under the project, 1225 godo- wns of a capacity of 2.62 lakh tonnes at a cost of Rs. 23.47 crores will be cons- tructed in Orissa.

## International tourist traffic to India

end of Sixth Plan was over 8 lakhs per annum.

(b) Yes, Sir.

(c) The target envisaged by 1990 in the Seventh Plan proposals is 2.5 million tourist arrivals per annum.

(d) The steps initiated to increase the inflow of foreign tourists to India include reorientation of publicity campaigns giving emphasis on consumer advertising, stepping up of public relations with overseas media agencies, tour operators and the travel agents abroad, participation in international travel fairs and exhibitions, development of infrastruct facilities and improvement of transport systems.

Branches of nationalised banks opened in  
West Bengal

THE MINISTER OF PARLIAMEN-  
TARY AFFAIRS AND TOURISM  
(SHRI H.K.L. BHAGAT) : (a) The rate  
of tourist arrivals excluding the nati-  
onals of Pakistan and Bangladesh at the

3671. SHRI PRIYA RANJAN  
DAS MUNSI: Will the Minister of  
FINANCE be pleased to state :

(a) whether any restrictions have been imposed by Reserve Bank of India on the nationalised banks for obtaining new licences for branches of banks ; and

(b) the number of new branches of nationalised banks opened in West Bengal in 1985-86 and the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The aim of branch licensing policy for 1985-90 is to achieve a coverage of 17,000 population per bank office in rural and semi-urban areas of each block. The policy also aims at filling up spatial gaps with a view to ensure a bank office within 10 Kms from each village. The Reserve Bank of India (RBI) has advised the State Governments/Lead banks to indentify potential growth centres requiring banking and facilities taking into account the norms laid down by RBI to forward the list of identified centres to RBI as finalised by the State Governments. RBI will make allotment of the centres identified in terms of the policy to the banks. In districts covered by Regional Rural Banks, preference in allotment of identified centres will be given by RBI to Regional Rural Banks. In districts not covered by Regional Rural Banks, allotment of centres will be made to commercial banks generally on the basis of their representation in the district. In the metropolitan and urban centres licences will be granted by the RBI on a selective basis keeping in view factors such as viability of the branch, clearly established need of the centre etc.

(b) The details of the new branches opened by 28 public sector banks and the Regional Rural Banks in West Bengal during the period 1.1.85 to 30.11.85 is set out below :—

Bank/Bank Group	No. of Branches.
1	2
State Bank of India	56
Associates of SBI	3

1	2
29-Nationalised Banks	235
Regional Rural Banks	146
Total	440

**Chit Fund Companies functioning in Delhi**

**3672. SHRI RAMASHRAY PRA. SAD SINGH :** Will the Minister of FINANCE be pleased to state :

(a) the details of the Chit Fund Finance Companies functioning in the Capital under the Madras Act :

(b) the number of such companies that have closed down in the capital ; and

(c) the steps Government propose to take to compensate the bonfide subscribers whose money was deposited with the defunct Fund organisations ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The Registrar of Chit Fund Companies, Delhi, has reported that as on 15th March, 1986, there were 1152 Chit Fund Finance Companies functioning in the Union Territory of Delhi, under the Madras Chit Fund Act, 1961.

(b) According to the information furnished by the Registrar of Chit Fund Companies, Delhi Administration, 11 Chit Fund Companies have closed down in the Union Territory of Delhi during the period 1973 to 1985.

(c) The Chit Fund Companies functioning under the Madras Chit Fund Act, 1961 as extended to the Union Territory of Delhi are required to deposit half of the chit amount with the Registrar of Chit Funds as security for safe running of a chit. The securities deposited with the Registrar of Chit Funds is handed over to the Liquidator duly appointed by the Court who in turn decides regarding the payment due to the subscribers.

**Multi-fibre Agreement.**

3673. SHRI SYED SHAHABUD-DIN : Will the Minister of TEXTILES be pleased to state :

(a) the main provisions of Multi Fibre Agreement currently in force ;

(b) the date when the present agreement is going to expire ;

(c) the major points on which the agreement needs to be revised in order to secure a fair deal for developing countries ; and

(d) the forum and the possible dates of negotiations for a new agreement ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The main provisions of the Multifibre Arrangement (MFA) are shown in the paper which is attached as statement.

(b) The present term of the Multi-fibre Arrangement expires on 31st July, 1986.

(c) Since the Multifibre Arrangements was devised as a temporary agreement in place of the provisions of the General Agreement on Tariffs and Trade (GATT), developing countries want that trade in textiles and clothing should revert to the normal non-discriminatory rules of the GATT.

(d) The GATT Textiles Committee is the forum for the negotiations of the the future of the Multifibre Arrangement. Negotiations are scheduled to be completed before 31st July, 1986.

**Statement**

The main provisions of the Multifibre Arrangements (MFA) are as follows :-

**Article 1** spells out the objectives of the MFA to be the expansion of trade, reduction of barriers and progressive liberalisation of trade in textiles, while ensuring orderly and equitable development of such trade and the avoidance of

disruptive effects in both importing and exporting countries.

**Article 3** prohibits the introduction of new restrictions on textiles imports, except in conformity with the provisions stipulated. It authorised new restrictions from particular sources only if imports are disrupting the market of the importing country. These restrictions can take the form of either bilateral agreements or unilateral actions. The determination of a situation of "market disruption" is defined in *Annex A*. The Article stipulates the consultation period between the parties concerned and reporting requirements to the Textiles Surveillance Body. If action is taken under this article the level of restrictions is stipulated in *Annex B*. Annex B also provides for annual growth if the restraint is extended beyond one year, as well as certain flexibilities related to the utilization of quotas in the form of swing, carry over and carry forward. Such actions are subject to review by the Textiles Surveillance Body.

**Article 4** permits within the multilateral framework, the conclusion of bilateral agreements on mutually acceptable terms in order to eliminate real risk of market disruption and to ensure the expansion and orderly development of trade in Textiles. Bilateral agreement under this Article shall, on overall terms including growth and flexibility, be more liberal than measures provided for under Article 3.

**Article 5** specifies that restrictions under Articles 3 and 4 shall be administered in a flexible and equitable manner and over-categorization shall be avoided. The restrictions shall be set in quantitative units.

**Article 6** provides for more favourable treatment of exporters which are developing countries, particularly if they are new entrants, small suppliers, or producers of cotton textiles. The article also refers to the special and differential treatment for products to be processed and subsequently re-imported.

**Article 10 and 11** lay down the terms of references of the Textiles Committee

and Textiles Surveillance Body, respectively. Article 11 also provides for the possibility of bringing certain persisting problems to the Textile Committee, the GATT Council or the CONTRACTING PARTIES.

**Article 12** defines "textiles" under the scope of the MAF. Handloom products and traditional folklore cottage industry products are exempted from the scope of MAF.

The protocol of Extension of 22nd December, 1981 extending the term of the MFA from 1st January, 1982 to 31st July, 1986 contains the conclusions reached in the meeting of the Textiles Committee on 22nd December, 1981 which reflected the then prevailing main concerns of the participants and their undertakings to accommodate them.

**Voluntary Consumer Agency for  
supervision of public  
distribution system**

3674. SHRI D.N. REDDY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that twelve voluntary consumer agencies in Delhi have been given statutory supervisory authority for public distribution system as reported in the Times of India of 19 January, 1986;

(b) if so, the details thereof;

(c) whether this authority will be extended to Super Bazar shops, Mother Dairy and Delhi Milk Scheme supply depots; and

(d) whether this authority will also be extended to goods and services now provided by Union Government/State Governments Cooperative Sector and units in the capital including Road/Bus/Rail, Air, DESU, DTC, Phones, Hospitals, P&T, Municipal Services ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a)

and (b) In pursuance of powers conferred upon him vide Clause 25 of the Delhi Specified Articles (Regulation of Distribution) Order, 1981, the Commissioner, Food & Supplies, Delhi Administration has authorised 14 individuals/voluntary consumer organisations to visit Fair Price Shops and Kerosene and Coal depots licensed by Food and Supplies Department, situated in Circle Nos. 13,21 30,31,32,34,35,36,37 and 38.

(c) and (d) No, Sir.

**Grievances of cotton growers in  
Prakasam District of  
Andhra Pradesh**

3675. SHRI C. SAMBU : Will the Minister of TEXTILES be pleased to state:

(a) whether Government are aware that the cotton growers of Uppuganduru in Prakasam District of Andhra Pradesh are being harassed at purchase centres of Cotton Corporation of India;

(b) whether it is a fact that the cotton brought to the yard by the growers is kept there for more than two months and as a result thereof it gets rotten;

(c) whether payment of cotton growers is abnormally delayed for more than two months by the Cotton Corporation of India;

(d) whether it is also a fact that officials of Cotton Corporation of India are in collision with the middlemen; and

(e) if so, the remedial steps being taken by Government for the redressal of the grievances of cotton growers ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) No such incidents have been reported.

(b) The Cotton Corporation of India has been purchasing cotton of fair average quality or slightly below standard, every day in the market yard.

(c) No, Sir.

(d) No, Sir.

(e) Does not arise.

[*Translation*]

**Benefit of handloom not received by weavers in Bihar**

3676. SHRI SALAHUDDIN : Will the Minister of TEXTILES be pleased to state whether it is a fact that benefit of handloom is being received by middle class persons and not by weavers in Bihar ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : No such report has been received by the Government of India.

[*English*]

**Voluntary Excise duty disclosure scheme**

3677. DR. CHINTA MOHAN : Will the Minister of FINANCE be pleased to State :

(a) Whether a Scheme of Voluntary Excise disclosure has been worked out;

(b) if so, the details thereof;

(c) how much leakage of Excise is estimated each year;

(d) whether this Scheme will be similar to Income Tax disclosure Scheme; and

(e) if so, how much collection is expected each year ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

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

(c) It is not possible to give any estimate of the leakage of excise duty each year. However, the evasion of excise duty detected in the last three years are given below :-

1983 Rs. 5515.99 lakh

1984 Rs. 6448.96 ..

1985 Rs. 34083.14 .. (prov.)

(d) and (e) Does not arise in view of reply to (a) above

**Planning Commission Report on Essential Supplies Programme**

3678. DR. G. VIJAYA RAMA RAO: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether the Planning Commission in its report on Essential Supplies Programme made recommendation for improving the efficiency and performance of the Public Distribution System;

(b) if so, details of the action Plan suggested and the follow-up action taken thereon;

(c) whether these recommendations have improved the existing system; and

(d) if so, the details of the improved efficiency and the consumer satisfaction achieved ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) The study made by the Programme Evaluation Organisation of the Planning Commission has revealed that the benefits of the Public Distribution System are reaching vulnerable sections of the population in an ample measure and thus the cardinal aim of adequately covering poorer sections of the population in rural areas is being adequately fulfilled. Details of the action plan suggested in the report are attached as statement. All the State Governments/Union Territories have been requested to take follow-up action with various recommendations of the Programme Evaluation Organisation of the Planning Commission Report.

(c) and (d) The primary responsibility for implementing the recommendations

made by the Programme Evaluation Organisation of the Planning Commission is that all the State Governments/Union Territory Administrations who according to available reports are implementing these recommendations. The recommendations of the Planning Commission are also under consideration of the Central Government.

### Statement

- (i) The benefit of the element of subsidy in the programme should flow in its entirety to the poor. There should be dual pricing in respect of all commodities made available through fair price shops.
- (ii) Commodities like pulses, washing soap, tea leaves and coarse grains should also be made available through fair price shops.
- (iii) Government should take steps to minimise delays and to make essential commodities available to fair price shops at prescribed frequencies.
- (iv) Adequate storage facilities should be built at convenient points and for speedy transportation of commodities from State to district and from the latter to the fair price shops, the job for transportation should be centralised to one authority.
- (v) Necessary action should be taken to eliminate incidence of poor quality of commodities through a system of effective quality control.
- (vi) Wheat and rice may be sold from fair price shops in pre-packed units of 5, 10 and 20 kg.
- (vii) Based on a system of the assessed credit rating of individual fair price shopkeepers, a system of according credit to a limited extent, but of a revolving nature, could be considered and evolved.
- (viii) The whole structure of fair price

shops should be critically examined to ensure that the shopkeepers get a fair return on their investment.

- (ix) The thrust of the expansion of the Public Distribution System should be oriented towards far-flung, backward and industrial areas.

### Reduction of wasteful expenditure

3679. DR. T. KALPANA DEVI :

DR. G. VIJAYA RAMA RAO :  
SHRI MANIK REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether the former Finance Minister during the Seventh Lok Sabha had announced stoppage of issue of greeting cards by the Government and its leaders;

(b) if so, whether this decision has been implemented; if so, the estimated savings so far thereby; and

(c) whether Government have also taken up reduction of other wasteful expenditure, especially widespread misuse of Government vehicles on false and flimsy grounds by senior officers specially for coming to work and going home on the pretext of an hour before and after office hours?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Instructions issued in 1971 banning the issue of greeting cards by the Ministries/Departments of the Government of India have been recently reiterated for compliance by all concerned.

It is not possible to make an estimate of the expenditure that would have occurred had there been no ban on printing of greeting cards.

(c) It is a continuing process for the Government to initiate measures to curb inessential and avoidable expenditure including that on use of Government vehicles.

Attention of the Ministries/Departments has also been drawn regarding the use of Government vehicles in accordance with the extent guidelines.

**New strategy for export of handloom**

3680. SHRI P.R. KUMARAMAN-GALAM : Will the Minister of TEXTILES be pleased to state.

(a) whether a new strategy for handloom will be demand-oriented instead of supply-oriented as at present and will have a properly planned marketing strategy; and

(b) whether the official delegation which recently visited U.K. has analysed the reasons for sluggish and lack-lusture exports performance despite high quality and demand of Indian textiles due to their intrinsic quality and image through the ages?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) The Handloom Export Promotion Council is giving necessary feedback to the handloom producers about fashion changes abroad so that our production of handloom items are demand oriented.

(b) No official delegation has recently visited U.K. for the purpose of analysing handloom export performance. However, a delegation recently visited U.K. to study the market for Power-loom and Mill-made fabrics which are subject to specific limit.

**Regional Offices of State Bank of India in Kerala**

3681. SHRI T. BASHEER : Will the Minister of FINANCE be pleased to state :

(a) the number of State Bank of India's regional offices in Kerala ; and

(b) the steps being taken to streamline the work of State Bank of India in Kerala ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) State

Bank of India (SBI) is at present having one Regional Office at Trivandrum in the State of Kerala.

(b) The Regional Office at Trivandrum is headed by a Chief Regional Manager with 5 Regional Managers under him. The Chief Regional Manager and the Regional Managers have been vested with considerable financial and administrative powers to facilitate quick decision making. SBI has also reported that it is considering the feasibility of opening a second Regional Office in the State of Kerala to further streamline its functioning.

*[Translation]*

**Deoria and Shree Sitaram Sugar Mills in Deoria district (U.P.)**

3682. SHRI RAM NAGINA MISHRA : SHRI RAM BAHADUR SINGH :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Deoria Sugar Mills and Shree Sitaram Sugar Mills in Deoria District of Uttar Pradesh have again been handed over to their owners ;

(b) if so, the reasons therefor ;

(c) whether it is a fact that the said mills had suffered comparatively more losses during the period these were run by Government ; and

(d) if so, the causes of these losses and whether this has been inquired into ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) and (b) The Government decided in July, 1985 to return the mills to the owners on certain terms. The owners, however, refused to take back the mills on the terms offered.

(c) and (d) The profit and loss figures for the pre-take over period being not available, the losses prior to take over and during Central Government management cannot be compared. The main reasons

for losses during Central Government management, however, are :

- (a) High State advised cane prices the mills were required to pay.
- (b) Under-utilisation of capacity due to less availability of cane.
- (c) Old and worn out plants & machinery; and
- (d) Weak financial position of the mills at the time of takeover.

Despite various constraints, Shree Sitaram Sugar Mills made profits during 1979-80 and Deoria Sugar Mills showed profits in the years 1979-80 and 1980-81, out of the six years for which audited accounts are available.

**Construction of godowns for paddy in Vidarbha region (Maharashtra)**

3683. SHRI VILAS MUTTEMWAR : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government are aware that Vidarbha, in Maharashtra is a major paddy growing area ;

(b) Whether it is also a fact that paddy production is continuously increasing in this area as a result of Gosikhurd Irrigation Project ; and

(c) if so, whether Government propose to construct godowns in the areas for storage of paddy, if so, when and the number and capacity thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) The Gosikhurd Irrigation Project in Vidarbha region is under consideration of the Central Water Commission of the Ministry of Water Resources.

(c) The covered storage capacity with the Food Corporation of India, owned and hired taken together, for storage of food-

grains including paddy, in Vidarbha region is at present about 2.54 lakh tonnes. During the Seventh Five Year Plan, the Food Corporation of India and the Central Warehousing Corporation propose to construct a storage capacity of 0.72 lakh tonnes in Vidarbha region.

*[English]*

**Export of iron ore to Japan**

3684. SHRI V. TULSIRAM : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Japan is paying less than the price agreed to for the iron ore export to that country ;

(b) if so, the reasons for accepting less than the agreed price ;

(c) the extent to which India is likely to suffer a loss in this respect ; and

(d) the steps being taken to make up the loss ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir. Price paid by Japanese Steel Mills is as per provisions of the contract(s).

(b) to (d) Do not arise.

**Import of copra under OGL**

3685. SHRI GEORGE JOSEPH MUNDACKAL : Will the Minister of COMMERCE be pleased to state whether Government are taking any steps to prevent the import of copra under O.G.L. ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : Import of copra is already canalised through State Trading Corporation of India (STC)/ Hindustan Vegetable Oils Corporation, as per Import & Export Policy, 1985-88.

**Edible oils used for production of Vanaspati**

3686. SHRI SURESH KURUP :

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) what are the edible oils used for the production of Vanaspati ;

(b) whether there is any rule stipulating any particular edible oil to be used in the production of Vanaspati ;

(c) if so, the details of those oils ; and

(d) whether Government propose to make proper rules to use coconut oil for the production of Vanaspati ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) to (c) According to the Vegetable Oil Products (Standard of Quality) Order 1975, the following edible oils are permitted for production of vanaspati :

1. Cottonseed oil
2. Mahua oil
3. Nigerseed oil
4. Rapeseed oil (imported)
5. Palm oil
6. Rice bran oil
7. Soyabean oil
8. Watermelonseed oil
9. Palmolein
10. Salseed oil not exceeding 10%
11. Mustard/rapeseed solvent extracted oil not exceeding 10%
12. Mustard/rapeseed expeller oil not exceeding 30%

(d) The use of coconut oil for the production of vanaspati has not been allowed as, unlike other edible oils which, on hydrogenation, produce plastic fat (vanaspati), coconut oil is found to give a white shining brittle product which may not be accepted by the traditional consumers of vanaspati.

**IRDP per capita investment in hill areas**

**3687. SHRI MANIK REDDY :** Will the Minister of FINANCE be pleased to state :

(a) whether under Integrated Rural Development Programme(IRDP) per capita investment was the lowest in hill areas followed by agriculturally less developed areas and tribal areas;

(b) if so, the steps proposed in this regard;

(c) whether Regional Rural Banks and Cooperative Banks had been ineffective in offering credit as compared to commercial banks;

(d) if so, the corrective steps proposed;

(e) whether there have been many cases of misappropriation of subsidy amount in collusion with Bank and Block officials; and

(f) if so, the corrective steps taken/proposed ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY) :** (a) to (f) : The information is being collected and to the extent permissible will be laid on the Table of the House.

**Drainage system of Pathini Tea Estate.**

**3688. SHRI SUDARSAN DAS :** Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the drainage system of the Pathini Tea Estate in Karimganj District of Assam, a Union Government undertaking and managed by the Tea Trading Corporation of India has been destroyed due to lack of maintenance causing serious damages to the plantation; and

(b) if so, the steps being taken for improvement of the drainage system ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER):** (a) and (b) Pathini Tea Estate is located on Indo-Bangla Desh border and main outlets from Pathini, on the border side are reported to have been blocked several years ago by construction of embankments. This has resulted in water logging in certain areas of the Pathini Tea Estate and other estates in that area.

For rest of the tea estate, there is a phased programme of maintenance of drainage system which is being carried out every year.

**Assistance to poor/backward class families by banks for construction of houses**

**3689. SHRI SUBHASH YADAV :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a number of poor/backward class families who have been allotted lands for their houses have failed to construct their houses due to financial difficulties in Madhya Pradesh;

(b) if so, whether Government propose to issue instructions to nationalised banks, Life Insurance Corporation and other financial institutions to advance loans for the construction of their houses; and

(c) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) Reserve Bank of India has reported that they are not aware of the position that in Madhya Pradesh a number of poor/backward class families who have been allotted house sites have failed to construct their houses due to financial difficulties.

(b) and (c) As per the existing guidelines of Reserve Bank of India in respect of housing finance for Scheduled Castes/ Scheduled Tribes and other economically weaker sections of the society, the follo-

wing types of advances are treated as priority sector;

**(a) Direct Finance :**

Loans upto Rs. 5000/- for construction of houses granted to SC/ST and weaker sections of the society irrespective of DICGC cover.

**(b) Indirect Finance:**

(i) Assistance given to any governmental agency for the purpose of constructing houses exclusively for the benefit of SC/ST and low income groups and where loan component does not exceed Rs. 5000/- per unit.

(ii) Assistance to any governmental agency for slum clearance and rehabilitation of slum dwellers subject to other conditions specified above.

The Life Insurance Corporation of India and General Insurance Corporation of India and its subsidiaries have no scheme for assistance to poor/backward class families for construction of houses directly. However, loans are provided by LIC and GIC to HUDCO, Apex Co-operative Housing Societies and State Governments for Rural, Housing Schemes.

**Sick industrial units in Public and Private sector**

**3690. SHRI NARAYAN CHOUBEY :**

**SHRI R.M. BHOYE :**

Will the Minister of FINANCE be pleased to state :

(a) the number of sick industrial units (i) large (ii) medium and (iii) small scale in public sector and private sector at the end of the year 1983, 1984 and 1985; and

(b) the money advanced by the public financial institutions and banks and blocked in those sick units as loans and interest thereon during the same period (i) industry—size-wise and (ii) sector-wise ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) As per the information furnished by the RBI, the total number of large sick units in the private and public sector in the assistance portfolio of scheduled commercial banks as at the end of December 1984 is as follows :—

	December 1983	December 1984
Private Sector	391	413
Public Sector	83	101

(Rs. in crores)

	December 1983	December 1984
Large units	Public sector	491.79
	Private sector	1370.41
Medium units		357.97
Small units		728.99
		477.99
		1672.38
		428.58
		879.69

As regards all India financial institutions (except IRBI) the amount of arrears in respect of sick industrial units as at the end of December 1983 and December 1984 was Rs. 244.7 crores and Rs. 349.87 crores respectively.

**Industrial Units revived with IRBI assistance**

**3691. KUMARI PUSHPA DEVI :** Will the Minister of FINANCE be pleased to state :

(a) whether the Industrial Reconstruction Bank of India (IRBI) functions as the principal credit and re-construction agency for Industrial revival;

(b) if so, the number of Industrial Units revived with IRBI credit during the last three years;

(c) the amount of Industrial Reconstruction Bank of India credit given for the revival of those units; and

(d) the details thereof ?

The reporting system of RBI does not provide for sectorwise details of sick medium and small scale units. As far as financial institutions are concerned the number of sick industrial units in their assistance portfolio (except IRBI) was 314 and 447 as at the end of December 1983 and December 1984.

The details of outstanding banks credit in respect of the sick units as at the end of December 1983 and December 1984 for large, medium and small sick units are as mentioned below :—

	December 1983	December 1984
Large units	Public sector	491.79
	Private sector	1370.41
Medium units		357.97
Small units		728.99
		477.99
		1672.38
		428.58
		879.69

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

(b) to (d) During the period from 1982-83 (July-June) to 1984-85 (July-June) 108 units have been revived by Industrial Reconstruction Bank of India (IRBI). The amount disbursed to these units by IRBI till 30th June, 1985 stood at Rs. 138.46 crores. Number of revived units constituted 41.2% of the total units assisted by IRBI till the end of June, 1985.

**Garment industry identified by World Bank for financial assistance**

**3692. SHRI B. V. DESAI :** Will the Minister of FINANCE be pleased to state :

(a) whether the World Bank has identified the Indian garment Industry for providing financial assistance;

(b) if so, whether the World Bank feels that the garment industry offers tremendous scope for growth both domestic and export;

(c) if so, the total amount of aid World Bank has agreed to provide to assist the garment industry; and

(d) how this loan of the World Bank is to be utilised by the garment industry ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) : No Sir.

(b) to (d) Do not arise.

*[Translation]*

#### Import of Newsprint

**3693. SHRI SHANTI DHARIWAL :** Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering any proposal to end the monopoly of the State Trading Corporation in respect of import of newsprint to ensure that the price of newsprint in the country is not higher than the price prevailing in the world market;

(b) if so, whether Government propose to formulate any national policy to reduce the adverse effect on the future of big newspapers and to raise in standard of journalism;

(c) if so, when and if not, the reasons therefor ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) With a view to rationalising the distribution of newsprint, Government is evolving a policy that will eliminate some of the existing lacunae in this sphere. However, as a part of this overhauling, there is no proposal to decanalise the import of news-

print through STC. As for the nature of changes that are to be effected in the proposed policy; no final decision has yet been taken.

#### Installation of electronic appliances for safety purposes in banks

**3694. SHRI RAJ KUMAR RAI :** Will the Minister of FINANCE be pleased to state :

(a) whether it has been decided to instal electronic appliances in the banks for safety purposes in view of the increasing incidents of dacoities in broad daylight in the banks in and around Delhi;

(b) if so, the total number of banks where these appliances have since been installed; and

(c) the results thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) The High Power Working Group, which had been set up by the Government critically review security arrangements in Banks had made several recommendations, including installation of appropriate alarm systems in banks. Copies of the Group's report were sent to all public sector banks and to State Governments/Union Territory Administrations for implementation. The public sector banks have been implementing these recommendations in a phased manner all over the country. In the Union Territory of Delhi, almost all branches have already installed suitable alarm systems. The banks have reported that on the whole the alarm systems are functioning satisfactorily.

*[English]*

#### Misappropriation of money in Punjab and Sind Bank, Hemkant Colony Branch Delhi.

**3695. SHRI N. VENKATARATNAM :** Will the Minister of FINANCE pleased to state :

(a) whether Government are aware that an amount of Rs. 1 crore was misap-

propriated in the Punjab and Sind Bank, Hemkant Colony, South Delhi branch;

(b) the persons involved and action taken against them;

(c) whether the money has been recovered; and

(d) the steps taken by Government to prevent the frequent misappropriations being done in several banks ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) Punjab & Sind Bank has reported commission of frauds in their Hemkant branch office, New Delhi involving a total amount exceeding Rs. 1 crore. The Bank lodged FIR with the Police and 2 officials of the Bank were arrested in this connection. The officials have also been placed under suspension by the Bank. The case is under investigation. An amount of approximately Rs. 4.5 lakhs is lying to the credit/under lien of the Bank in the involved accounts.

(d) The banks have been instructed to gear up the vigilance machinery in the organisation and to improve procedures and systems so that frauds can be prevented. Accordingly, the banks have taken steps to strengthen control mechanisms and to improve management information systems as also effective follow-up action. Clearance of arrears in balancing of books and in reconciliation of inter-branch and other accounts are also being undertaken on a continuous basis so as to prevent frauds in those areas. Information is also circulated by RBI to banks giving details

of novel methods of frauds and advising banks to adopt necessary safeguards. Books of instructions are also circulated by banks amongst their staff indicating precautions/checks which should be observed to prevent occurrence of frauds.

*[Translation]*

**Loans advanced by nationalised banks in Sagar District (Madhya Pradesh)**

**3697. SHRI NANDLAL CHOUDHARY :** Will the Minister of FINANCE be pleased to state :

(a) the amount of loans given by the nationalised banks in Sagar District in Madhya Pradesh from 1st April, 1984 to 31st March, 1985, bank-wise details thereof;

(b) the break-up of the beneficiaries belonging to scheduled castes and of those belonging to the general category;

(c) the total amount of loans distributed among the Scheduled Castes and the people belonging to the general category, separately; and

(d) the total number of loan applications pertaining to the Scheduled Castes and the general category, separately rejected or returned ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Total amount of loans given by the nationalised and other banks in Sagar District during 1984-85 is Rs. 17.63 crores. Bank-wise details are as under :-

Name of Bank	1	Amount Disbursed (Rs. in lakhs)	2
1. Central Bank of India		289.78	
2. State Bank of India		185.33	
3. Bank of Baroda		108.87	
4. Union Bank of India		92.13	
5. Punjab National Bank		59.68	

1

2

6.	Allahabad Bank	27.19
7.	Bank of India	26.95
8.	Punjab and Sind Bank	14.18
9.	UCO Bank	25.99
10.	Canara Bank	4.51
11.	Syndicate Bank	13.41
12.	State Bank of Indore	12.20
13.	Dena Bank	8.87
14.	Indian Bank	19.11
15.	Oriental Bank of Commerce	4.94
16.	Regional Rural Bank	151.96
17.	Land Development Bank	140.96
18.	District Central Co-op. Bank	577.00
Total		1763.06

(b) During the period under reference the total number of beneficiaries financed were 25291 out of which 7486 were Scheduled Caste/Scheduled Tribe beneficiaries.

(c) The total amount of loan disbursed was Rs. 17.63 crores out of which Rs. 1.55 crores were disbursed to SC/ST beneficiaries.

(d) Total number of loan applications which were rejected and returned was 2316 out of which 65 belong to SC/ST beneficiaries.

[*English*]

**Trade between India and Canada**

3698. SHRI K. V. SHANKARA

**GODWA** : Will the Minister of COMMERCE be pleased to state :

(a) whether trade between India and Canada has improved during the last two years; and

(b) if so, the particulars of agreements finalised during the the last financial year and also those likely to be finalised during the next financial year ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER)** : (a), Yes, Sir.

(b) The following agreements were entered into during the year 1984-85 :

1	Project	Date of Agreement	Amount
			2
1.	Chamera Hydro Electric Project*	3.8.1984	217 million Canadian dollars loan by Canadian International Development Agency.

1

2

3

2. Andhra Pradesh  
Social Forestry  
Project for  
Consultancy  
Agreements

12.10.1984

2 million Canadian  
dollars.

\*In addition, Export Development Corporation of Canada has provided a loan of C\$ 403 million to National Hydel Project Corporation for the Chamera Project.

Two protocols were signed on 18.12. 1985. In terms of the first protocol, Canada has agreed to provide a line of credit of C \$ 198 million for financing the purchase from Canada of goods and services related to oil and gas exploration & development. In terms of the second protocol, Canada has agreed to provide a grant of C\$ 5 million for financing the cost of training of Indian personnel in Canada as well as in India in certain technical fields. Both these protocols are likely to be translated into formal agreements shortly during 1986-87.

**Rice mills under Food Corporation of  
India Running in losses**

3699. PROF. K.V. THOMAS : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of rice mills under the Food Corporation of India at present;

(b) the number out of those units which are running in loss; and

(c) the steps proposed to be taken to improve the working of the rice mills running in loss ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) 25

(b) All these units are economically and operationally non-viable.

(c) Several steps including adequate stocking of paddy, requests to State Governments for regular supply of power, installation of stand-by diesel generators, deployment of qualified supervisory staff, installation of husk fired furnaces etc. have been taken to improve their working.

**Watch and ward staff in Food Corporation of India**

3700. SHRI A. CHARLES : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether there is any proposal for entrusting the work of the watch and ward staff of the Food Corporation of India on contract basis;

(b) if so, the details thereof;

(c) the total number of watch and ward staff now on the rolls of the Food Corporation of India in Kerala in the following categories (i) part-time sweepers, (ii) daily rated employees, and (iii) casual labourers; and

(d) the rate of the monthly wages paid to the above three categories of workers ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) No, Sir.

(b) Does not arise.

(c) The details of watch and ward staff on the rolls of FCI in Kerala are as under :—

(i) Watchmen :	454
(ii) Part-time : Sweepers	24
sweepers	Scavengers 9
Gardner	1
 Total :	 34
(iii) Daily rated employees :	nil
(iv) Casual labourers :	nil

(d) The rate of monthly wages paid to the part-time workers ranges between Rs. 60/- to Rs. 140/- per month.

**Export of non-basmati rice by private parties**

3701. **SHRIMATI GEETA MUKHERJEE :**

**SHRIMATI KISHORI SINHA :**

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have allowed private parties to export non-basmati rice which was banned so far;

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

(c) whether part of the export would be based on a package deal of rice to pay for import of essential goods ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Yes, Sir.

(b) and (c) Taking into account the stock position with the public agencies and the exportable surpluses available, it has been decided to allow export of non-basmati rice within a limited ceiling on first-come, first-served basis against 100% confirmed irrevocable letter of credit only subject to Minimum Export Price of Rs. 4000/- per Metric Tonne f.o.b.

**Under-weighing by FCI**

3702. **SHRI GURUDAS KAMAT :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether instances of under-weighing by Food Corporation of India have come to the notice of Government;

(b) if so, the details thereof; and

(c) the action taken by Government to ensure correct weighing by Food Corporation of India ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) Recently one incident of short-weighment at Ghavera depot of Food Corporation of India has come to the notice of the Government.

(b) On 31.1.1986, Weights and Measures Department of Delhi Administration weighed at random 10 bags out of 30 bags issued by Food Corporation of India at its Ghavera Depot to Delhi State Civil Supplies Corporation for distribution through fair price shops and found shortages of 24.5 Kgs.

(c) The Food Corporation of India has been directed to ensure standardisation of bags as also 100% weighment of stocks issued.

**Raids in Karnataka**

3703. **SHRI G.S. BASAVARAJ :**

**SHRI H.N. NANJE GOWDA :**

Will the Minister of FINANCE be pleased to state :

(a) whether the enforcement wings of the income-tax, sales-tax, excise duty and other corporate taxes raided at several business and residential premises of leading businessmen in Karnataka during the last four months;

(b) if so, the amount of black money detected in these raids and also details of incriminating documents, etc. seized; and

(c) details of the premises on which raids were conducted and action contemplated by Government in the matter ?

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

**Proposal for construction of Yatri Niwas in Goa**

**3704. SHRI SHANTARAM NAIK :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the places chosen by Ministry for the construction of "Yatri Niwas" in the country;

(b) whether Goa has been included in the list of the selected places; and

(c) if so, when the construction of "Yatri Niwas" in Goa is likely to be completed ?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) During the Seventh Five Year Plan period the Central Department of Tourism has decided to financially assist the State/UT Governments in construction of at least one Yatri Niwas each in their respective States/UTs. Proposals so far have been received from 20 States/UTs. In 4 cases i.e. Goa, Port Blair, Kurukshetra and Kancheepuram, funds have already been released and the other cases are under processing.

(b) Yes, Sir.

(c) The construction of Yatri Niwas at Goa at an estimated cost of Rs. 28.70 lakhs has been approved and an advance amount of Rs. 10.00 lakhs has since been released for the purpose. The UT Government will be taking up the construction work shortly.

**Variation in interpretation of Excise duty provisions by excise Authorities**

**3705. SHRI MAHENDRA SINGH :** Will the Minister of FINANCE be pleased to state :

(a) Whether attention of Government has been drawn to the news-item captioned 'No precise definition of Excise duty' appearing in the 'Times of India' of 23 February, 1986;

(b) if so, in how many cases the concerned companies have gone to courts due to variance in interpretation of the excise duty provisions by excise authorities in different States;

(c) the amount of excise dues still outstanding; and

(d) how much of these dues is locked up in court cases and how much of the same is involved in cases as referred to in part (b) above ?

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

(b) to (d) The news item relates to determination of assessable value and classification of trucks for the purpose of levy of excise duty at concessional rates. In relation to the first issue, the concerned company has filed a Special Leave Petition before the Supreme Court. In this case, the amount of duty involved is about Rs. 80 lakhs. The total amount of duty involved and outstanding in both the issues is approximately Rs. 17.40 crores.

**Zone-wise profit/loss in NTC**

**3706. DR. A.K. PATEL :** Will the Minister of TEXTILES be pleased to state :

(a) the profit/losses of National Textile Corporation in each of the last three years zone-wise;

(b) whether there is a change in profit/loss situation after implementation of the textile policy announced last year;

(c) the quantity of cloth produced in N.T.C. in each of the last three years; and

(d) steps being contemplated to improve the working of these mills in the

overall interests of the country and national economy ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN):** (a) A Statement showing the year-wise details of profit/loss of the nationalised mills under National Textile Corporation during the years 1982-83, 1983-84 & 1984-85, subsidiary-wise, is attached.

The profit/loss of the managed mills under the NTC during the years 1982 to 1985 is given below :—

Year	Profit/loss position (Rs. in crores)
1982-83	(—) 17.87
1983-84	(—) 27.18
1984-85	(—) 50.10

(b) The average monthly net losses of nationalised mills during the period July, 1985 to November, 1985 was Rs. 9.76 crores as compared to Rs. 14.36 crores during the year 1984-85. In the case of managed mills, the average monthly net losses during the said period was Rs. 4.52 crores as compared to 4.18 crores during the year 1984-85.

(c) The yearwise cloth production by NTC mills during the years 1982-to 1985 is given below :—

Year	Cloth produced in million metres.
1982-83	760.50
1983-84	902.00
1984-85	920.00

(d) Some of the important steps taken/being taken, within the limited resources, to improve the performance of the mills under NTC are as under :—

- (i) Arrangements are being made for timely procurement of cotton from different available channels;
- (ii) Working capital has been replenished to make up for such losses;
- (iii) To overcome the power shortage, self-generating capacity has been provided;
- (iv) Selective modernisation programmes have been adopted for result-oriented gains; for best utilisation of limited resources;
- (v) Cost control methods have been introduced for reduction in cost of production at all levels;
- (vi) Efforts are being made for reducing the non-operational administrative expenses;
- (vii) Workers' participation scheme in the management is being encouraged to achieve higher productivity;
- (viii) The performance of NTC is being monitored closely to reduce costs, improve efficiency and quality.

**Statement**

Subsidiary-wise Audited Profit/Loss position  
during the years 1982-83, 1983-84 & 1984-85

(Rs. in crores)

S. No.	Name of the Subsidiary	1982-83	1983-84	1984-85
1.	NTC (Delhi, Punjab & Rajasthan) Ltd.	— 7.85	— 10.14	— 12.12
2.	NTC (Madhya Pradesh) Ltd.	— 13.78	— 16.15	— 17.36
3.	NTC (Uttar Pradesh) Ltd.	— 7.92	— 11.79	— 17.64
4.	NTC (South Maharashtra) Ltd.	— 7.60	— 15.69	— 19.17
5.	NTC (Maharashtra North) Ltd.	— 11.11	— 16.29	— 23.75
6.	NTC (Gujarat) Ltd.	— 4.61	— 12.83	— 21.55
7.	NTC (Andhra Pradesh, Karnataka, Kerala & Mahe) Ltd.	— 12.26	— 15.51	— 22.77
8.	NTC (Tamil Nadu & Pondicherry) Ltd.	+ 0.51	— 2.51	— 5.52
9.	NTC (West Bengal, Assam, Bihar & Orissa) Ltd.	— 11.59	— 37.04	— 32.93
10.	NTC (Holding Co.), New Delhi (including Sri Sarada Mills)	— 1.84	+ 0.59	+ 0.45
		— 78.05	— 137.36	— 172.36

**Nationalisation of textile mills in Bombay.**

**3707. SHRI SHARAD DIGHE :** Will the Minister of TEXTILES be pleased to state :

(a) whether there is a proposal to nationalise the thirteen textile mills in Bombay, the management of which was taken over by Government in 1983;

(b) if so, when; and

(c) the reasons for holding up nationalisation of these mills ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) The Textile Undertakings (Taking over of Management) Act, 1983 provides for the taking over of the management of 13 textile undertakings of Bombay pending nationalisations.

(b) It is not possible to indicate any specific date in this regard.

(c) Examination of the possibilities of action and modalities of nationalisation of the undertakings have to be completed.

*(Translation)*

**Export of agricultural products**

**3709. SHRI NARSINH MAKWANA :** Will the Minister of COMMERCE be pleased to state :

(a) the names of the agricultural products which are proposed to be exported and the names of the agencies through which these items will be exported;

(b) whether any arrangements have been made to keep a watch on the private trading companies which export these items; and

(c) whether any arrangements have been made to ensure that farmers producing exportable items get reasonable price of their produce ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES**

**(SHRI P. SHIV SHANKER) :** (a) The agricultural products proposed to be exported can broadly be classified as oil cakes, tobacco and tobacco products, cashew kernels, spices cereals, fruits and vegetables, processed foods, cotton, meat and meat preparations, castor oil and derivatives etc.

Most of the agricultural products are exported through private trade. A few select items are canalised through NAFED or STC.

(b) Commodity Boards and Export Promotion Councils regularly monitor exports of various commodities. In addition, all exports made are registered with the Customs Authorities and information in this regard is made available periodically to Government.

(c) The exports of several agricultural commodities are permitted with a minimum export price which ensures that the farmers producing exportable items get reasonable prices for their products. The Agriculture Ministry administers support price operations for important agricultural crops.

**Fraud of Customs Duty by M/s. L.D. Textiles Industries Limited, Ankleshwar**

**3711. SHRIMATI PATEL RAMA-BEN RAMJIBHAI MAVANI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken some action recently against the Chief Executive of M/s L.D. Textiles Industries Limited, Ankleshwar on the charges of fraud of customs duty amounting to Rs. 20 crores and of Rs. 9 crores in regard to import of goods; and

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

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) M/s. L.D. Textiles, Ankleshwar are suspected to have evaded customs duty amounting to Rs. 16 crores in respect of import of Polyester staple fibre under Advance Licensing Scheme, Shri Yogesh

Mehra, Chief Executive of M/s. L.D. Textiles was arrested under the Customs Act and thereafter detained under COFEPOSA on 4.2.86. Adjudication process has already been initiated and suitable action under the law will be taken.

[*English*]

**Impact of new scheme of Cash Compensatory Support**

3712. SHRI VIJAY N. PATIL : Will the Minister of COMMERCE be pleased to state :

(a) how far Government's policy to introduce a new scheme of Cash Compensatory Support for exports will help to resolve foreign exchange crisis;

(b) whether the new Cash Compensatory Support would be adequate to cover the disparity in the prices of exportable products and price of these items prevailing in foreign countries; and

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

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) The new scheme of Cash Compensatory Support for exports is intended to promote exports and thereby earn foreign exchange. The scheme is designed to compensate the exporters for various disadvantages and to make their exports competitive in foreign markets.

**Trade deficit in Seventh Five Year Plan**

3713. SHRI CHITTA MAHATA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that trade deficit in the Seventh Five Year Plan period is to be more than the trade deficit during the Sixth Five Year Plan;

(b) if so, the reasons therefor; and

(c) the steps Government propose to take to reduce the deficit ?

s

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Yes, Sir.

(b) The export of crude oil which was substantial during the Sixth Plan period has been virtually stopped from May, 1985 due to the development of domestic refining capacity. Besides, it is envisaged that the domestic requirements of bulk imports which include among other Petroleum, Oil & lubricants, Metals, News Prints and Edible oils, would rise further during the Seventh Plan period.

(c) With a view to reducing trade deficit vigorous promotional measures have been taken during the recent past. These include increasing our exports, diversifying our productive base, modernising our productive apparatus, modification and periodic revision of our industrial and fiscal policies etc. Efforts are also being made to step our indigenous production of importables during the Seventh Five Year Plan period, particularly in the sphere of bulk imports.

**Synthetics industry Vs. Jute industry**

3714. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of TEXTILES be pleased to state :

(a) whether attention of Government has been drawn to the Chairman of Indian Jute Mills Association alleging that synthetics were destroying jute industry, as reported in the 'Economic Times' of February 27, 1986.

(b) if so, whether the synthetics industry depends on imported raw materials;

(c) if so, whether it is economical to promote synthetics industry against locally available raw jute based industries; and

(d) the details about the cost of synthetics and the cost benefit of replacing jute based packaging with synthetics based packaging ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) Yes, Sir.

(b) Yes, Sir.

(c) and (d) The price differential between jute sacks and synthetic bags has been fluctuating dependant upon the various relevant factors. Around 4 million farmers and 2.5 lakh jute mills workers are dependant upon the jute industry for their livelihood.

**Loans to Ex-servicemen by banks**

**3715. SHRI AJAY MUSHRAN :** Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to advise the nationalised banks not to insist on furnishing security of immovable property of fixed deposits for advancing loans to ex-servicemen for their viable projects to be started by them with their own savings;

(b) whether Government also propose to advise the nationalised banks to waive minor procedural formalities; and

(c) if not, the reasons therefor ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Under the existing guidelines of Reserve Bank of India, banks are not to ask for collateral security/third party guarantee for loans upto and inclusive of Rs. 25,000/- sanctioned to small scale industries. The banks have also been advised to sanction applications received under the Scheme of preparing Ex-Servicemen for Self-Employment (PEXSEM) without insisting upon collateral security/third party guarantee, if the proposals are otherwise viable.

(b) and (c) Reserve Bank of India has advised that banks are required to follow the prescribed norms/procedures before sanctioning loans.

**Exports of Indian projects to Malaysia**

**3716. SHRIMATI KISHORI SINHA:** Will the Minister of COMMERCE be pleased to state :

(a) whether Indian projects are being exported to Malaysia and orders for new projects worth 70 million Malaysian dollar have been booked recently;

(b) if so, whether these projects would also include Indian capital and expertise for hydro-electric project in Malaysia; and

(c) if so, the details thereof ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Yes, Sir. Indian projects are being exported to Malaysia but orders for new projects worth 70 million Malaysian dollars are in different stages of consideration and have not yet been booked.

(b) Yes, Sir.

(c) Discussions are going on.

**Rise in prices of dry fruits**

**3717. SHRI CHIRANJI LAL SHARMA :** Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that the prices of dry fruits are rising heavily; and

(b) if so, the steps to be taken to reduce the same ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) and (b) The prices of most of the dry fruits have been rising. Steps have been taken to increase their domestic production for stabilising the prices.

**Central Subsidy Scheme of supplying wheat and rice for tribals in Andhra Pradesh**

**3718. SHRI E. AYYAPU REDDY :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of tribal blocks and the approximate number of people covered by the Central Subsidy Scheme of wheat and rice for tribals in Andhra Pradesh;

(b) whether the Union Government are issuing identify cards to the beneficiaries under the above scheme;

(c) if so, the total number of beneficiaries for whom the subsidised foodgrains scheme has been covered in Andhra Pradesh;

(d) the estimated amount of subsidy for covering the tribal blocks in Andhra Pradesh; and

(e) whether the State Government has been relieved of the responsibility of supplying subsidised rice at two rupees a Kg. in the tribal blocks of Andhra Pradesh ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) There are 8 Integrated Tribal Development Project areas in Andhra Pradesh, which cover 27 full blocks and 32 part blocks, with a population of 21.64 lakh (as per 1981 Census).

(b) No, Sir.

(c) Does not arise.

(d) During the year 1985-86, amount of subsidy on issues under the scheme in Andhra Pradesh is estimated at Rs. 11.56 crores.

(e) The Government of India have

not issued any instructions for the discontinuance of the State schemes referred to.

**Duty Free shops in ITDC hotels**

**3719. SHRI MOOL CHAND DAGA :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) since when duty-free shops are working in the hotels under India Tourism Development Corporation and where these are located;

(b) the earnings of such shops since their inception giving details of each hotel separately;

(c) the details of earnings of hotels under India Tourism Development Corporation for the years 1983-84, 1984-85 and April 1985 to December 1985 in respect of accommodation, catering and travels and tours respectively; and

(d) whether those hotels are earning profits or running in losses in the above items, and reasons for each such condition ?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) No duty free shops are operated in the Hotels under the ITDC.

(b) Does not arise.

(c) and (d) The information is as under :

1983-84	1984-85	1985-86
Turnover Net Profit/ Loss	Turnover Net Profit/Loss	April-Dec, 1985 estimated) Turn-over Net Profit/ Loss
(Rs. in Lacs)		

Accommodation, Catering (Hotels) 3708.91	(—)87.09	3999.57	(—)55.47	3510.70	48.34	
Travel & Tours (Ashok Travel and Tours)	540.72	(—)26.80	535.29	(—)22.95	407.00	—7.43

The main reasons for the losses are :-

- (1) General decline in tourist traffic etc. due to disturbed conditions in the country during peak tourist season.
- (2) Setting up of three new hotels in Delhi which are under gestation period entailing financial burden on account of heavy interest and depreciation
- (3) Surplus hotel accommodation in certain cities.
- (4) Location of certain hotels for purely promotional purposes.
- (5) Un-healthy competition from private transport operators with low establishment expenses as compared to ITDC.
- (6) Operation of un-economic transport units.

**Rehabilitation workers of NTC in Bombay**

3720. DR. DATTA SAMANT : Will the Minister of TEXTILES be pleased to state :

(a) the total number of workers of National Textile Corporation and other textile mills in Bombay, who have not been taken back after the last textile workers' strike;

(b) the steps taken by Government so far for taking these workers back on duty;

(c) whether it is a fact that Government have assured in the Textile Policy that workers who will lose their jobs because of modernisation will be properly compensated and rehabilitated;

(d) if so, the funds provided by the Union Government for the purpose; and

(e) the number of mill workers who have been compensated and rehabilitated so far as per this policy ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) While it has been estimated that the daily employment of workers in the Bomhay mills has declined by about 49,000 as compared to pre-strike employment, it is not possible to give any precise estimate of the number of workers reporting back for duty, but not taken back.

(b) A majority of the workers, who were removed from service, were taken back as and when the mills reopened. The re-instatement of individual workers by

various mills now would depend on the circumstances of each case.

(c) The Textile Policy states that "it will be ensured that in the process of implementation of modernisation programme, the interests of workers are adequately protected". Creation of a fund for this purpose by the Government is not envisaged.

(d) and (e) Do not arise.

**Long-term Monetary Policy**

3721. SHRIMATI BASAVARAJESH-WARI : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal to announce a long term monetary policy like long-term fiscal policy announced by Government recently; and

(b) if so, when such policy is likely to be announced ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir.

(b) Does not arise.

*[Translation]*

**Setting up of Tourist Villages during Seventh Plan**

3722. SHRI HARISH RAWAT : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether there is a proposal to set

up tourist villages in various States during the Seventh Five Year Plan; and

(b) if so, the number of tourist villages proposed to be set up in each State and the details of the assistance proposed to be provided by the Union Government to State Governments for the development of tourism facility in these villages ?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) and (b) During the Seventh Five Year Plan period, the Department of Tourism has no provision for construction of Tourist Villages.

During the Sixth Five Year Plan, however, the Department had provided financial assistance for the construction of one Tourist Village at Shivpuri (Madhya Pradesh), which is now nearing completion during the current Plan period.

*[English]*

**Sale of confiscated goods by Customs Department**

**3723. SHRI ANOOPCHAND SHAH :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Customs department is selling confiscated goods through a number of agencies and not directly to consumers co-operative societies in Bombay;

(b) if so, the reasons therefore;

(c) whether Government are aware that due to present policy they are losing 4.5 per cent of value of goods confiscated; and

(d) if so, the details thereof and the names of the agencies etc. at Bombay ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) The approved mode of disposal of confiscated consumers goods is by direct sale to National Co-operative Consumers Federation of India Limited (NCCF) (which in turn, disposes them through different outlets which include Super Bazars, State Civil

Supplies Corporation, State Co-operative Federations, Cooperative Societies approved by Central and State Governments & duly registered under the Co-operative Societies Act, military and para-military canteens and through direct sale to public through the retail outlets maintained by the Customs Department.

(c) and (d) As per the terms and conditions of sale of confiscated consumer goods, discount of 14.5% is allowed on the fair prices fixed by the Pricing Committee to NCCF and 10% to other authorised lifting agencies to cover their overheads.

Confiscated goods are sold to the following agencies at Bombay :-

- (i) National Consumers Co-operative Federations;
- (ii) Individual Consumer Co-operative Societies registered under Co-operative Societies Act;
- (iii) Military and Para-military canteens;
- (iv) Direct sale to public through Customs retail counters.

**Recovery of gold biscuits from hotel rooms in Delhi**

**3724. SHRI MANIKRAO HODLYA GAVIT :**

**SHRI SUBHASH YADAV :**

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item appearing in the Hindustan Times of 21 February, 1986 wherein it has been stated that 99 gold biscuits weighing 11.6 Kg. and valued at Rs. 24.36 lakhs have been recovered from two hotel rooms in Delhi on 20 February, 1986 ;

(b) if so, the details thereof ;

(c) whether any arrests have been made ; and

(d) the action being taken against the culprits ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) : Yes, Sir. Facts of the case are as follows :

On 19th February, 1986, the officers of Customs Collectorate, Delhi, recovered and seized foreign marked gold weighing 11.5 Kgs. valued at Rs. 23.03 lakhs from a hotel and private guest house premises in Paharganj, New Delhi-55. The gold was found concealed in two steel rollers and three polyethene packets of wet dates. In addition, Indian currency of Rs. 4,070/-, foreign currency 150 U.S. Dollars, 105 U.A.E. Dirhams and one Saudi Arabian Riyal, miscellaneous goods along with incriminating documents were seized.

(c) and (d) In this connection, four persons were arrested and remanded to judicial custody. On completion of investigation, appropriate action for departmental adjudication and launching of prosecution in a Court of law would be taken.

#### **D.A. to Central Government Employees**

3725. **SHRI V. S. VIJAYA-RAGHAVAN :** Will be Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Central Government employees drawing a basic salary of Rs. 1000 and above do not get dearness allowance when one instalment of it is released and they get it only when two instalments are released ;

(b) if so, the reasons thereof ; and

(c) whether Government propose to pay the D.A. instalments to all categories of employees whenever those are released?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) According to the existing dearness allowance scheme as recommended by the Third Pay Commission and further improved by the Government of India, Central Government employees in various pay ranges are covered in a cycle of three

instalments of 8 points each in the average CPI as under :

- (i) The first instalment on an increase of 8 points in a cycle of three instalments is payable upto pay of Rs. 1000 per month.
- (ii) Employees getting pay above Rs. 1000 and upto Rs. 1600 per month are paid D.A. when there is an increase of 16 points in a cycle of three instalments of CPI. The employees getting pay above Rs. 1000 and upto Rs. 1600 get cumulative effect of both the instalments with effect from the date of due of the second instalment.
- (iii) The employees getting pay above Rs. 1600 per month and upto Rs. 2750 are paid D.A. when there is an increase of 24 points in a cycle of three instalments of average CPI. These employees get cumulative effect of all the three instalments with effect from the date of due of the Third instalment.
- (iv) Employees getting pay above Rs. 2750 per month are granted dearness allowance at the rate of Rs. 150/- per month when there is an increase of 24 points in the cycle of three instalments of average CPI.
- (c) There is no such proposal under the consideration of the Government of India.

#### **Stabilization of exchange rate market**

3726. **DR. K.G. ADIYODI :** Will the Minister of FINANCE be pleased to state :

(a) whether there is any change effected during 1985-86 by International Monetary Fund to stabilise exchange rate market as the economic recovery of other countries are not at par with US dollar ; and

(b) if so, the steps proposed to be taken by India to stabilise the economy in

our rupee-dollar on exchange rate market?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) No, Sir.

(b) Does not arise.

**Development of Mirik in West Bengal and Goa as tourists resorts**

**3727. SHRI R.P. DAS:** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state the steps taken by the Union Government to develop Mirik in West Bengal and Goa as tourist resorts?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT):** The Central Department of Tourism does not develop tourist centres directly but assists State Governments to build up the infrastructural facilities for tourists. Schemes and proposals for financial assistance received from State Governments are sanctioned on the basis of their importance and availability of funds. The Department of Tourism has sanctioned :

(1) Rs. 1.71 lakhs for boats at Mirik and Rabindrasarobar.

(2) Rs. 39.65 lakhs for purchase of motor launch and boats in Goa.

(3) Rs. 6.50 lakhs for floodlighting of six monuments in Goa.

(4) Rs. 28.70 lakhs for a Yatri Niwas at Goa.

The Department of Tourism is also setting up a National Institute of Water Sports in Goa during the 7th Plan.

**Nomination of non-officials on Board of Directors of Nationalised Banks**

**3728. SHRI P.M. SAYEED:** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that non-official members have not been nominated

by Government to serve on the present Board of Directors of the nationalised banks;

(b) if so, the reasons for this departure from the usual practice;

(c) whether there is a proposal under consideration of Government to include representatives of labour unions to serve on the Board of Directors of nationalised banks; and

(d) if so, when a final decision is likely to be taken in this regard?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) and (b) The Nationalised Banks (Management and Miscellaneous Provisions) Schemes, 1970 & 1980 provide for appointment of non-official directors on the Boards of nationalised banks. In terms of the provisions of the Nationalisation Schemes, such of the non-official directors who had completed 3 years have been notified as having ceased to hold office from the dates they completed the period of 3 years as directors. The process of selecting suitable persons for these vacancies is under way. Six non-official directors as have not completed three years tenure, however, continue to function on the Boards of their banks.

(c) and (d) Presumably the question refers to the appointment of representatives of the workmen employees of the nationalised banks. They are being appointed on the Boards of the nationalised banks in accordance with the provisions of the two Nationalisation Schemes which govern the constitution of the Boards of Directors of all the nationalised banks. The selection is made from out of a panel of 3 workmen employees furnished to the Government by the representative union of the bank. Such directors are on the Boards of most of the nationalised banks.

**GIC's policies for weaker sections**

**3729. SHRI S.G. GHOLAP:** Will the Minister of FINANCE be pleased to state :

(a) whether General Insurance Company has started many policies for weaker sections;

(b) if so, the details thereof;

(c) the number of persons covered under Janata Accidental Policy, Gramin Accidental Policy and Fisherman Policy; and

(d) the loss or profit from 1982?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Yes, Sir. The nationalised general insurance industry has introduced various tailor-made insurance covers for weaker sections, viz. Cattle/livestock/poultry Insurance, Janata Personal Accident Insurance, Gramin Accident Insurance, Animal Cart Insurance, Pedal Cycle Insurance, Silkworm Insurance, Honey bee Insurance, Fish Pond Insurance, Hut Insurance, Agricultural Pumpsets Insurance etc.

(c) The number of persons covered under Janta Personal Accident (JPA) and Gramin Accident Insurance (GAP) policies is as under :

Year	No. of persons covered (in lakhs)	
	(JPA)	(GAP)
1982	20.16	1.30
1983	30.75	1.74
1984	35.10	3.04
1985 (Provisional)	43.59	6.38

The above figures pertaining to Janata Personal Accident Insurance include figures in respect of Fishermen's policies also.

(d) While no separate figures are maintained regarding profit or loss in respect of the aforesaid categories of policies, the position regarding their claims ratio is as follows :

Year	Claim Ratio	
	(JPA)	(GAP)
1982	84.49%	34.29%
1983	50.96%	36.02%
1984	57.23%	44.09%
1985	Accounts are under compilation and Audit.	

*(Translation)*

**New scheme for development of Ayodhya (U.P.)**

**3730. SHRI NIRMAL KHATTRI :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether the Union Government have received any new schemes from the Government of Uttar Pradesh for the development of Ayodhya from tourism point of view;

(b) if so, the details thereof; and

(c) the action being taken by Government to sanction this scheme?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) to (c) Yes, Sir. The Department of Tourism has received three proposals from the State Government : (1) beautification & providing wayside amenities at Ayodhya (2) beautification and extension of Ayodhya ghats and (3) extension of Down Stream Guide Bundh of Ayodhya Bridge. The Department has agreed in principle to provide wayside facilities at Ayodhya, other proposals, however, are not within the scope of normal activities undertaken by the Department of Tourism.

**Claims of insurance of livestock, crops, etc. pending with insurance companies**

**3731. SHRI DILEEP SINGH BHURIA :** Will the Minister of FINANCE be pleased to state :

(a) the number of claims of general insurance in respect of livestock, crops, etc. pending for settlement with various Insurance Companies of the country as on 31<sup>st</sup> January, 1986 pertaining to the beneficiaries of loans given through banks;

(b) whether it is a fact that generally these claims have been pending for the last two to three years; and

(c) the reasons for not settling these claims for such a long time?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The position regarding pendency of livestock and crop insurance claims pertaining to the beneficiaries of loans through banks, as estimated to be on 31<sup>st</sup> January, 1986, is as under :

No. of claims pending	
(i) Livestock insurance claims	51136
(ii) Crop insurance claims	204

(b) No, Sir.

(c) The main reason for pendency of livestock insurance claims is non-receipt of the requisite claim documents. As for crop insurance claims, one claim under the Pilot Crop Insurance Scheme pertaining to Rabi 1984-85 of Orissa has been pending for want of the final yield data from the State Government. The remaining 203 claims pending as on 31.1.1986 relate to Comprehensive Crop Insurance Scheme introduced from Kharif 1985 season. These claims have been preferred only in October/ November, 1985 and the final yield data which are just being received by GIC from the concerned State Governments are under scrutiny and verification for settlement.

*[English]*

#### **Auditors in Government Undertakings**

3732. SHRI BHATTAM SRI RAMA MURTY : Will the Minister of FINANCE be pleased to state :

(a) the criteria prescribed for appointment of Auditors for the Government Undertakings;

(b) whether it is a fact that audit is conducted by Chartered Accountants who do not have even five years experience and established firms are overlooked; and

(c) whether Government propose to ensure that audit work of Government undertakings is allotted to only well-established and experienced Chartered Accountants ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) No criteria have been prescribed by the Government of India for appointment of auditors of Government Undertakings. Section 619(2) of the Company's Act provides that the auditor of a Government Company will be appointed by the Central Government on the advice of the CAG of India. In recommending auditors for Government Undertakings, the following broad guidelines are laid down by the CAG :

- (i) the location of the company;
- (ii) the nature and the complexities of the company to be audited;
- (iii) the location of the Chartered Accountant's firm;
- (iv) the fee for the audit;
- (v) the organisational strength of the firm of Chartered Accountants; and
- (vi) their record of work and experience.

(b) and (c) Audit is entrusted either to partnership firm in which atleast one partner has more than five years experience or to a sole proprietary firm in which the proprietor has more than 5 years experience. Thus, audit is entrusted to only established and experienced Chartered Accountants.

**Hiring of godowns for storage of foodgrains and sugar by FCI**

3733. SHRI D.B. PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that godowns are being hired for storage of foodgrains and sugar by Government and Food Corporation of India;

(b) if so, the number of godowns so hired in 1983-84, 1984-85, and April, 1985 to December, 1985;

(c) the total rent paid for above-mentioned period;

(d) whether it is a fact that in some cases the yearly rent is high and that it comes to nearly 25 per cent of the value of the godowns so hired; and

(e) if so, the reasons for hiring godowns at such a high rent ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) The godowns are hired by the Food Corporation of India for storage of foodgrains and sugar.

(b) The number of godowns hired by the Corporation was 1359 as on 31.3.1984, 1562 as on 31.3.1985 and 1486 as on 31.12.1985.

(c) The rent paid by the Corporation for the hired godowns was Rs. 29.65 crores for 1983-84 and Rs. 43.09 crores for 1984-85. The rent paid for April to December, 1985 would be known at the end of the financial year after the annual accounts are finalised by the Corporation.

(d) and (e) The cost of construction of hired godowns is not known to the Corporation. It is therefore not possible to know the percentage of annual rent to the cost of such godowns.

**Measures to reduce trade gap**

3734. SHRI Y.S. MAHAJAN : Will

the Minister of COMMERCE be pleased to state :

(a) whether it is fact that in view of the high bill of import of petroleum products, fertilizers, edible oils and sugar, the trade gap has widened substantially and it has affected seriously the balance of payments position;

(b) if so, apart from the recent increase of petroleum products what measures Government propose to take to reduce import of these goods and other non-essential items to bring down the trade gap; and

(c) whether Government are considering any proposal to educate masses to change their food habits to reduce consumption of edible oils, sugar and other consumer goods and which are being imported ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) According to the provisional data available, the high rate of imports during April-September, 1985 is largely due to increase in the imports of bulk commodities, including crude oil and petroleum products, fertilizers, edible oils and sugar. There has also been increase in import of non-ferrous metals, steel, machinery and transport equipment.

(b) and (c). A special programme for stepping up production of oil seeds has been initiated in order to reduce the import of edible oil. Simultaneously, vanaspati industry has also been permitted to use increased quantities of mustard oil so that they can manage with less imported oil. The indigenous production of nitrogenous fertilizers is being rapidly built up by setting up six new plants in the Seventh Plan Period; the first two plants at Thal-Vashil and Hazira have already been commissioned.

**Demand for health foods abroad**

3735. SHRIMATI MADHUREE SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether attention of Government has been drawn to the newspaper reports

that the Western countries have shown interest in importing health foods from India, like cheese, puffed rice and other vegetables and non-vegetarian food-items for which our country has production potential;

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

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) and (b) Yes, Sir. Government is aware that India has potential for increasing production of fruits & vegetables, non-vegetarian food items like meat and meat products and cereal products like puffed rice, etc. These products have export possibilities to Western Countries.

- (c) Export of fruits and vegetables and meat products are allowed.

**Establishment of Vanaspati plants**

**3736. SHRI HARIHAR SOREN :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

- (a) whether Government have a proposal to establish some Vanaspati plants in the country;
- (b) if so, the names of the States where Vanaspati plants are proposed to be set up;
- (c) whether Government propose to set up some Vanaspati plants in Orissa;
- (d) if so, the places selected in Orissa for the establishment of Vanaspati plant; and
- (e) the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) and (b) The available capacity for production of vanaspati is, by and large, adequate. However, creation of additional capacity, if at all necessary to remove

regional imbalances in the States where production capacity is less than demand, will be considered at an appropriate time.

(c) to (e) One licence has been granted to M/s. Industrial Promotion and Investment Corporation of Orissa Ltd. (IPICOL), Bhubaneswar. The plant is under installation at Cuttack.

**World Bank assistance for laying underground railway lines in Wellington Island in Cochin (Kerala)**

**3737. SHRI P.A. ANTONY :** Will the Minister of FINANCE to be pleased state :

(a) whether any negotiations have been held with the World Bank for assistance in laying underground railway lines in Wellington Island in Cochin (Kerala) and for constructing a bridge to replace the Mattancherry bridge; and

(b) if so, the outcome of the negotiations and when is the aid likely to come ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) No, Sir.

(b) Does not arise.

**Retrenchment of departmental labour of Food Corporation of India**

**3738. SHRI C. MADHAV REDDI :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

- (a) whether it is a fact that the Food Corporation of India (FCI) under advice from the Union Government is retrenching its (FCI) entire force of departmental labour of 7000 to bring about a drastic reduction in its handling cost;
- (b) whether it is a fact that by this mass retrenchment, FCI will save only twenty three crores of rupees annually;
- (c) whether there are any plan to provide employment to the retrenched labour; and

(d) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) The Government have approved retrenchment of only the departmental labour of FCI working at major ports as imports and exports operations of FCI have shrunk in size considerably.

(b) There will be a saving of about Rs. 23 crores which the Corporation is incurring every year towards payment of wages to this idle labour.

(c) No, Sir, However, the labour will be free to seek employment with other handling agencies at the ports or with Dock Labour Board or elsewhere.

(d) Does not arise.

#### Procurement of iron ore from Kudremukh

**3739. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR :** Will the Minister of COMMERCE be pleased to state :

(a) the total quantum of iron ore procured by Minerals Metals & Trading Corporation (MMTC) from different iron ore mines in Karnataka during the last three years;

(b) whether MMTC has been requested to increase the procurement of iron ore from Kundremukh and other iron ore mines in Karnataka for export purposes; and

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

**THE MINISTER OF COMMERCE AND FOOD & CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Minerals & Metals Trading Corporation of India Ltd., (MMTC) during the last three years has procured the following quantities of iron ore from mines located in Karnataka State (excluding Kudremukh ore)

Year	Quantity procured (in lakh Metric Tonnes)
1982-83	32.30
1983-84	34.59
1984-85	41.42
1985-86	41.92

(upto January, 1986)

(b) and (c) Export of iron ore concentrates of Kudremukh origin is canalised through Kudremukh Iron Ore Company Ltd., (KIOCL) MMTC does not procure Kudremukh concentrates for export but has assisted in procuring orders for its exports to countries like Japan, Yugoslavia etc.

MMTC, however, produces iron ore from other mines in Karnataka State both from private sector and public sector Corporation viz., National Mineral Development Corporation for export. MMTC has already taken effective steps to increase the procurement by liberalising its procurement policy for saleable grades of iron ore.

*[Translation]*

#### Steps to make good the loss due to decline in foreign exchange reserves

**3740. SHRI KUNWAR RAM :** Will the Minister of FINANCE be pleased to state :

(a) whether the foreign exchange reserves have declined during the last three years; and

(b) if so, the steps taken to make good the loss ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANA-RDHANA POOJARY) :** (a) No, Sir.

(b) Does not arise.

*(English)*

Assistance to small scale industries by banks of Orissa

**3741. SHRI ANADI CHARAN DAS :** Will the Minister of FINANCE be pleased to state :

(a) whether the nationalised banks help the small scale industries/proposed small industries by advancing loans for purchase of machinery, plant etc. to the proposed/prospective small scale entrepreneurs;

(b) if so, the details of criteria laid down;

(c) whether there is any restriction such as the small industry is to be registered/unregistered etc.; and

(d) the number of applications received for loan and the number of applicants granted loan (with sanctioned/disbursed amount) bank-wise, in Orissa during the last two years separately ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANA-RDHANA POOJARY) :** (a) Reserve Bank of India has reported that banks have been advised to grant term loans to small scale industry (SSI) units for acquisition of fixed assets including plant and machinery on concessional terms viz. term loans of not less than 3 years are sanctioned at an annual interest rate of 12.5% in backward areas and 13.5% in other areas.

(b) Reserve Bank of India issues directives from time to time on the rates of interest to be charged by banks for various purposes/sectors of the economy taking into account number of factors such as cost/availability of funds, administrative costs and the emphasis is to be given to certain desired sectors and areas (backward or otherwise).

(c) Reserve Bank of India has advised that registration of a small scale industry is not a pre-requisite for availing of bank credit.

(d) Data on scheduled commercial banks advances to SSI Units in Orissa as furnished by Reserve Bank of India are given below :

Last Friday of December	No. of Accounts	Amount out- standing (Rs. in lakhs)
1981	44092	3994

1982	47051	4722
1983	55270	6415
1984	59051	8606

**Closure of bank branches of nationalised banks in Punjab**

**3742. SHRI SOMNATH RATH : SHRI PRAKASH V. PATIL :**

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Government are contemplating to close some branches of nationalised banks in Punjab as these are not being given adequate protection by the local administration; and

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

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANA-RDHANA POOJARY) :** (a) No, Sir.

(b) Does not arise.

**Increase in Refined oil Prices**

**3743. SHRI PRAKASH V. PATIL : SHRI SOMNATH RATH :**

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that immediately after the presentation of the budget, the prices of refined oil have shot up;

(b) if so, the increase effected in different varieties of edible oil after the budget;

(c) whether the increase is substantial in some cases; and

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

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) There has been some increase in prices of some brands of refined oil.

(b) and (c) The increase in retail prices of few varieties of refined oils ranges between Rs. 1.30 per kg. to Rs. 1.50 per kg.

(d) The imported refined edible oils are being supplied to State Governments/Union Territories Administration at issue price which has remained at the same level since 15.11.1985.

**Training centres in backward areas for training bank employees**

3744. DR. G.S. RAJHANS : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that as per directives of Prime Minister, training centres have been set up in different parts of the country, especially in the backward areas for training bank employees with a stress on improving efficiency;

(b) if so, the details of such centres, State-wise; and

(c) to what extent the bank services

in the backward areas of the country have got efficiency ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) Government have not issued any directive in this regard. However, according to the information made available by the public sector banks they operate their own training centres including those in backward areas depending upon their requirements.

According to the information furnished by the public sector banks there are 208 Staff Training Centres of Banks as on 1-11-1985, the Bank-wise details of which are given in the attached statement.

Training programmes are expected to improve the quality of manpower in the banks and equip them for handling their tasks better. This is an input, the contribution of which to increased efficiency cannot be measured in concrete terms but can be felt in handling/disposal of work.

**Statement**

**Staff Training Centre of Banks**

S. No.	Name of the Bank	No. of Staff Training Centres of banks that have been established in the country and the location of such Training Centres.
1	2	3
1.	State Bank of India	3 Apex level Training Colleges—one at Gurgaon and Two at Hyderabad and 48 Regional Training Centres located at following places :— 1. Alipore Road Calcutta, Park Street, Calcutta, Siliguri, Bandra Bombay, Pune, Akola, Nasik, Aurangabad, Panaji (Goa), Bangalore, Tiruchirapalli, Kilpauk Madras, Belgaum, Nagapattinam, Ambalamedu, Perambur Madras, New Delhi, Dehradun, Meerut, Ajmer, Agra, Kanpur, Lucknow, Allahabad, Bareilly, Varanasi,

1

2

3

		Nainital, Baroda, Ahmedabad, Amravati Hyderabad, Secunderabad, Kakinada, Vizianagaram, Masulipatnam, Somajiguda—Hyderabad, Patna, Ranchi, Bhopal, Indore, Bilaspur, Jabalpur, Bhubaneswar, Rourkela, Jammu, Chandigarh, Amritsar, Gauhati, Shillong.
2.	State Bank of Hyderabad	3 Training Centres—Two at Secunderabad and one at Gulberg.
3.	State Bank of Indore	2 Training Centres—both located at Indore.
4.	State Bank of Bikaner & Jaipur.	3 Staff Training Centres—One each at Jaipur, Bikaner and Udaipur.
5.	State Bank of Mysore	3 Training Centres—Two at Bangalore and one at Mysore.
6.	State Bank of Patiala	3 Training Centres—One each at Patiala, Chandigarh and Panchkula.
7.	State Bank of Travancore	2 Training Centres—One is at Trivandrum and one is at Ernakulam.
8.	State Bank of Saurashtra	2 Training Centres—One each at Rajkot and Bhavnagar.
9.	Central Bank of India	2 Staff Training Institutions—One each at Bombay and Dhanbad 12 Staff Training Centres, located at following places :  Ahmedabad, Bombay, Bhopal, Calutta, Chandigarh, Delhi, Hyderabad, Lucknow, Madras, Patna, Pune and Muzzaffarpur.
10.	Bank of India	15 Training Centres including one college jointly run with Bank of Baroda. The location of these are as follows :

1

2

3

Two at Bombay and one each at Ahmedabad, Bhopal, Bhubaneswar, Bombay, Calcutta, Chandigarh, Delhi, Lucknow, Madras, Nagpur, Patna, Pune and Secunderabad.

11. **Punjab National Bank**

14 Training Centres :

One Staff Training College at New Delhi, Eleven Zonal Training Centres each at Bangalore, Bhopal, Calcutta, Chandigarh, Delhi, Dehradun, Jaipur, Kanpur, Ludhiana, Nagpur & Patna. Two Regional Rural Banks Training Centres each at Lucknow and Ludhiana.

12. **Bank of Baroda**

13 Training Centres—Two each at Ahmedabad, Bombay and Lucknow and one each at Baroda, Calcutta, New Delhi, Jaipur, Madras, Pune and Patna.

13. **United Commercial Bank**

4 Training Colleges—One each at Calcutta, Bombay Madras and Jaipur.

14. **Canara Bank**

1 Training College and 9 Staff Training Centres. The college located at Bangalore and Training Centres are at Agra, Bangalore, Bombay, Calcutta, Hyderabad, Madras, Madurai, Mangalore and Trivandrum.

15. **United Bank of India**

2 Staff Training Colleges—one at Calcutta and another at Bhubaneswar.

16. **Dena Bank**

1 Joint Staff Trg. College 2 Zonal and 7 Regional Centres—Joint Staff Trg. College located at Bombay, Zonal Staff Trg. Centres at Bombay and Ahmedabad. Regional Staff Trg. Colleges are at

1	2	3
		Rajkot, Surat, Pune, Bangalore, Calcutta, Bhopal and New Delhi.
17.	Syndicate Bank	9 Staff Trg. Colleges-located at Udupi, Bangalore, Belgaum, New Delhi, Calcutta, Hyderabad, Bombay, Ernakulam and Ahmedabad.
18.	Union Bank of India	1 Staff College at Bangalore and 7 Staff Training Centres located at Ahmedabad, Alwaye, Bangalore, Bordi, Bhubaneswar, Lucknow and Ghazipur.
19.	Allahabad Bank	2 Training Centres—One located at Calcutta and one at Lucknow.
20.	Bank of Maharashtra	1 Staff Training College at Pune and 5 Training Centres located at Pune, Bombay, Nagpur, Belgaum and New Delhi.
21.	Indian Bank	1 Staff Training College located at Madras and 5 Staff Training Centres—Delhi, Bombay, Calcutta and Hyderabad.
22.	Indian Overseas Bank	11 Training Centres located at Bangalore, Bombay, Calcutta, Coimbatore, Delhi, Hyderabad, Madurai and Trivandrum and Rural Banking Training Centres at Madras and Tanjore.
23.	Andhra Bank	1 Staff Training College and 3 Staff Training Centres, located two at Hyderabad and one each at Visakhapatnam and Vijayawada.
24.	Punjab and Sind Bank	3 Training Centres, located at New Delhi, Chandigarh (Residential) and Chandigarh (Locational).
25.	New Bank of India	2 Staff Training Colleges, located at Faridabad and Chandigarh.
26.	Vijaya Bank	2 Training Centres, located at Bangalore and Mulki (Dakshini Kannada Distt.)
27.	Corporation Bank	3 Training Centres located at Bangalore, Bangalore and Bombay.
28.	Oriental Bank of Commerce	1 Training Centre located at New Friends Colony, New Delhi.

**Income-tax assessments in various tax brackets**

**3745. SHRI K.P. UNNIKRISHNAN:** Will the Minister of FINANCE be pleased to state :

(a) the total number of income-tax assessees in the country in the tax brackets and annual income returns of (i) upto Rs. 50,000/-, (ii) Rs. 50,000/- to Rs. 1,20,000/-, (iii) Rs. 1,20,000/- to Rs. 5 lakh, (iv) Rs. 5 lakh to Rs. 10 lakh and (v) Rs. 10 lakh and above, in 1982-83, 1983-84 and 1984-85;

(b) the taxes collected from these different categories in 1982-83, 1983-84 and 1984-85; and

(c) the demand outstanding and percentage-wise contribution of these categories to the total income-tax collection in the above years ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY):** (a) to (c) The information is being collected and will be laid on the Table of the House as soon as it is received.

**Cash Compensatory Support Scheme to facilitate Indian shippers to step up exports**

**3746. SHRI SRIBALLAV PANIGRAHI:** Will the Minister of COMMERCE be pleased to state :

(a) whether there is any proposal under the consideration of Government to ensure the speedy implementation of its cash compensatory support scheme to facilitate Indian Shippers to step up their exports;

(b) whether any memorandum containing some suggestions has been submitted to Government regarding this plan; and

(c) if so, the details of the suggestion which have been accepted by Government ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES**

**(SHRI P. SHIV SHANKER):** (a) to (c) Effective from 1st July, 1986 a new scheme of cash compensatory support will be introduced. The CCS scheme is intended to promote exports. The salient features of the new scheme are as follows .

- (i) In respect of industrial products reimbursement of unrefunded indirect taxes will continue to be the main element for determining the CCS rates. However, the cascaded structure of taxation will be taken into account.
- (ii) Compensation for product/market development will be given only in a highly selective manner on the basis of a phased out programme.
- (iii) For agricultural items, such as fruits and vegetables which are perishable in nature, a special element of compensation will be provided for the high cost of transportation within India.
- (iv) For handicraft items, the value added by labour will be one of the main factors to be considered for determining the CCS rates.
- (v) The restriction regarding grant of CCS not being allowed to exceed 25% of the value added i.e.f.o.b. realisation less REP entitlement (under the Import Policy for Registered Exporters) will continue.
- (vi) The present policy for granting CCS on certain categories of supplies within India treating them as deemed exports will continue.

**Bank dacoities in Delhi**

**3747. PROF. NARAIN CHAND PARASHAR:** Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken note of increasing dacoities in the banks resulting in huge financial losses and harassment to the public during the past three

years including the current financial year;

(b) if so, the details of the reported incidents of bank dacoities and looting till date in the Union Territory of Delhi along with the amounts involved in each case; and

(c) the action taken by Government to remedy the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Information regarding bank robberies/dacoities in branches of public sector banks in Delhi during 1983, 1984 and 1985 and the amounts involved in cash, as reported by Reserve Bank of India, is given in the attached statement. So far during 1986 there has been no bank robbery/dacoity in public sector banks in Delhi.

(c) A meeting of the representatives of the public sector banks in Delhi, the representatives of the Ministry of Home Affairs and the Commissioner of Police for Delhi discussed the question of strengthening the security arrangements in banks' branches in Delhi. The following instructions to banks were reiterated :

- (i) to observe weekly off days in branches coinciding with the closing day of the market in the area;
- (ii) each branch should have an armed security guard;
- (iii) each bank branch should have a collapsible gate at the entrance properly chained and locked to allow entry/exit to only one person at a time;
- (iv) there should be self-locking wire meshed cabins for cashiers;
- (v) each bank branch should have a proper alarm system which should not be feeble but should be a loud one; and
- (vi) there should be periodical checking of security arrangements by senior officials of the banks.

Most of the branches of banks in Delhi have implemented the above security arrangements.

#### Statement

Information regarding the bank robberies/dacoities that occurred in Delhi in public sector banks during the years 1983, 1984 & 1985 and the amount involved thereto as reported by RBI.

Sl. No.	Name of bank & branch	Date of occurrence	Amount involved (Rs. in lakhs)
1983			
1.	State Bank of India, Khureji Khas, Delhi.	15.2.83	0.28
2.	State Bank of India, Swasthyavihar, Delhi.	29.9.83	0.63
3.	Punjab National Bank, Survodaya Enclave, New Delhi.	17.11.83	5.31
Total			6.22

## 1984

1.	Central Bank of India, Connaught Circus, N. Delhi	6.2.84	1.25
2.	State Bank of Bikaner & Jaipur, New Rohtak Road, N. Delhi.	4.6.84	3.90
3.	Syndicate Bank, N. Delhi, Narela.	7.6.84	10.00
4.	Union Bank of India, Sundernagar, N. Delhi.	19.6.84	1.51
5.	Allahabad Bank, Tuglakabad, N. Delhi.	21.11.84	5.54
	Total		22.29

## 1985

1.	Union Bank of India, Anand Niketan, New Delhi	4.3.85	0.45
2.	State Bank of India, Greater Kailash, New Delhi.	14.3.85	4.19
3.	Bank of India, New Friends Colony, New Delhi.	21.5.85	—
4.	New Bank of India, Masjid Moth, Panchsheel Enclave.	10.7.85	3.02
5.	Bank of India, Chittaranjan Park, N. Delhi.	21.8.85	4.19
6.	Indian Bank, Safdarjang Enclave.	4.10.85	2.88
	Total		14.73

(Data provisional)

## Foreign tourists to Orissa

3748. SHRI BRAJAMOHAN MOHANTY : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the total number of foreign tourists who visited Orissa during last three years; year-wise details thereof;

(b) the anticipated number of tourists likely to visit Orissa towards the end of the Seventh Five Year Plan;

(c) whether any study has been conducted about their requirement of accommodation and air travel arrangements; and

(d) if so, the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) and (b) Statistics of foreign tourist arrivals are not compiled State-wise or place-wise. However, as per the Foreign Tourist Survey 1982-83 about 1.6 per cent of the foreign

tourists visiting India spent at least a night in Orissa during that year.

(c) No specific study has been undertaken by the Central Department of Tourism about the requirement of accommodation and air travel arrangements in the State of Orissa.

(d) Does not arise.

**Loans disbursed by rural banks in Tamil Nadu**

3749. SHRI N. DENNIS: Will the Minister of FINANCE be pleased to state :

(a) the number of rural banks in Tamil Nadu;

(b) the amount of loans disbursed by these banks during the last three years;

(c) the recovery position of these loans during the same period; and

(d) the number of small farmers who have availed of these loans during the same period ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) There are two regional rural banks viz, Pandyan Grama Bank and Adhiyaman Grama Bank, at present in Tamil Nadu.

(b) and (c) National Bank for Agriculture & Rural Development has reported that Adhiyaman Grama Bank was established only on 27.12.1985. Insofar as the Pandyan Grama Bank is concerned, the position regarding loans outstanding and the recovery position of these loans during the last three years is as follows :

(Rs. in lakhs)

Period ending	Loan Outstanding	%age of recovery to demand
June 1983	1825.32	59.00
June 1984	2174.60	39.00
June 1985	2754.57	63.00

(d) According to the information received from NABARD the number of small farmers who availed of loan from Pandyan Grama Bank, during the last three years is as follows :

June 1983	164749
June 1984	123949
June 1985	190640

**Credit camps in Kerala**

3750. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state :

(a) whether credit camps for distribution of bank loans have been held anywhere in Kerala;

(b) if so, the details thereof; and

(c) if not, the reasons why Kerala has been excluded?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) to (c) The credit camps are organised by the public sector banks as a part of the overall measures taken to increase the flow of credit to weaker sections in line with the targets laid down by the Government. These camps are generally organised by the field functionaries of the banks, and separate monitoring of such functions is considered neither feasible nor necessary. The total outstanding credit in favour of the 'weaker sections' in Kerala went up from Rs. 198

crores in December 1983 to Rs. 257 crores in December 1984.

**Cases of violation of FERA in Kerala**

**3752. SHRI MULLAPPALLY RAMACHANDRAN :** Will the Minister of FINANCE be pleased to state :

(a) the number of cases of violation of Foreign Exchange Regulation Act reported from Kerala during 1985;

(b) the number of cases of the above nature during 1985 ended in conviction in Kerala; and

(c) the number of cases charged under the above Act in Kerala in 1984 or before still pending trial?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The Enforcement Directorate registered 632 cases of *prima facie* violation of the provisions of FERA in Kerala during the year, 1985.

(b) The number of cases ended in conviction in Kerala are 29 during the year, 1985.

(c) 4 cases in which prosecution were launched during the year 1984 or earlier are pending trial in the courts in Kerala.

**Setback to tourism due to terrorist activities**

**3753. SHRI ANANTA PRASAD SETHI :**

**DR. G.S. RAJHANS :**

Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that tourism has received a severe setback due to terrorist activities in the country;

(b) if so, the steps taken by Government to create confidence amongst the prospective tourists; and

(c) the details of the foreign exchange earned from tourists during the year 1985?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) and (b) There had been a decline in the inflow of foreign tourists in 1984-85 due to a series of adverse circumstances in our country including terrorist activities. The Department of Tourism took action to counter-act these by undertaking a reassurance campaign in the international media projecting India as a country of continental dimensions, large parts of which remain free from law and order trouble inspite of out-break of terrorist activities in some, inviting media representatives to visit India to observe for themselves the normalcy of the situation. A number of events including sending promotional delegations abroad and holding travel marts, etc. were arranged with a view to instilling confidence.

(c) Figures of foreign exchange earnings from tourists during the year 1985 are not yet available from the Reserve Bank of India.

**Criteria for determining sickness in industry**

**3754. DR. B.L. SHAILESH :** Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has set two objective criteria for determining sickness in Industry and evolved a 9-point checklist for banks to identify "sticky loans advances"; and

(b) if so, the broad outlines of the new norms to determine sickness and sticky loans worked out by the Reserve Bank of India?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) As per current definition of Reserve Bank of India (RBI) a unit can be classified as sick if it incurs cash losses for one year and in the judgement of the financing bank is likely to continue to incur cash losses for the current as well as the following year, and which has an imbalance in its

financial structure, such as current ratio of less than one and worsening debt equity ratio. Commercial banks are, therefore, applying this definition for identifying borrowing accounts in their portfolios for the purpose of identification of sick units. Recently RBI has introduced a comprehensive and uniform system for grading the advances for determining their quality or health. Accordingly, the banks are required to classify their borrowing accounts into eight different categories such as satisfactory; irregular; sick viable under nursing; sick, non-viable/sticky; advances recalled; suit-filed accounts, decreed debts; and bad & doubtful debts according to their respective health.

**Bilateral trade between India and Indonesia**

3755. SHRI K. PRADHANI :

SHRIMATI JAYANTI PATNAIK :

Will the Minister of COMMERCE be pleased to state :

(a) whether measures to boost the bilateral trade between India and Indonesia were discussed at the high level talks which were held in Jakarta during the last month; and

(b) if so, which were the thrust products identified by India for export to Indonesia?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) **ENGINEERING SECTOR :** Textile machinery and parts, auto parts, bicycles and parts, seamless pipes & tubes, pipes and tube fittings, hand tools and cutting tools, pumps and compressors, machine tool and accessories, valves for tyres and tubes, industrial valves, bearings, electric motors and parts, misc. electrical items and machinery, scientific and measuring instruments, electronic components, forgings and castings, tractors and implements, power generation machinery (non-electrical) food processing machinery.

**NON-ENGINEERING SECTOR :**

Chemicals, graphite electrodes, dyes, and intermediates, pharmaceuticals, paints and varnishes, plastic moulded products, alumina, raw cotton, wheat, iron ore, pellets, soda ash, animal feed stuff, x-ray films and cinematographic films.

**Guidelines for issue of Janata cloth**

3756. SHRI K. PRADHANI : Will the Minister of TEXTILES be pleased to state :

(a) whether any criteria/guidelines have been laid down for the issue of Janata cloth to the various States particularly in the backward State like Orissa, which has got a chunk of poor tribal population;

(b) if so, the details thereof; and

(c) the quantity of such cloth supplied to Orissa during 1985-86 and how it compared to their demand?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b) In the handloom sector targets for production of Janata cloth are fixed on the basis of certain criteria, such as, the number of looms engaged in the production of janata cloth, the past performance of the State and so on. No separate weightage is given to tribal population while working out the entitlement for consumption.

(c) On this basis Orissa was given a target of production of 30 million square metres for 1985-86 as well as for 1986-87. It is not linked to the quantum of total demand either in the country as a whole or in the States.

**Establishment of vanaspati plant at Balasore in Orissa**

3757. SHRI K. PRADHANI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether his Ministry has since considered the Orissa Government's project for the establishment of a Vanaspati plant at Balasore;

(b) if so, whether his Ministry has cleared it;

(c) if not, the stage at which it stands at present; and

(d) the difficulties which lie in the way of his Ministry in clearing it and forwarding it to the Ministry of Industry for the issue of a letter of intent?

**THE MINISTER OF STATE OF THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) M/s. Orissa State Cooperative Marketing Federation Ltd. have applied for issue of letter of intent for the establishment of a vanaspati plant at Balasore.

(b) to (d) The application can be forwarded to the Ministry of Industry after considering the relative priorities of the other applications which have been received from Orissa.

#### **Opening of branches in villages during Sixth Plan**

**3758. SHRI AMARSINH RATHAWA :** Will the Minister of FINANCE be pleased to state:

(a) the number of branches opened in villages in each State by the nationalised banks by the end of Sixth Five Year Plan; and

(b) the details of the help rendered by these banks to the villagers?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) State-wise break-up of rural branches of the public sector banks (SBI Group and 20 Nationalised Banks) operating as on 31st March, 1985 is given in the attached statement. The outstanding advances on the last Friday of March, 1985 of these branches amounted to Rs. 5386 crores (provisional).

#### **Statement**

Number of branches of public sector banks (SBI Group and 20-Nationalised Banks) in rural areas of the country (1971 census)

	<b>State/Union Territory</b>	<b>Number of rural branches</b>
	1	2
1.	Andhra Pradesh	1528
2	Assam	319
3.	Bihar	1399
4.	Gujarat	1307
5.	Haryana	429
6.	Himachal Pradesh	371
7.	Jammu & Kashmir	110
8.	Karnataka	1144
9.	Kerala	487
10.	Madhya Pradesh	1293
11.	Maharashtra	1585
12.	Manipur	25
13.	Meghalaya	52
14.	Nagaland	37

1	2
15. Orissa	569
16. Punjab	968
17. Rajasthan	825
18. Sikkim	14
19. Tamil Nadu	1183
20. Tripura	31
21. Uttar Pradesh	2287
22. West Bengal	900
23. Andaman & Nicobar Islands	9
24. Arunachal Pradesh	33
25. Chandigarh	19
26. Dadra & Nagar Haveli	5
27. Delhi	62
28. Goa Daman & Diu	175
29. Lakshadweep	5
30. Mizoram	12
31. Pondicherry	26
Total	17209

**Applications for agricultural loans pending in Dehradun branch of Allahabad Bank**

3759. SHRI SIMON TIGGA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a large number of applications for agricultural loan are pending in the Dehradun Branch of Allahabad Bank;

(b) if so, the number of applications pending with the bank and the amount of loan asked for therein;

(c) the action being taken by bank authorities to clear the backlog of loan applications; and

(d) the details of the loans disbursed by this bank since 1982 till date, year-wise?

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

**Export of cheap quality rice**

3760. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering to allow the export of cheap quality rice;

(b) if so, the quantity likely to be exported and at what rate;

(c) the names of the countries interested to import cheap quality rice;

(d) whether it will have any effect on our demand; and

(e) if so, the details thereof?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER):** (a) No, Sir.

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

**Consumption of sugar**

**3761. SHRI BALASAHEB VIKHE PATIL :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to

state the State-wise consumption of sugar during 1983-84 and 1984-85 (including defence requirement) alongwith break up of imported and indigenous sugar?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** A statement showing State-wise consumption of sugar during the sugar years 1983-84 and 1984-85 in respect of indigenous sugar and imported sugar is attached.

**Statement**

Statement showing State-wise consumption of sugar during 1983-1984 and 1984-85 sugar year (October-September).

(Figures in '000 tonnes)

S. No.	State/U.T.	1983-84 Indigenous sugar	1984-85 (Provisional) Indigenous sugar	Imported sugar
1	2	3	4	5
1.	Andhra Pradesh	453	361	100
2.	Assam/Arunachal Pradesh	157	143	8
3.	Bihar	425	401	40
4.	Gujarat/Dadar Nagar Haveli	598	579	60
5.	Maharashtra	1188	1150	123
6.	Kerala/Lakshdweep	332	281	63
7.	Madhya Pradesh	428	439	25
8.	Tamil Nadu	501	446	92
9.	Karnataka	381	364	41
10.	Orissa	144	118	44
11.	Punjab	454	482	20
12.	Haryana	225	220	20
13.	Rajasthan	389	323	48
14.	U.P.	1008	915	102
15.	West Bengal	531	471	133
16.	J & K	38	45	3
17.	Delhi	152	148	41
18.	Himachal Pradesh	37	40	2

1	2	3	4	5
19.	Manipur	6	7	Neg.
20.	Tripura	11	10	1
21.	Pondicherry/Karaikal/Maha/Yanam	7	8	Neg.
22.	Goa Daman Diu	20	19	2
23.	Nagaland	9	7	Neg.
24.	Chandigarh	21	20	1
25.	Mizoram	—	Neg.	Neg.
26.	Meghalaya	4 \$	4	1
27.	Andaman Nicobar	—	—	Neg.
28.	Sikkim/Bhutan	3	4	Neg.
29.	Defence	24	45	—
Total		7546*	7050	970

**\$—Neg**—Below 500 Tonnes of imported sugar.

\*Excludes some quantity diverted by Export Agency from ports for internal consumption.

**Claims for incentives received from new sugar factories and expansion projects**

3762. SHRI BALASAHEB VIKHE PATIL: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of claims for incentives received by Government so far from new sugar factories and expansion projects, separately;

(b) the number of claims where the final certificates have been issued;

(c) the number of claims pending for finalisation and since how long these are pending; and

(d) the reasons for delay in finalising these claims?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA): (a) As

on 15-3-1986, 93 claims have been received from new sugar factories and 65 from expansion projects.

(b) Final certificates have been issued to 61 new sugar factories and 50 expansion projects.

5 claims of new factories are at advanced stage of finalisation.

4 claims of new sugar factories and 9 of expansion projects were rejected.

(c) 23 claims of new sugar factories and 6 of expansion projects are pending finalisation.

**Details of pending cases are as under :**

Year	New factories	Expansion
1981	3	1
1982	2	1
1984	3	1
1985	14	3
1986	1	—

(d) Backlog of claims received earlier against incentive scheme of 1975 could be processed only after announcement of the revised incentive scheme in November, 1980 and its modalities finalised. Also settlement of incentive claims require spot examination of the factories for verification of technical and accounting details. In the case of new sugar factories, provisional incentive free-sale releases are made in one or two slabs below their entitlement to enable them to tide over their financial difficulties even before issue of final certificate.

**Release of free sale sugar to new sugar factories and expansion projects**

3763. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the quantity of free sale sugar released as incentive free sale to new sugar factories and expansion projects since 1982-83, year-wise;

(b) the percentage of free sale quota as per entitlement under incentive scheme, year-wise for the above factories;

(c) whether there is any shortfall in release of incentive free sale sugar to those factories; and

(d) if so, when the factories will be compensated for the same?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) and (b) Two statements showing the quantities of incentive freesale sugar released out of 1982-83, 1983-84 and 1984-85 seasons production and percentage of free sale quota as per entitlement under the incentive scheme, one for new sugar factories and the other for expansion projects, are attached as Statements-I and II respectively.

(c) and (d) Release of incentive free-sale sugar to factories is as per their entitlement.

**Statement-I**

**Quantity of freesale sugar released as Incentive freesale to new sugar factories.**

Sl. No.	Name of the factory	Quantity of freesale sugar released as incentive freesale (In tonnes)			Percentage of freesale quota as per entitle- ment under incentive scheme		
		1982-83 Season	1983-84 Season	1984-85 Season	1982-83 Season	1983-84 Season	1984-85 Season
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
(Based on despatches)      (Based on releases)							
1. Modinagar*		15840.1	14735.8	6659.9	89	89	60
2. Ramala		11684.6	12147.6	7947.2	100	100	65
3. Khatauli*		16084.9	16111.3	16270.1	64	64	64
4. Anoopshahr		10955.7	8180.7	4663.3	85	85	59
5. Nanaula		11261.0	9821.4	11309.5	82	82	55
6. Chhatta		7583.7	5679.8	2846.9	78	78	55

1	2	3	4	5	6	7	8
7.	Harduaganj	4027.3	3357.7	1386.9	71	71	71
8.	Chandpur	9987.4	8077.8	2568.4	78	78	55
9.	Bilaspur	9303.8	9643.7	6217.8	100	100	65
10.	Tilhar	5063.8	3186.0	3732.8	75	75	75
11.	Nadehi	12944.3	12769.9	7314.0	100	100	65
12.	Bisalpur	8719.5	8624.8	6320.1	100	100	65
13.	Belrayan	7353.2	5200.0	6919.7	75	75	75
14.	Badaun	7926.2	7514.2	3783.0	100	100	65
15.	Mahmudabad	—	2232.0	4829.6	—	82	82
16.	Nandganj	2543.8	2323.3	366.0	78	78	55
17.	Daryapur	5951.7	4265.6	1476.8	78	78	55
18.	Karnal	8749.0	8022.0	6433.1	77	77	77
19.	Sonepat	8058.9	6809.7	4632.2	77	77	77
20.	Gurdaspur	1092.4	10284.6	13365.8	79	79	79
21.	Zira	8185.9	7504.2	9983.9	81	81	81
22.	Barlai	6155.2	4997.7	2847.2	82	82	55
23.	Bhimasinghi	3022.3	2193.9	—	63	63	—
24.	Metpalli	4251.5	2193.9	2409.3	64	64	64
25.	Tirupati	4404.1	2173.6	3208.8	93	93	60
26.	Cuddapah	1795.2	630.6	—	58	58	—
27.	Hindupur	4044.2	1157.5	2537.4	75	75	51
28.	Miryalguda	3468.2	688.8	394.2	71	71	51
29.	Kovur	2888.5	3519.7	1381.0	85	85	59
30.	Nandyal	1920.5	731.8	430.6	78	78	78
31.	Mahuva	10668.0	10008.0	7082.7	78	78	55
32.	Sayan	16207.9	14976.8	7446.8	93	93	60
33.	Cachar	941.6	—	200.7	79	79	79
34.	Valsad	16606.2	11509.0	3871.8	89	89	60
35.	Talala	6224.4	7806.2	7312.4	93	93	60

1	2	3	4	5	6	7	8
36.	Maroli	8451.8	8340.3	8951.6	64	64 (upto 89 30.6.84 and 89 from 1.7.84)	
37.	Karamveer	3224.8	1762.8	1774.6	46	43	42
38.	Kadwa	2529.3	1237.0	3543.9	52	47	45
39.	Palse	3475.9	1471.2	844.6	49	45	43
40.	Sonai	6735.6	4090.7	4329.1	57	51	48
41.	Paithan	4807	2450.0	6581.9	57	51	48
42.	Bhima	6049.7	2884.4	5835.8	57	51	48
43.	Vithal	6695.7	2684.5	10137.6	57	51	48
44.	Vairag	4775.1	592.1	3228.8	57	51	48
45.	Mahal	6642.5	2463.3	521.5	63	57	51
46.	Gandhinglaj	7572.3	3510.9	7478.0	57	51	48
47.	Kaimganj	—	—	—	—	—	—
48.	Kagal	6104.8	2446.1	4076.9	57	51	48
49.	Shankarnagar (Godavari Manav)	6486.6	1493.1	5776.1	67	60	53
50.	Jai Bhavani	3653.6	1814.7	3133.4	49	45	43
51.	Kasoda	2896.3	—	—	46	—	—
52.	Faizpur	3719.2	—	—	46	—	—
53.	Belganga	2284.5	1858.3	—	45	45	—
54.	Pathri	5366.7	1271.4	5084.3	67	60	53
55.	Basmathnagar	5731.9	1046.0	3321.5	67	60	53
56.	Kada	5056.5	1234.6	2302.4	57	51	48
57.	Raibag	2330.4	1015.5	985.8	44	41	40
58.	Gokak	3859.2	1339.6	3439.0	57	51	48
59.	Gangavati	2099.8	392.3	—	44	41	40
60.	Sirugappa	3812.4	1059.7	854.20	49	46	44
61.	Bhadra	4832.3	3021.4	1619.2	65	56	52

1	2	3	4	5	6	7	8
62.	Sreerama	3394.5	—	1033.6	57	51	48
63.	Kollegal	1146.8	—	—	46	—	—
64.	Tirupattur	7095.9	2252.3	206.9	74	74	—
65.	Vellore	9618.2	8517.0	—	78	78	—
66.	Ullundrupet	6824.2	10821.0	4957.0	85	85	59
67.	Thanjavur	7930	7273.5	—	78	78	—
68.	Peramballur	13484.7	10008.9	6213.20	96	96	63
69.	Gajraula	—	—	7993.9	—	—	82
70.	Manuman	—	2715.0	3566.40	—	78	78
71.	Ziri (Burhanpur)	—	—	2827.1	—	—	85
72.	Shindre (Ajinkyatara)	—	—	5805.7	—	—	82
73.	Hutatma	—	—	4129.2	—	—	82
74.	Bhadra	—	—	1619.2	—	—	52
75.	Bhadrapati	—	—	3793.9	—	—	82
76.	Ponni	—	—	17217.6	—	—	93
77.	Sultanpur	—	—	1278.4	—	—	85
78.	Tirutanni	—	—	5081.4	—	—	93
79.	Vijaynagar (Sanjay)	—	—	1722.1	—	—	82
80.	Padrauna (Court Case)	—	—	1528.0	—	—	64

NOTE : The figures of releases/despatches given in the above statement may not be strictly according to entitlement out of that particular season's production in some of the cases on account of adjustment required to be made in respect of short/excess deliveries made in earlier years as a result of change in entitlement, percentage etc.

Incentives are being given as new units under court orders.

## Statement-II

Sl. No.	Name of the factory	Quantity of free sale sugar released as incentives free sale (in tonnes)			Percentage of free sale quota as per entitle- ment under incentive scheme on additional production		
		1982-83 Season	1983-84 Season	1984-85 Season	1982-83 Season	1983-84 Season	1984-85 Season
		(1)	(2)	(3)	(4)	(5)	(6)
Expansion factories		(Based on des- patches)	(Based on net releases)				
1.	Daurala	4788.0	1858.5	292.5	50	50	50
2.	Mawana	5513.6	2498.2	2398.0	50	50	50
3.	Aira	598.5	336.3	598.5	50	50	50
4.	Balrampur	760.1	799.3	84.7	50	50	50
5.	Captainganj	3258.5	2252.4	238.7	60	50	50
6.	Tulsipur	1163.8	—	—	60	50	50
7.	Harinagar	4443.2	208.6	228.5	90	75	70
8.	Rohtak	1922.7	1245.4	—	75	70	60
9.	Yamunanagar	4896.0	4614.3	3060.0	75	70	60
10.	Chodavaram	350.9	—	168.0	50	50	50
11.	Etikoppaka	430.5	—	39.0	50	50	50
12.	Vuyyuru	4433.8	2359.0	1392.0	50	50	50
13.	Bardoli	6118.0	—	—	—	—	—
14.	Chalthan	1496.3	1533.2	1496.3	50	50	50
15.	Gandevi	4322.5	1783.3	997.5	50	50	50
16.	Pravaranagar	866.5	—	—	40	—	—
17.	Sangamner	354.4	354.4	354.6	40	40	40
18.	Akuj	984.4	678.2	875.0	40	40	40
19.	Sadashivanagar	784.1	359.4	354.4	40	40	40
20.	Walwa	590.6	482.7	390.6	40	40	40
21.	Ichalkaranji	787.5	757.6	1711.7	40	40	40

1	2	3	4	5	6	7	8
22.	Bidri	629.8	—	—	40	40	40
23.	Shiroli	590.6	590.6	571.2	40	40	40
24.	Ugarkhurd	787.5	125.5	639.1	40	40	40
25.	Shimoga	88.5	—	—	40	40	40
26.	Mandya	223.8	—	—	40	40	40
27.	Sameerwadi	787.5	—	427.7	40	40	40
28.	Madurantakam	1496.3	1678.7	691.0	50	50	50
29.	Nellikuppam	1866.3	—	—	50	50	50
30.	Aruna	4185.4	—	—	—	—	—
31.	Kallakurichi	1496.3	181.3	646.8	50	50	50
32.	Salem	1496.3	520.4	821.5	50	50	50
33.	Amravathi	1496.3	—	—	50	50	50
34.	Alanganallur	997.5	638.3	997.4	50	50	50
35.	Majhaulia	—	1166.3	4861.7	90	75	70
36.	Sanjivani	—	2105.4	297.9	40	40	40
37.	Simbhaoli	—	—	7388.4	—	—	50
38.	Deoband	—	—	7097.5	—	—	50
39.	Sarsawa	—	—	2793.0	—	—	50
40.	Bazpur	—	—	9467.6	—	—	50
41.	Gola	—	—	10272.6	—	—	50
42.	Panipat	—	—	1679.0	—	—	60
43.	Morinda	—	—	14699.6	—	—	60
44.	Hospet	—	—	13.6	—	—	40
45.	Tanuku	—	—	687.7	—	—	50

NOTE : The figures of releases/despatches given in the above statement may not be strictly according to entitlement out of that particular season's production in some of the cases on account of adjustments required to be made in respect of short/excess deliveries made in earlier years as a result of change in entitlement, percentage etc.

**Guidelines for payments under International Price Retention Scheme**

**3764. SHRI SANAT KUMAR MANDAL :** Will the Minister of COMMERCE be pleased to state :

(a) the guidelines laid down for payments under the international price retention scheme (IPRS) by the organisations under the Chief Controller of Imports & Exports under his Ministry and the manner in which the claims are scrutinised and payments made; and

(b) whether it has been ensured that this scheme also does not suffer from any flaws like the drawback or cash compensatory schemes which had recently been exploited for some infirmities therein by the business houses ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) A statement giving the required information is attached.

(b) The Scheme has been devised in a manner so as to prevent its misuse.

**Statement**

The application for reimbursement is made to the Regional Offices of Engineering Export Promotion Council (E.E.P.C.) with whom the exporter is registered alongwith the necessary documents. After scrutiny of claims, the Council send two sets of the application to the concerned licensing authority. After the application is received from the EEPC, the licensing authority exercise such checks as are prescribed, on the claims received and issues payment authority to the EEPC, on one set. Thereafter, EEPC is issue a cheque for an amount as authorised by the licensing authority. In order to enable EEPC to make payment, necessary funds are placed at the disposal of EEPC. The funds so made available is kept in separate bank accounts at the places where EEPC has its regional offices and is operated by designated officer by EEPC at these places.

As per the guidelines issued to Licensing Authority the checks which are to be

exercised by the licensing authority are as under :

1. that the application is complete and duly signed by the applicant;
2. that all the drescribed documents have been furnished by the applicant and these are complete and in order;
3. that the applicant is registered with EEPC and the validity of the RCMC covers the dates of exports against which subsidy has been claimed. This is to be seen from the certificate to be given by EEPC on each claim;
4. that in case of third party exports, either the bill of lading or the invoice attested by the bank bears the name of applicant and the other party. In such cases, it has also to be seen that the applicant has furnished a proper disclaimer certificate in the prescribed form from the other party;
5. that the exports covered by the applications have been made. This is to be checked from the shipping bills kept in the CCS/REP claims submitted by the applicant to the licensing authority against the same exports covered by the applications for steel price subsidy. Where no REP/CCS claim has been made, this check is to be exercised on the basis of photocopy of the shipping bill to be furnished by the applicant.
6. verify the dates of exports with reference to the shipping bills in CCS/REP file available in the port offices for the same exports and wherever there is no such file, from the photocopy of the shipping bills furnished by the applicant. Date of exports will be the date of bills of lading and

the date of mates receipt whichever is later as laid down in the import policy.

7. check that subsidy has been calculated at the rate applicable on the dates of exports;
8. that the application has been submitted with the time limit for submission of such application.
9. that the quantity of steel consumed is as per norms prescribed by DGTD wherever such norms are available. A list of norms of consumption may be obtained by the licensing authorities from the DGTD. This check is to be exercised on percentage basis and the extent of percentage will have to be fixed on the basis of experience. For the present percentage check of 25% may be adopted on random basis;
10. that the calculations made by EEPC to arrive at the net amount subsidy are correct;
11. claims for reimbursement has been made only for those items of steel which are covered under the scheme.

For scrutiny of claims submitted under the Scheme for protection against price increase affected on 9.2.1981, the checks to be exercised by the licensing authorities will be the same as indicated above in para 2. In addition, the licensing authority will have to check whether the contract entered into by the exporter was actually registered in terms of the relevant import policy.

After exercising checks if the licensing authorities are satisfied that the amount of subsidy found admissible by the EEPC is correct, he will issue necessary payment authority. If however, an amount less than the amount certified by EEPC is found admissible by the licensing authority, he will issue payment authority for the lesser amount as found admissible by him. Such payment authority will be issued under the signature of the Accounts Officer. The claims are also to be scrutinised by the Accounts Officer himself and

Accountant working under him. Where there is no Accounts Officer/Accountant for scrutiny of such claims, the claims may be scrutinised by the Controller and DCCI & E and Payment Authority may be issued under the signature of DCCI & E.

CCI&E has desired that claims relating to scheme for protection to exporters of engineering goods against prices of steel should be dealt on top priority basis and there should not be any arrear on this account.

**State Bank of India branch sanctioned for Mehatpur, Una District (H.P.)**

3765. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

- (a) whether a branch of the State Bank of India has been sanctioned for Mehatpur, Una District in Himachal Pradesh and the licence has been issued by the Reserve Bank of India;
- (b) if so, when the branch would be opened; and
- (c) if not, the likely date by which the licence would be issued for opening of branch ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank of India has allowed the State Bank of India to open a branch at Mehatpur, District Una, Himachal Pradesh. The Validity period of licence issued to State Bank of India in May, 1985 has been extended upto 30.6.86. The State Bank of India has been asked to open its branch before the expiry of validity period.

**Opening of bank branches in Himachal Pradesh**

3766. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

- (a) whether any of the nationalised banks functioning in Himachal Pradesh has

not yet opened the branches for which the Reserve Bank of India issued licences during the past three years including the current financial year;

(b) if so, the names of the places, district-wise for which the licences were issued and the names of the banks concerned; and

(c) whether it would be ensured that all such branches are opened before June 30, 1986 so as to provide the necessary

bank facilities to the people?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Reserve Bank of India has reported that out of the licences/authorisations issued during the branch licensing policy period 1982-85 and the current financial year in Himachal Pradesh for opening of branches to the nationalised banks, the banks could not open their branches at the following centres:—

Name of District.	Name of the bank	Centres where bank have not opened branches
Hamirpur	Punjab National Bank	1. Dera Parol 2. Jungle Beri 3. Dhaned 4. Lambloo
Simla	Punjab National Bank	1. Sarin
Simla	UCO Bank	1. Kupvi
Una	Punjab National Bank	1. Thana Kalan 2. Saloh.

(c) Reserve Bank of India has reported that all these 8 centres are in surplus blocks. However, it has renewed the licences in respect of 2 centres namely Sarin and Kupvi in Simla District upto 30th June, 1986 as a special case and the banks are expected to open branches before that date at these centres.

also which are not covered by the two existing banks—namely Himachal Gramin Bank (Mandi) and Parvatiya Gramin Bank (Chamba); and

(d) if so, the date by which decision would be taken in this regard?

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

**3767. PROF. NARAIN CHAND PARASHAR :** Will the Minister of FINANCE be pleased to state:

(a) whether a Parvatiya Gramin Bank has been set up in Chamba District of Himachal Pradesh;

(b) if so, the brief outline of the functioning of the bank including the area of its jurisdiction and the date on which it was set up.

(c) whether Government propose to set up such Gramin Banks in other regions

(b) The Parvatiya Gramin Bank was set up under the Regional Rural Banks Act, 1976 on 2nd Nov., 1985 covering district Chamba in Himachal Pradesh to meet the credit gap in rural areas. The Regional Rural Bank would provide finance to a restricted clientele consisting of small and marginal farmers, landless labourers, artisans and small entrepreneurs having an annual income of not more than Rs. 6500/-.

(c) and (d) Identification of locations for the establishment of new Regional

Rural Banks is a continuous process and such locations are decided keeping in view insufficient coverage of area by commercial banks' branches; credit gap in meeting needs of small/marginal farmers and other weaker sections; and the state of cooperative credit structure in the area. At present there is no proposal with the Government to open another Regional Rural Bank in Himachal Pradesh.

**Subsidised foodgrains to rural families in Orissa**

3768. SHRI ANANTA PRASAD SETHI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of persons of rural families and the number of districts of Orissa going to be notified from central Scheme of distribution of subsidised foodgrains to rural families in the Integrated Tribal Development Project areas being implemented; and

(b) the details regarding the quantity of wheat, rice and other foodgrains allotted in favour of Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) In Orissa, Integrated Tribal Development Project areas in 9 districts (3 fully covered and 6 partly covered), with a population of 72.29 lakhs (as per 1981 Census) are expected to benefit from the scheme.

(b) A total quantity of 2095 tonnes of wheat and 1868 tonnes of rice have been issued by the Food Corporation of India to the Government of Orissa as on 12th March, 1986 for distribution under the scheme.

**Production of cardamom in Sikkim**

3769. SHRIMATI D. K. BHANDARI : Will the Minister of COMMERCE be pleased to state :

(a) the activities of Cardamom Board set up in Sikkim;

(b) whether production of cardamom has increased and the quality improved with the setting up of the Board in that State;

(c) if so, the details thereof; and

(d) the production of cardamom at present in that State and its percentage in the production in the country ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Cardamom Board's activities in Sikkim primarily relate to implementation of schemes for improving productivity, quality and marketing of large cardamom .

(b) and (c) The activities of the Cardamom Board are expected to gradually improve quality and production as adoption of modern tillage and crop practises take some time.

(d) Sikkim accounts for 88% of the large cardamom production in India. Rough estimates of current years production is 2900 tonnes.

**Expansion of Non-viable textile units in Kerala**

3770. PROF. P. J. KURIEN : Will the Minister of TEXTILES be pleased to state :

(a) whether applications from non-viable textile units in Kerala for expansion are being turned down by the Ministry of Industry on the ground that they are not located in backward areas;

(b) whether Government have taken a decision not to allow such expansion except in backward areas;

(c) whether this will not lead to industrial units remaining non-viable and sick; and

(d) if so, the remedial measures being taken in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d) As

per the existing locational policy guidelines, the issue of fresh industrial licences in the spinning sector, are in the ordinary course restricted to category 'A' backward areas. However, in those States where there are no such areas, fresh licences may be considered in category 'B' backward areas also. The above locational policy has been evolved taking into account that there already exists adequate spinning capacity in the country. An opportunity to represent against the decision of rejections is given and all aspects are taken into consideration before taking a final decision in such cases.

**Rate of interest charged by financial institution from small scale industries**

3771. SHRI HUSSAIN DALWAI : Will the Minister of FINANCE be pleased to state : -

(a) the rate of interest charged by various financial institutions from small scale industries;

(b) whether there is any disparity in the rate of interest charged from small scale industries;

(c) if so, the reasons therefor; and

(d) the steps Government propose to take to bring uniformity in the rate of interest chargeable from all small scale industries through out India ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) The rates of interest charged by commercial banks with respect to advances to SSI Units are as under :

(Rate of interest  
(% per annum)

**Small Scale Industry**

**Composite loans upto Rs. 25,000/-**

(a) Backward Areas	10.0
(b) Other Areas	12.0

**Short-Term Advances**

(a) Upto and inclusive of Rs 2 lakhs	Not exceeding
	14.0
(b) Over Rs. 2 lakhs and upto Rs. 25 lakhs	Not exceeding
	16.5
(c) Above Rs. 25 lakhs	Not exceeding
	17.5

**Term Loans of not less than 3 years**

(a) Backward Areas	12.5
(b) Other Areas	13.5

(b) and (c) Banks have the discretion to charge the rates of interest from 14.0% per annum to 17.5% per annum with respect to working capital advances. Banks while sanctioning loans take into account all relevant factors such as nature of business, risk involved, conduct of the borrowers account, adherence to financial discipline, absence of adverse features etc.

(d) Reserve Bank of India issues directives from time to time on the rates of interest to be charged by banks for various purposes/sectors of the economy taking into account a number of factors such as the cost and availability of funds, administrative expenses, and the emphasis to be given to certain desired sectors and areas (backward or otherwise.)

**Raids on houses of officers of Commerce Ministry**

3772. PROF. NIRMALA KUMAR SHAKTAWAT: Will the Minister of COMMERCE be pleased to state:

(a) whether it is a fact that houses of the officer of Commerce Ministry have been raided by C.B.I.;

(b) if so, the total assets recovered in the raids; and

(c) the action taken against the officer?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) During the month of Feb., 86, 12 searches were conducted by the CBI in residential/office premises of the officials of the CCI & E. Ministry of Commerce throughout the country in connection with the investigation of 7 cases registered by the various Branches of the CBI on the allegation of possession of assets disproportionate to their known sources of income, cheating & criminal misconduct.

(b) During the course of searches a large number of incriminating documents pertaining to financial transactions and investment in moveable/immoveable properties were recovered. The details of items both moveable/immoveable recovered items during the course of searches are as under:

1. Cash, Bank Balances.	
FDRs, NSCs, Shares etc.	Rs. 7,49,257.00
2. Moveable assets like jewellery, VCRs, TVs costly electrical gadgets etc.	Rs. 7,25,575.00
3. Immoveable assets like houses, plots and lands etc.	Rs. 35,42,500.00

(c) All the cases in which searches were conducted are under investigation. Two officials have been placed under suspension by the Ministry.

*[Translation]*

**Measures to promote export of precious stones, jewellery etc.**

3773. SHRI SHANTI DHARIWAL: Will the Minister of COMMERCE be pleased to state:

(a) whether attention of Government has been drawn to the fact that precious stones, jewellery, carpets, garments, handicrafts and handloom industries are passing through world-wide stiff competition;

(b) if so, the measures proposed to be taken by Government to encourage the entrepreneurs of these industries with a view to promote the export of their products; and

(c) if no such measures are proposed to be taken, the reasons therefor?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER): (a) Yes, Sir. However, the exports of these items have shown increase during the current financial year upto September, 1985.

(b) Liberal access to imported inputs, greater assistance for sponsoring and funding promotional activities such as market studies, Buyer-Seller Meets, participation in international fairs and exhibitions, provision of infrastructural support for product development, are some of the steps taken by the Government to boost exports of these products.

(c) Does not arise.

*[English]*

**Amount spent on subsidy in various sectors**

3774. PROF. P. J. KURIEN: Will the Minister of FINANCE be pleased to state:

(a) the total amount being spent as subsidy in various sectors;

(b) whether there is any perspective plan to eliminate the subsidy altogether without raising the prices of the commodities concerned; and

(c) if so, the details thereof ?

**THE MINISTER OF FINANCE  
(SHRI VISHWANATH PRATAP SINGH)**  
(a) The provision made in the Budget for major subsidies, is as follows :-

(Rs. crores)

1985-86		1986-87
BE	RE	BE
3959	4921	4741

(b) No, Sir.

(c) Does not arise.

**Purchasing power during Sixth Five Year Plan**

3775. PROF. P. J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether the purchasing power of the people has gone up during the Sixth Five Year Plan;

(b) if so, the facts thereof;

(c) the percentage of rise in prices during this period; and

(d) the impact of this rise in prices on the purchasing power of the people ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (d) The per capita income, which is the indicator of the purchasing power of the people, at constant (1970-71) prices went up from Rs. 64.7 in 1979-80 to Rs. 771.5 in 1984-85 or by 16.1 per cent.

**Setting up of Tribunals for LIC claims**

3776. DR. CHINTA MOHAN :

DR. G. VIJAYA RAMA RAO;  
SHRI C. MADHAV REDDI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government had agreed in principle to make provisions for setting

up Tribunals to look into the matters relating to the problems of policyholders and claimants of deceased policy-holders for redressing different types of grievances of the proposers, policy-holders and claimants of the deceased policy-holders of Life Insurance Corporation before the Petitions Committee of Seventh Lok Sabha;

(b) whether it is a fact that the representatives of his Ministry stated before the Petitions Committee that Government propose to introduce in Parliament a Bill containing *inter alia* provision for setting up of the Tribunals to look into the matters relating to the problems of the policy-holders and the claimants; and

(c) if so, the reasons why the Claims Tribunals have not been set up so far ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :**

(a) to (c) The Committee on Petitions, 7th Lok Sabha, had been informed that the Government proposed to introduce in Parliament a Bill containing, *inter alia* provisions for setting up of Tribunals to look into the problems of policy-holders and claimants for life insurance policies. The Life Insurance Corporations Bill, 1983, was later introduced in 1983 containing *inter alia*, a provision for constitution of Claims Tribunals but the Bill lapsed because of dissolution of the 7th Lok Sabha. Government later considered the matter afresh and decided not to pursue the question of introduction of the Bill.

On the question of setting up of Tribunals, in the changed perspective after it was decided not to pursue the question of introduction of the Life Insurance Bill as above, Government examined the matter afresh. The percentage of repudiated claims to the total death claims is negligible and does not justify setting up of separate Claims Tribunals. The existing arrangements for redressal of grievances of policy-holders were reviewed and strengthened. At present, Government have no proposal for setting up Claims Tribunals.

**Proposal for starting adventure tourism in Sikkim**

3777. SHRIMATI D. K. BHANDARI : Will the Minister of PARLIAMENTARY

AFFAIRS AND TOURISM be pleased to state :

(a) whether his Ministry has received any proposal from Government of Sikkim to start adventure tourism in Sikkim;

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

(c) if not, whether his Ministry proposes to initiate such tourism in that State ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) Yes, Sir.

(b) Government of Sikkim had forwarded proposals for financial assistance for the construction of trekkers huts as well as for purchase of trekking equipment for use along the various trek-routes in the State. The Department has sanctioned an amount of Rs. 15.86 lakhs and Rs. 3.88 lakhs respectively for the above purpose. An advance of Rs. 10.49 lakhs has already been released.

(c) Does not arise.

**Restoration of provisions of section 35CC of Income Tax Act**

3779. SHRI DIGVIJAY SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to allow income tax deduction in respect of expenditure incurred on programmes for afforestation of waste-lands; and

(b) if so, whether section 35CC of the Income Tax Act is proposed to be amended accordingly ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JARNARDHANA POOJARY) : (a) Under the existing provisions of section 35CCB of the Income-tax Act, any person incurring expenditure by the way of payment of any sum to an association or institution

which has the objective of undertaking any programme of conservation of natural resources including afforestation of waste-lands, the amount so paid is allowed as deduction if the said amount is used for carrying out any programme of conservation of natural resources by such association or institution. For this purpose the association or institution has to be approved by the prescribed authority which in this case is the Central Board of Direct Taxes. There is no proposal for change in the existing provisions.

(b) No, Sir.

**Complaints about auctioning of cardamom**

3780. PROF. P.J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether complaints have been received against the present system of auctioning of cardamom in Kerala;

(b) if so, the details of the complaints; and

(c) the steps being taken to remedy the situation ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b) Cardamom Board at the behest of growers had relaxed restriction on credit allowed on sales in auctions, to boost demand and stabilize prices in view of the abundant supplies in the current year. This has resulted in some increase in overdue payments compared to last year. There are also reports of alleged use of State Agriculture Income Tax Registration permits by growers, other than those in whose names the permits have been issued.

(c) Show cause notices have been served by Cardamom Board on defaulting exporters/traders/auctioneers and Cardamom Board is taking steps to ensure that overdues are cleared early. Auctioneers have been directed to register sales in the name of actual sellers only and the Cardamom Board is also in touch

with State Government for initiating suitable action.

**Production of standard cloth by N.T.C.**

3781. SHRI SRIBALLAV PANIGRAHI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have asked the National Textile Corporation to produce standard cloth for the use of common people during the Seventh Five Year Plan;

(b) the quantity of standard cloth produced by the National Textile Corporation and its subsidiary units during the last two years; and

(c) the variety of the cloth and the price at which it was sold to the consumers ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The National Textile Corporation produces controlled cloth which is meant primarily for the weaker section of society.

(b) and (c) Details of production of Controlled Cloth during the last two years reported by the NTC mills are as under :

Year	
1983-84	294.99 Million sg. mtrs. (cotton varieties) 8.00 Mtrs. (polyester cotton blended shirting)
1984-85	245.73 M. sg. mtrs. (cotton varieties) 7.00 M. mtrs. (polyester cotton blended shirtings).

At present 4 varieties of controlled cloth viz. dhoti, saree, long cloth and polyester cotton blended shirting are produced by the NTC mills under the Controlled Cloth Scheme. Consumer price range of various sorts of such cloth varies

from. Rs. 2.65 per linear mtr. to Rs. 12 per linear mtr.

**Proposals to boost exports during Seventh Plan**

3782. SHRI AMAR ROYPRADHAN: Will the Minister of COMMERCE be pleased to state :

(a) the value of exports during the Sixth Five Year Plan and the expected exports in the Seventh Five Year Plan;

(b) whether it is a fact that Government are considering to boost the export in the Seventh Plan period;

(c) if so, the details thereof; and

(d) if not, the reasons therefor ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) According to the data available from DGCI& S, India's exports at current prices during the Sixth Five Year Plan Period are as under :

Year	(Value : Rs. crores)
1980-81	6710.71
1981-82	7805.90
1982-83	8803.58
1983-84(P)	9872.10
1984-85(P)	11656.93

Source : DGCI & S, (P) Provisional and Calcutta. subject to revision.

In the Seventh Five Year Plan period, exports are projected at a total figure of Rs. 60,700 crores at 1984-85 prices.

(b) Yes, Sir.

(c) Increasing our exports, diversifying our productive base, modernising our productive apparatus are some of the steps taken by the Government. Modification and periodic revision of our industrial and fiscal policies are also the additional steps taken from time to time,

(d) Does not arise.

**Raids at persons in fish trade and electric fan business in Calcutta**

3783. **SHRI DHARAM PAL SINGH MALIK :**

**SHRI M. RAGHUMA REDDY :**

**SHRI BANWARI LAL PUROHIT :**

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news-item appearing in "The Times of India" of 19 Feb., 1986 wherein it has been stated that Income Tax authorities raided the establishments of some persons in Calcutta doing fish trade and electric fan business and seized black money and jewellery;

(b) if so, the details thereof;

(c) whether any arrest has been made; and

(d) the action Government have taken against the firms ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY) :** (a) and (b) Yes, Sir. Income-tax Department conducted searches at Calcutta on 18.2.1986 in the cases of Shri Fulchand Shaw & others, electric fan dealers and Smt. Julekha Khatoon & others, wholesale dealers in fish. The searches have resulted in seizure of, prima-facie, unaccounted assets worth Rs. 20.01 lakhs approximately in the cases of fan dealers and Rs. 3.72 lakhs in the cases of fish dealers.

(c) No arrest has been made in respect of these searches as the Income-tax Act does not provide for arrest as a consequence of search action.

(d) Necessary action under various provisions of Direct Taxes Acts has been initiated against the persons concerned.

**Bilateral trade agreement between India and Poland**

3784. **SHRI DHARAM PAL SINGH MALIK :**

**SHRI YASHWANTRAO GADAKH PATIL :**

**SHRI K.V. SHANKARA GOWDA :**

**SHRI M. RAGHUMA REDDY :**

**SHRIMATI JAYANTI PATAIK :**

Will the Minister of COMMERCE be pleased to state :

(a) whether a five year bilateral trade agreement has been signed between India and Poland during the third week of February, 1986;

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

(c) the major items of export and import between the two countries and the value thereof ?

**THE MINISTER OF COMMERCE AND FOOD & CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) Yes, Sir. A new Trade & Payments Agreement between India & Poland renewing the Rupee Payment arrangements for a further period of 5 years w.e.f. 1.1.86 was concluded in Warsaw on 22nd February, 1986. The provisions of the new Agreement are practically the same as those contained in the previous one. The Agreement provides for the settlement of all commercial and non-commercial transactions between the two countries in non-convertible Indian Rupees. the trade between the two countries will continue to be conducted on a bilateral and balanced basis, namely, the imports and the exports would be balanced over a period of time. The only change that has been made in the new Agreement relates to invoicing of contracts for imports from Poland to India which will be in Indian Rupees with effect from 1.1.1986, instead of in US dollars as in the past. The exports would continue to be involved in Indian Rupees.

Major items of export to Poland are : groundnut, extractions, deoiled cakes, tea, mica, pepper, finished leather and leather goods, raw cotton, jute manufactures, cotton textiles, etc. Major items of import from Poland are : Sulphur, rapeseed oil, cooking coal, machinery for power stations, equipment for railways, mining machinery, textile machinery, ship engines, steel products, etc.

The quantity/value for export/import of these items will be programmed through specific annual trade protocols on a year-to year basis.

#### **Control on prices of essential commodities**

**3785. SHRI HUSSAIN DALWAI :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the steps Government have so far taken to control the prices of essential commodities;

(b) whether it is a fact that though the prices of essential commodities at its origin are kept under control but on account of increase in price of petroleum, tyres, railways and the transport charges, these are enhanced;

(c) the action Government propose to take to make the essential commodities available to the customers at the basic prices; and

(d) whether Government propose to adopt old system of giving foodgrains and other essential commodities at subsidized rates to the customers?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) The main thrust of the Government policy continues to be to increase the production of essential commodities, particularly the commodities which are in short supply. The Public Distribution System is being streamlined and expanded. Some of the essential commodities are imported, if so required,

to supplement the domestic supply. The export of some essential commodities is banned and/or regulated. Action is being taken by the State Governments against blackmarketeers and profiteers under the Essential Commodities Act, 1955 and the Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980. The rural poor will continue to get supplies of rice and wheat at cheaper prices under various special programmes.

(b) The consumer prices of various commodities including essential commodities are based on various factors including input costs, taxes, freight and procurement and distribution costs.

(c) and (d) It is the constant endeavour of Government to keep the prices of essential commodities under check and make them available at reasonable prices to consumers. The Central Government has assumed responsibility for procurement and supply of seven essential commodities viz. wheat, rice, levy sugar, imported edible oils, kerosene, soft coke and controlled cloth to the States and Union Territories for distribution to the consumers through the network of Public Distribution System. Rice, wheat and controlled cloth supplied through the Public Distribution System are already being subsidised by Government.

#### **Reduction in lending rate of suppliers credit by Export-Import Bank of India**

**3786. SHRI YASHWANTRAO GADAKH PATIL :** Will the Minister of FINANCE be pleased to state :

(a) whether the Export-Import Bank of India has reduced its lending rate of suppliers credit;

(b) if so, the details thereof; and

(c) the objective thereof;

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) Export-Import Bank of India has reduced the interest rate of Suppliers Credit from 9% to 8.5% per annum with effect from

February 21, 1986. This is mainly intended to achieve the following :

- (i) To encourage Indian Exports and to match the competition faced by Indian Exporters to the extent financing can achieve.
- (ii) To reflect the interest rates of competing export financing agencies of other countries.

**Negotiations for avoiding double taxation on Indians residing in United States**

3787. PROF. K.K. TEWARY : Will the Minister of FINANCE be pleased to state :

(a) whether any negotiations were carried on with the United States in recent weeks on the question of avoiding double taxation on Indians residing in the United States; and

(b) if so, the results of those negotiations?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Negotiations for concluding an agreement for avoidance of double taxation of income, that is, avoidance of imposition of tax on the same tax payer in respect of the same income in both the countries, are in progress. The last round of negotiations was held at New Delhi in July, 1985. It is not possible at this stage to say what the final outcome would be.

**Inflow of colour T.V. sets and V.C.Rs. from Hong Kong and Singapore**

3788. SHRI ANATA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that some organised syndicates send their representatives as 'tourists' to Hong Kong and Singapore for bringing colour TV sets and VCRs to be sold in India on good profits;

(b) if so, the average number of colour TV sets and VCRs brought into the country per day during the last one year; and

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

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) No specific information has been received regarding such syndicates. However, the baggage allowances are only for bona-fide passengers and customs officers are empowered to deny the free allowance and/or confiscate the goods in case of abuse. There are also restrictions on the sale of articles imported as baggage and in such cases the articles can be confiscated. The average number of Colour Televisions and Video Cassette Recorders brought as baggage through international airports per day during 1985 was approximately 250.

(c) The baggage rules have recently been amended to restrict the free allowance that can be set-off against the value of Colour Televisions, Video Cassette Recorders, Video Cassette Players and Video Cameras for charging duty to Rs. 500/-. Further with effect from 1.3.86, additional duty of customs of Rs. 1500/- per set on Colour Television sets of screen size exceeding 36 cms. and of Rs. 1000/- per set in the case of those of screen size not exceeding 36 cms. have been imposed. These steps would act as disincentive for such activities.

*[Translation]*

**Instructions to Government Departments to reduce petrol consumption**

3789. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether instructions have been issued to the Ministries and Government Departments to reduce the consumption of petrol and emphasis laid that these instructions must be followed by a particular date;

(b) if so, the details in regard to the instructions and the date from which these instructions have come into force;

(c) the details in regard to the Ministries/Departments consuming maximum and minimum quantity of petrol separately; and

(d) whether Government will lay on the Table a statement showing month-wise details of petrol consumed by each Ministry during the last two years and the total amount of expenditure borne by Government in this regard?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b)

Yes, Sir. The instructions were issued by Government on 22nd May, 1979 to all the Ministries and Government Departments for restricting the consumption of petrol by non-operational vehicles including staff cars to 66-2/3% and for operational vehicles in the field offices to 85% of the consumption consumed by the vehicles during the year 1978-79. In the case of cars used by the Ministers and their personal staff the consumption of 900 litres per quarter fixed earlier was also reduced to 750 litres per quarter.

(c) and (d) The information is not centrally available nor is it practicable to collect the same, within reasonable time.

*[English]*

**Production and exports of handloom and other garments**

**3790. SHRIMATI USHA CHOUDHARI :** Will the Minister of TEXTILES be pleased to state :

(a) the total production of handloom cloth, readymade garments, made-ups and fabrics, in the country;

(b) the names of their important centres of production;

(c) the quantity and value of exports of handloom in 1985; and

(d) the names of the countries to which Indian handlooms were exported together with volume, value and items of export, country-wise?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) In the handloom sector separate figures of production of readymade garments, made-ups and fabrics are not available. However, the total production of handloom cloth for the year 1984-85 is provisionally estimated at 3514 million metres.

(b) The important handloom production centres are located in the States of Tamil Nadu, Andhra Pradesh, West Bengal Orissa, Uttar Pradesh Karnataka, Haryana, Madhya Pradesh, North Eastern States etc.

(c) The value of handloom exports in 1985 is estimated at Rs. 258.80 crores. The units of quantity not being uniform for all products, it is not possible to give the total quantity.

(d) A list of major importers of handloom products with the value of exports in 1985 is attached as statement.

**Statement**

**Major importers of handloom fabrics and made-ups from India during 1985.**

Country	Value (Rs. Crores)
USA	78.93
EEC	36.26
Japan	20.99
Australia	7.27
Singapore	9.78
USSR	12.99
Sweden	6.72
Malaysia	4.75
Dubai	5.85

**Major importers of handloom garments from India during 1985**

Country	Value (Rs. Crores)
USA	6.43
EEC	1.75
Canada	17.72
Sweden	0.13
Austria	0.54
Japan	9.71

Source: The Cotton Textiles Export Promotion Council.  
and  
The Apparel Export Promotion Council.

**Accumulated stock of cloth and yarn with N.T.C.**

**3791. SHRI BASUDEB ACHARIA :**  
Will the Minister of TEXTILES be pleased to state:

(a) the total accumulated stock of cloth and yarn with the National Textile Corporation;

(b) whether the NTC is incurring loss due to this accumulation; and

(c) the measures proposed to be taken to overcome the problem?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN):** (a) The total accumulated stock of cloth and yarn of nationalised mills under NTC, as on 31.12.1985, is given below:

Item of Stock	(Rs. in crores) Stock (provisional)
Cloth (Packed & looms)	65.73
Market Yarn (Packed)	20.88
	86.61

(v) NTC incurs interest on the funds used in the production of stocks.

(c) The following measures have been taken to overcome the problems:

(i) Active Marketing in local/up-country and considered target/incentive scheme to wholesalers/semi-wholesalers.

(ii) Opening of yarn depots in the consuming centres.

(iii) Diversification of markets by increasing institutional sales to DGS & D, Defence and Public Sector Enterprises and increased export efforts.

(iv) Concentrated product publicity.

(v) Improving decor/display and upkeep of retail showrooms etc.

**Opening of representative office by Royal Bank of Canada in India**

**3792. SHRI K.V. SHANKARA GOWDA :** Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Royal Bank of Canada has opened its representative office in India for the first time;

(b) if so, whether with its opening, Royal Bank of Canada plans to increase its operations in India;

(c) if so, to what extent opening of such banks will help in growing trade between the two countries;

(d) whether the Royal Bank of Canada plans to provide loan facility to various projects in India; and

(e) if so, the projects that will be assisted by the Royal Bank of Canada?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) Reserve Bank of India has reported that it has permitted the Royal Bank of Canada to

open its Representative Office at New Delhi. The Office has yet to become operational.

(b) The Representative Office of a Bank is not permitted to engage itself directly in any banking or commercial activity.

(c) The branches/offices of foreign banks in India and vice-versa are opened with a view to helping the trade between the concerned countries.

(d) and (e) The Royal Bank of Canada has reportedly granted facilities to a number of Indian entities spread across the banks' global Net Work.

#### Import of textile machinery

3793. SHRI K.V. SHANKARA GOWDA : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are considering proposals regarding import of textile machinery liberally;

(b) if so, whether the Union Minister of Industry had stated that Government would import such textile machinery which was not available indigenously;

(c) whether Government propose to gear up the textile machinery industry fully to meet the entire requirement of such rehabilitation and modernisation of the textile industry; and

(d) if so, the steps Government propose to take to ensure that the weaker sector in the textile industry viz. the handloom sector was adequately protected?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c) The textile machinery industry is currently in a position to meet almost the entire range of machinery required by the cotton textile industry. However, import of textile

machinery is allowed as per the provisions of the Import Policy in vogue. Only that textile machinery is allowed for import is highly sophisticated and for which there is no indigenous angle. The import policy is reviewed from time to time and necessary amendments are effected in it so as to ensure that the user industry does not suffer.

(d) In order to protect the handloom sector, Government have reserved a number of handloom textile items to be exclusively manufactured in this sector only.

#### Proposal for abolition of sub-depots of FCI

3794. SHRI A. CHARLES : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(b) whether there is any proposal for the abolition of sub-depots of the Food Corporation of India;

(b) if so, the details thereof;

(c) the details of funds allotted during the financial year 1985-86 for the construction of godowns of the Food Corporation of India in Kerala showing the amount allotted for each godown; and

(d) the amount spent during 1985-86 in respect of each such godown?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b) FCI in consultation with concerned State Governments has decided not to undertake the retail distribution work on behalf of the State Governments which is not its normal function. As a result those distribution centres/depots which are not required for the purpose may be closed or de-hired.

(c) and (d) A statement is attached

**Statement**

Statement showing works in progress in Kerala State during 1985-86 budget requirement, expenditure incurred and likely to be incurred upto 3/86.

Sl. No.	Centre/capacity in 000' tonnes	Expenditure upto 3/85	Budget Provision for 1985-86	Expenditure incurred upto 31.12.85	Expenditure likely to be incurred during 1.1.86 to 31.3.86	Total likely expenditure during 1985-86	Progressive total upto 31.3.1986	
							(Rs. lakhs)	(Rs. lakhs)
1	2	3	4	5	6	7	8	
<b>Kerala Region</b>								
1.	Olavakot-I (25)	73.28	15.72	3.58	12.14	15.72	89.00	
2.	Olavakot-II (7.5)	22.68	7.91	3.38	4.53	7.91	30.59	
3.	Thikkodi-I (20)	74.06	6.49	3.70	2.79	6.49	80.55	
4.	Thikkodi-II (10)	21.52	15.28	0.56	14.72	15.28	36.80	
5.	Thikkodi-III (10)	35.02	14.98	14.80	0.18	14.98	50.00	
6.	Karunagapally (20)	148.36	20.45	20.45	—	20.45	168.81	
7.	Kazakuttam-I (13.34)	54.41	15.59	4.06	11.53	15.59	70.00	
8.	Kazakuttam-II (12)	52.41	5.68	4.39	1.29	5.68	58.09	
9.	Angamali-II (10)	29.34	71.96	12.96	59.00	71.96	101.30	
10.	Avaneshwaram (5)	3.09	26.51	11.63	14.88	26.51	29.60	
11.	Avaneshwaram (5)	—	58.00	7.07	50.93	58.00	58.00	
12.	Mula Kinathukam (1.92)	—	13.00	3.42	9.58	13.00	13.00	

1	2	3	4	5	6	7	8
13. Qution (Y1.28)	—	8.30	5.73	2.57	8.30	8.30	8.30
14. Chitugavanam	—	4.65	2.32	2.33	4.65	4.65	4.65
15. Olavakot (Rly siding)	—	128.47	128.47	—	128.47	128.47	128.47
16. Thikkodi (Rly siding)	—	32.76	32.76	—	32.76	32.76	32.76
<b>Total</b>	<b>514.17</b>	<b>445.75</b>	<b>259.28</b>	<b>186.47</b>	<b>445.75</b>	<b>939.92</b>	

**Allocation of loans by LIC and GIC**

**3795. SHRIMATI GEETA MUKHERJEE :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the allocation of loans sanctioned by the Life Insurance Corporation and the General Insurance Corporation decreased from Rs. 90.19 crores in 1984-85 to Rs. 86.30 crores in 1985-86;

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

(c) the allocation proposed for the year 1986-87 ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) The LIC and GIC allocations for Socially Oriented Programmes in the State Plan are as under :

1984-85	...	Rs. 339.48 crores
1985-86	...	Rs. 382.96 crores

For the year 1986-87, Planning Commission have allocated Rs. 418.16 crores from LIC and GIC, in regard to the above.

**Bank Robberies**

**3796. SHRI GURUDAS KAMAT :** Will the Minister of FINANCE be pleased to state :

(a) the number of bank robberies that took place during 1984 and 1985 and the amount involved therein separately, year-wise;

(b) the number of cases solved and the number of cases pending so far; and

(c) whether security arrangements in banks have been stepped up ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) As per reports received from commercial banks by Reserve Bank of India, the number of bank robberies/dacoities and

the amount involved therein for 1984 and 1985 are given below :

Year	No. of bank robberies/dacoities	Amount involved (in lakhs of rupees)
1984	85	145.03
1985	78	163.32

(Data provisional)

(b) The present data collection system does not yield year-wise information regarding number of cases solved and number of cases pending. However, the RBI has reported that for the period 1970 to 1985, out of 356 cases of bank robberies/dacoities, 75 cases have been solved.

(c) The State Governments are primarily responsible for the maintenance of law and order and have been requested to take suitable preventive measures for curbing the incidents of bank dacoities/robberies. A High Power Working Group was earlier set up by the Government to critically review security arrangements in banks and to make suggestions for improvements therein. As recommended by the Working Group, banks have, inter-alia, appointed Chief Security Officers to advise the management on security measures. On the advice of the Chief Security Officers, the banks have identified vulnerable branches and have taken measures to strengthen the security of the premises and posting of security guards in a phased manner. The Government had also convened a meeting of the Chief Security Officers of public sector banks and the need for tightening the various security measures within the bank premises was reiterated. At this meeting the banks have been advised to classify their bank branches according to the risk and make improved security arrangements in branches with high risk.

**CBI raids on Bank Officials**

**3797. SHRI GURUDAS KAMAT :** Will the Minister of FINANCE be pleased to state the total number of raids conducted by the Central Bureau of Investigation on officers of nationalised banks during the last three years, year-wise, separately ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** The CBI has reported that the total number of searches conducted by it on the offices/residential premises of bank officials during the years 1983, 1984 and 1985 were 64, 55 and 57 respectively.

**Development of consumer co-operative stores through central aid**

**3798. SHRI K. PRADHANI :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether twenty three proposals seeking financial assistance amounting to Rs. 62 lakhs under the centrally sponsored scheme for the development of urban consumer cooperative stores submitted by the Government of Orissa have not so far been cleared by his Ministry;

(b) if so, the reasons therefor;

(c) whether the needful will be done during 1986-87 and necessary funds made available; and

(d) if not, the reasons therefor and what is the bottleneck holding up the clearance of these schemes carried over from the Sixth Five Year Plan ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) to (d) Out of the 23 proposals for seeking financial assistance amounting to Rs. 61.69 lakhs for the consumer cooperatives under the Centrally Sponsored Scheme for the development of consumer cooperatives, received from the Government of Orissa, 4 proposals have already been approved. Proposals in respect of 7 consumer stores could not be agreed to as they were not found feasible due to the uneconomic functioning of the stores. In respect of the remaining 12 proposals, further information, such as, feasibility report, availability of business premises, and audited accounts have been called for from the State Government, which is awaited.

These proposals will be considered during 1986-87 as and when the requisite information/documents are received.

**Norms for storage of foodgrains and storage losses of FCI**

**3799. SHRI JAGANNATH PATTNAIK :**  
**SHRI R.M. BHOYE :**

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that Government have fixed some period after which foodgrains in storage become unfit for human consumption;

(b) if so, the details regarding the procedure being adopted in this regard;

(c) whether there have been sustained storage losses during the last three years;

(d) if so, the steps Government propose to take to minimise the losses;

(e) whether Government have made proper arrangements regarding verification of quality of all the foodgrains stocks kept in the various godowns of the Food Corporation of India; and

(f) the quantity and value of foodgrains which became unfit for human consumption during the last three years, year-wise ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :**  
(a) No, Sir.

(b) Does not arise.

(c) and (d) Some loss is due to drainage, multiple handling, etc. The steps taken to minimise storage losses include 100% weighment both at the time of receipt and issue, reduction in filling weight of bags, increased machine-stitching, surprise checks by squads at receipt and issue points, better preservation and scientific storage of stocks, etc.

(e) Yes, Sir. Qualified Quality Control staff are posted at the depots for regular inspection of stock and for undertaking prophylactic and curative treatments against insect infestation. Besides, the godowns are inspected periodically by

senior officers for verification of the quality of the foodgrains.

(f) The details of foodgrains which became unfit for human consumption during the last 3 years are given below :-

Period	Quantity of Foodgrains transferred from sound to damaged grains (lakh tonne)	Value (in Rs. crores after deducting realisable value)	%age of damage to average stock-holding
(1)	(2)	(3)	(4)
1982-83	0.48	3.26	0.50
1983-84	1.01	9.95	0.85
1984-85	0.65	7.77	0.40

#### Construction of Forest Lodges during Seventh Plan

3800. SHRI SHANTARAM NAIK : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number of forest lodges proposed to be constructed in the country during the Seventh Five Year Plan period; and

(b) the places chosen by his Ministry for constructing forest lodges ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) and (b) : During the Seventh Five Year Plan, the Central Department of Tourism has provided funds for the construction of Forest Lodge at Manas Wild Life Sanctuary.

Proposals received for financial assistance for construction of forest lodges at Dhangari (Corbett), Dudhwa, Madhumalai, Pong Dam and Renuka Sanctuaries are being processed.

In addition, funds are also being provided for the completion of similar projects taken up in the Sixth Five Year Plan at Betla, Ranthambore, Nandankanan,

Enjal, Simlipal and Bandhavgarh Sanctuaries.

Other States/UTs have also been requested to forward their proposals, which will be considered by the Department subject to the availability of funds.

#### Concessional aid for India's development plans

3801. SHRI MAHENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the efforts so far made to secure concessional aid for India's developmental plans and programmes under IDA-Eight; and

(b) how the aid under IDA-Eight will compare with that under IDA-Seven, IDA-Six and IDA-Five indicating the percentage share of aid to India under the respective aid-schemes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Eighth Replenishment of IDA (IDA-8) is to become effective from July, 1987. Negotiations for IDA-8 have started in January, 1986 with the first meeting of the representatives of major donor countries

in Paris. No decision on the size of IDA-8 is reported to have been taken in that meeting. India is engaged in a dialogue with major donor countries in this regard.

(b) From IDA-V of \$ 9 billion size for the fiscal years 1978 to 1980, India received \$ 3678.5 million which works out to 40.87%. Out of a total of \$ 12 billion of IDA-VI for fiscal years 1981 to 1984 India got \$ 4.245 billion which works out to 35.38%. The size of IDA-VII is \$ 9 billion for the fiscal years 1985 to 1987 of which India has received \$ 672.9 million in the year 1985. As IDA-VII will be in operation till 30th June, 1987 the total share of India in the three year period cannot be assessed at this stage.

*[Translation]*

#### **Frauds in banks in Delhi**

**3802. SHRI RAJ KUMAR RAI :** Will the Minister of FINANCE be pleased to state :

(a) the number of banks in Delhi in which frauds have been committed in connivance with officers and employees of the banks during the year 1985-86 and the number of persons held responsible therefor;

(b) the names of the major banks in which such frauds have been committed; and

(c) the action taken or proposed to be taken by Government against guilty persons ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Reports received from public sector banks indicate that so far during 1985-86, 33 cases of frauds were committed in Delhi in connivance with 34 bank officers/employees.

(b) The names of the public sector banks in which the frauds have reportedly been committed are—

Central Bank of India.

Bank of India.

Punjab National Bank.

Bank of Baroda.

Canara Bank.

United Bank of India.

Syndicate Bank.

Allahabad Bank.

Indian Bank.

Punjab & Sind Bank.

Indian Overseas Bank.

New Bank of India.

Corporation Bank.

State Bank of India.

State Bank of Patiala.

(c) The banks have reported that 22 delinquent officials have been placed under suspension and one has been dismissed. Departmental action has been initiated against four other employees. Three cases have been referred to Central Bureau of Investigation/Police for investigation.

#### **Bank facilities in newly developed colonies in Delhi**

**3803. SHRI RAJ KUMAR RAI :** Will the Minister of FINANCE be pleased to state :

(a) the criteria laid down for providing bank facilities in colonies inhabited by middle class people in metropolitan cities of the country;

(b) whether any survey has been conducted recently in the newly set up colonies of Delhi with a view to providing bank facilities;

(c) if so, the details thereof;

(d) whether it is a fact that bank facility is not available in Yamuna Vihar colony set up in 1976 as a result of which residents of the colony are facing a lot of inconvenience; and

(e) if so, the time by which bank facility will be provided there ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) In

terms of the current branch licensing policy for the period 1985-1990, co-terminus with the Seventh Five Year Plan, branch expansion in metropolitan centres would be considered by Reserve Bank of India (RBI) in a consolidated and selective manner taking into account the growth in population and economic activities, increase in residential and commercial complexes etc.

(b) and (c) A survey of the Delhi/New Delhi metropolitan centre was conducted by a Working Group consisting of representatives of major banks for identifying unbanked/underbanked localities, under the last branch licensing policy for 1982-85. The Working Group had identified 50 localities of which 32 were allotted to various banks. No survey has been conducted recently under the current branch licensing policy for 1985-90.

(d) and (e) Yamuna Vihar had not been identified for opening branches of banks. No bank had also applied for opening a branch in the locality under the last branch licensing policy for 1982-85. RBI has reported that representations for opening a bank branch at Yamuna Vihar have been received from some residents of the locality and that RBI would consider the question of opening a bank branch in the locality on merits in the light of the current branch licensing policy for 1985-90.

*[English]*

**Threat to officials by business houses raided**

3804. **SHRI SANAT KUMAR MANDAL :**

**DR. B. L. SHAILESH :**

Will the Minister of FINANCE be pleased to state :

(a) whether Government have seen in the Press a series of statements made in self-defence by business houses who have recently been apprehended for the evasion of Income Tax, Central Excise duty and other taxes and malpractices like the wrong withdrawal of drawback claims and some of them even threatening the Officers with legal suits; and

(b) if so, the steps which Government propose to take to discountenance such actions and threats by these rich people ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Attention of the Government has been drawn to the Press reports referred to in the question.

(b) Raids/searches are conducted by the authorities in accordance with the provisions of the relevant laws & Government will not be deterred from taking such action. The Government has however, no intention of curbing the freedom of expression as guaranteed under the constitution of India. The culpability or otherwise of the charged parties would, however, be decided by the court/appropriate authorities and not by the media.

**Action plan for strengthening and expansion of Public Distribution System**

3805. **SHRI SHARAD DIGHE :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the present number of fair price shops which receive foodgrains from the Food Corporation of India for sale to consumers;

(b) whether it is a fact that at the seventh meeting of the Advisory Council on Public Distribution System an action plan for strengthening and expanding the public distribution system was discussed;

(c) if so, the suggestions in that action plan; and

(d) how many of these suggestions have been implemented so far ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) There are at present 3,25,081 fair price shops in the country which sell wheat and rice to consumers under the Public Distribution System. Most of the State Governments/Union Territory Administrations have

nominated State Civil Supplies Corporations or State Marketing/Consumer Federations to lift wheat and rice from the godowns of Food Corporation of India located in their respective areas and they in turn supply foodgrains to fair price shops.

(b) to (d) No specific action plan for strengthening and expanding the Public Distribution System was discussed at the Seventh Meeting of the Advisory Council on Public Distribution System held in New Delhi on 29.10.1985. However, States/Union Territories were impressed upon the need for making available all the essential commodities under Public Distribution System to the bona-fide consumers, to strengthen and expand the Public Distribution System in their States/Union Territories, to check irregularities in the distribution of essential commodities, to improve viability of fair prices shops through widening of commodity coverage, to carry out an in-depth study of the working of the Public Distribution System, to develop a proper monitoring system at the State, District and Block level and to tighten enforcement measures. The State Governments & Union Territory Administrations have also been asked to prepare an Action Plan for development of requisite infrastructural facilities, opening of fair price shops particularly in rural areas and streamline their distribution arrangements.

**Bogus income tax claims racketeers unearthed in Madras and Bangalore**

3806. SHRI V. S. KRISHNA IYER: Will the Minister of FINANCE be pleased to state :

(a) whether bogus Income-tax claims racketeers were unearthed in Madras and Bangalore recently;

(b) whether salaried employees and employees working in public sector have also been found involved;

(c) the amount unearthed; and

(d) the action taken against the erring persons ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (d) The in-

formation is being collected and will be laid on the Table of the House as soon as it is received.

**Export of handlooms**

3807. SHRI VIJAY N. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) the number of countries buying Indian handloom cottons;

(b) the total amount of Indian handloom cottons exported in 1984-85, 1985-86 and to date;

(c) the steps being taken by Government to export non-traditional items such as furnishings, fabrics, upholstery material and other house-hold textiles; and

(d) the steps Government propose to take to tackle the problem of non-availability of yarn at reasonable prices for export production, increased cost of production and intelligence on fashion trend abroad ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) There are about 120 countries which are importing Indian cotton handloom products.

(b) Total export of cotton handloom fabrics and made-ups during 1984-85 was Rs. 168.36 crores (Provisional). Exports during April '85 to Jan '86 amounted to Rs. 136.46 crores (Provisional).

(c) (i) Cash Compensatory Support is allowed on handloom textile products exported from the country. These rates were substantially increased w.e.f. 1.1.1984 which were continued during 1985. These rates have been extended up to 31st Dec. 86 subject to review before 31st March, 1986.

(ii) Under the Import & Export Policy, 1985-88, REP licences are given under Appendix 17 of the policy permitting import of essential raw

materials required for exports. The Government has been giving additional assistance for exports of new products and to new markets. 10% higher REP. is allowed for this purpose. Higher rates of grants are also allowed for export promotion activities in Latin American and African markets

- (iii) The Government has been giving liberal assistance for sponsoring and funding promotional activities such as market studies, buyer-seller meets, participation in international fairs and exhibitions.
- (iv) Export-oriented production programmes are also operated by Government.

(d) Yarn is available at reasonable prices at present. However, yarn availability is improved by Yarn Depots and Hank Yarn obligation. The Government has sanctioned the setting up of the Institute of Fashion Technology.

**Supply of pulses through Fair Price Shops**

3808. SHRI VIJAY N. PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

- (a) the steps Government have taken to bring the needed proteins through pulses within the reach of the common man;
- (b) whether Government propose to take into consideration the supply of pulses through fair price shops at subsidised rates; and
- (c) if so, the details of policy for supplying proteins to common man at reasonable price ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) to (c) The major thrust of the Government policy has been to increase the production of pulses by bringing more area under pulses cultivation, intercropping of pulses,

multiplication and use of improved pulses seeds & improved post-harvest technology.

Besides, Government has also been allowing import of pulses through Open General Licence to augment the availability of pulses in the country so as to ensure that the common man gets the much needed proteins through pulses.

The Central Government has assumed responsibility for procurement and supply of seven essential commodities through Public Distribution System viz., wheat, rice, sugar, imported edible oils, controlled cloth, soft coke and kerosene oil. The Government have no plan to take responsibility for procurement and supply of pulses for distribution through fair price shops. The State Governments and Union Territory Administrations have been advised from time to time to include additional commodities of mass consumption considered by them as essential after arranging for procurement on their own. Some of the State Governments are also distributing pulses through various outlets of Public Distribution System.

**Legislation to protect and safeguard interest of users and consumers**

3809. SHRI D. N. REDDY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

- (a) whether Government propose to bring forward legislation to protect and safeguard the interest of users and consumers of goods and services supplied, on the lines of Bill introduced in Karnataka;
- (b) if so, the salient features of the Bill proposed to be introduced;
- (c) when the same is likely to be brought forward ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) : (a) The Draft Model Law on Consumer Protection for adoption by the States/Union Territories, proposed to be brought forward, includes goods but not the services, on the lines of the Bill introduced in Karnataka,

(b) The Draft Model Law provides for setting up a Consumer Protection Council, Directorate of Consumers' Affairs and a Consumer Dispute Redressal Forum. The objective of the proposed measure is to protect and promote consumer interest and provide for a forum for speedy and inexpensive redressal of grievances of consumers. The Consumer Protection Council shall promote and protect the rights of the consumer such as right to safety, right to be informed, right to choose, right to be heard and right to seek redressal against unscrupulous exploitation of consumers by some manufacturers/traders. The Council will undertake programme for providing information and education to consumers and development of consumer protection movement. The Directorate of Consumer Affairs will be an executive arm to receive consumers' complaints and to act on them. The Consumer Dispute Redressal Forum will be a quasi-judicial machinery for speedy and inexpensive settlement of consumer disputes.

(c) The Model Law is likely to be brought forward shortly.

**Development of Alleppey in Kerala State as a tourist centre**

3810. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government propose to take steps for the development of Alleppey in Kerala State, called the Venice of the East, as a tourist centre; and

(b) if so, whether Government propose to organise the tourist to come to Alleppey when the snake boat races are conducted there ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) On the request of the State Government, the Department of Tourism has sanctioned a project for the construction of wayside amenities with accommodation at a total cost of Rs. 10.28 lakhs and released Rs. 4.00 lakhs as advance during the current financial year. An amount of Rs. 2.56 lakhs has also been released during the

current financial year for the celebration of Onam Festival.

(b) The State Government has made a documentary film on the annual festival which are being distributed to the travel agents' in order to attract more tourists to the Snake Boat Races conducted at Alleppey.

**Diversion of tourists traffic to South India**

3811. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state whether there is any proposal to divert the tourists traffic to South India especially to Kerala, when it is off-season in North India due to extreme weather conditions ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : The Government of India Tourist Offices promote all the States of India including Kerala bearing in mind the weather conditions obtaining there round the year.

**Conversion of black money into white through National Deposit Scheme**

3812. SHRI B. V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has asserted that the new National Deposit Scheme proposed in the long-term fiscal policy will in no way help the conversion of black money into white;

(b) whether the proposed National Deposit Scheme was major step towards expenditure tax;

(c) if so, to what extent this new scheme is expected to help to improve the financial position; and

(d) the steps being taken to unearth the black money ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI J. A. NARDHANA POOJARY) : (a) to (c) The deposits under the proposed National Deposit Scheme, according to scheme

outlined in the long-term Fiscal Policy, would form a part of the declared income of the assessee. The Scheme is not visualised as a means of converting undeclared income. The Scheme has been referred to the Committee on Expenditure Tax.

(d) All possible measures to check tax evasion, including administrative, legislative and institutional, are being taken from time to time.

#### **Export of cotton textiles**

3813. SHRI B.V. DESAI : Will the Minister of TEXTILES be pleased to state :

(a) whether the outlook for exports of cotton textiles has turned uncertain after a phase of marked uptrend in 1984-85;

(b) if so, whether the value of exports of cotton textiles including yarn and made ups touched a record of Rs. 472 crores in 1984-85;

(c) if so, whether during the first half 1985-86 exports slowed down to Rs. 222 crores;

(d) whether during the financial year 1986-87 exports of cotton textiles are likely to be further slowed down ;

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

(f) the efforts being made to improve the outlook for exports of cotton textiles during 1986-87?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (d) The exports of mill made and power loom cotton textiles during the current financial year are more or less at the same level as last year. The exports during 1984-85 were Rs. 472 crores and during the first six months of 1985-86 were Rs. 222 crores.

(e) Does not arise.

(f) The following measures have been taken to improve export performance of cotton textiles;

- (i) Soft loan scheme is available for modernisation of the textile industry.
- (ii) Sophisticated textile machines not manufactured indigenously are allowed to be imported on OGL.
- (iii) Wide width shuttleless looms and rotor spinning machines are allowed to be imported at concessional import duty linked with export obligation.
- (iv) with effect from 1st January, 1984 rates of Cash Compensatory Support (CCS) have been revised upwards for many categories of textile items. Sewing/embroidery threads were also made eligible for CCS w.e.f. 4th July, 1984. This policy was continued during 1985. The CCS rates have been extended upto 31st December, 1986 subject to review to be completed by 31st March, 1986.
- (v) A Scheme of 100% Export Oriented Units is in operation which includes several textile items. 100% Export Oriented Units and units in Free Trade Zones are eligible for several facilities such as duty free import of capital goods, raw material, components, etc.
- (vi) Government has been sponsoring and funding promotional activities such as market studies, buyer-seller-meets, participation in international fairs/exhibitions in order to increase and diversify our exports in terms of products and areas.
- (vii) The import-export policy has been further liberalised with a view to promoting export of textiles from India.

**Setting up new Agricultural and Processed Food Products Export Development Authority.**

3814. SHRI V. TULSIRAM : Will the Minister of COMMERCE be pleased to state :

- (a) whether Government have set up a new Agricultural and Processed Food Products Export Development Authority in the country;
- (b) if so, the constitution and functions of the Authority constituted;
- (c) the items to be exported by the Authority to various countries;
- (d) the extent to which such exports will hit hard the domestic needs/requirements of the common man; and
- (e) the steps being taken to meet the domestic requirements ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes, Sir.

(b) & (c) A statement is attached.

(d) & (e) Exports are allowed under the Export Policy formulated by the Government. While formulating the policy, various factors are taken into consideration, like domestic consumption, the need of ensuring reasonable return to producers, etc.

**Statement**

Part (b) : Under the Agricultural and Processed Food Products Export Development Authority Act, 1985 the Authority shall consist of the following :—

1. Chairman.
2. The Agricultural Marketing Adviser to the Government of India.
3. One member to represent the Planning Commission.

- 4. Three Members of Parliament—Two elected by the House of the People and one by the Council of States.
- 5. Eight members to represent the Ministries of the Central Govt. dealing with Agriculture and Rural Development, Commerce, Finance, Industry, Food, Civil Supplies Civil Aviation and Shipping and Transport.
- 6. Five members to represent the State Governments and Union Territories.
- 7. Seven members to represent :—
  - (i) the Indian Council of Agricultural Research;
  - (ii) the National Horticultural Board ;
  - (iii) the National Agricultural Co-operative Marketing Federation;
  - (iv) the Central Food Technological Research Institute ;
  - (v) the Indian Institute of Packaging;
  - (vi) the Spices Export Promotion Council ; and
  - (vii) the Cashewnut Export Promotion Council;
- 8. Twelve members to represent :—
  - (i) fruit and vegetable products industries;
  - (ii) meat, poultry and dairy products industries;
  - (iii) other Scheduled products industries;
  - (iv) packaging industry;
- 9. Two members specialists and Scientists in the field of agriculture,

economics and marketing of products mentioned in the schedule of the Agricultural & Processed Food Products Export Development Authority Act, 1985.

The Authority will undertake measures for the development and promotion of exports of products mentioned in the schedule to the Act. The measures may include undertaking of surveys and feasibility studies, participation in joint ventures, fixing of standards and specifications for products of exports, inspection of meat and meat products in slaughter houses, processing plant etc. improvements of packaging and marketing, promotion of export oriented production.

(c) Under the Agricultural and Processed Food Products Export Development Authority Act, 1985 (82 of 1986), the Authority will take measures for development and promotion of exports of the following items: (1) Fruits, vegetables and their products; (2) Meat and meat products; (3) Poultry and Poultry products; (4) Dairy products; (5) Confectionery, biscuits and bakery products; (6) Honey, jaggery and sugar products; (7) Cocoa and its products, Chocolates of all kinds; (8) Alcoholic and non-alcoholic beverages; (9) Cereal products; (10) Cashewnuts, groundnuts, peanuts and walnuts; (11) pickles, chutneys and papads; (12) Guar Gum (13) Floriculture and floriculture products, and (14) Herbal and medicinal plants.

#### **Disbursement of loans to engineering ancillary units**

3815. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state;

(a) whether Government are considering the terms and conditions of disbursement of 70 million dollar loans to engineering ancillary units in the country;

(b) if so, the extent to which these terms and conditions are favourable to the engineering units particularly in the matter of repayment of loans;

(c) whether Government have taken

up this matter with the World Bank for softening the terms in order to enable the units to avail of the loan facilities;

(d) if so, the details thereof;

(e) the number of units and location thereof which will be given this loan and the number of these units located in Andhra Pradesh; and

(f) if there is no unit in Andhra Pradesh, the reasons therefor ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (d) Loan Agreements for a total loan of US\$ 250 million-US\$ 90 million to GOI and US\$ 160 million to ICICI with GOI guarantee were signed with the World Bank on 21-1-1986 for the Industrial Export (Engineering Products) Project. Out of the loan of US\$ 90 million to GOI, \$ 70 million will be passed on to 4 participating Banks viz., State Bank of India, Bank of Baroda, Punjab National Bank and Canara Bank as equity for financing the foreign currency portion of credits provided to smaller engineering ancillary firms for their expansion, modernization and specialization efforts.

The loans from the commercial Banks to engineering ancillaries would carry an interest of 15% p.a. with a maturity of 3 to 10 years including a grace period of 1 to 3 years. The rate of interest corresponds to the non- subsidized rate for commercial bank's term loans to industry, established by Reserve Bank of India.

(e) and (f) There is no State-wise allocation and the Banks will finance all eligible enterprises.

#### **No public support to bonds of ITI and NTCP**

3816. SHRI V. TULSIRAM : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there has been no public support to the first two bonds of Indian Telephone Industries and National Thermal Power Corporation, as reported in the Economic Times of 16 February, 1986;

(b) if so, the main reasons for the unpopularity of the bonds amongst the general public;

(c) the extent to which Government have to suffer loss; and

(d) the steps being taken by Government to popularise the bonds or to find some other means to raise the required money from the public?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) The public issue of bonds by both Indian Telephone Industries and National Thermal Power Corporation have been over subscribed; hence the question of unpopularity with the public does not arise:

(c) Government had not to suffer by loss in the above issues by the two companies.

(d) The Guidelines issued by the Government for these bonds already contain certain attractive features such as easy transferability and tax benefits

**Bonds issued by Public Sector Companies**

**3817. SHRI SATYENDRA NARASINHA :** Will the Minister of FINANCE be pleased to state:

(a) whether the bonds recently issued by several public companies are negotiable;

(b) whether these can also be transferred by endorsement; and

(c) if so, whether there are contradictions between the instruction issued by his Ministry and the provisions of the Companies Act in this matter are reported in Economic Times of 27 February, 1986?

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

(c) The Guidelines issued by the Ministry of Finance regarding the floatation of bonds by public sector undertakings in the telecommunications and power sectors only indicated the facility of transfer of bonds by endorsement and delivery and these guidelines were not instructions issued by the Ministry in contradiction of the provisions of the Companies Act. To provide the facility of transfer by endorsement and delivery, Government have also placed a notification in both the Houses of Parliament under sub-section (2) of the section 620 of the Companies Act directing that the provisions of sub-section (1) of section 108 of the said Act, in so far as it requires a proper instrument of transfer to be duly stamped and executed by or on behalf of the transferer and by or on behalf of the transferee shall not apply with respect to bonds issued by a Government company, provided that an intimation by the transferee specifying his name, address and occupation, if any, has been delivered to the company along with the certificate relating to the bond, and if no such certificate is in existence, along with the letter of allotment of the bond.

**Propagation of modern techniques of farming among jute farmers**

**3818. SHRI SATYENDRA NARASINHA :** Will the Minister of TEXTILES be pleased to state:

(a) whether raw jute yields could be raised considerably by resorting to modern techniques of farming as demonstrated by Indian Jute Mills Association;

(b) if so, whether jute mills would be persuaded to help spread these techniques among jute farmers;

(c) whether any programme of cooperation exists between jute farmers and jute mills; and

(d) if not, whether Government would initiate such programmes?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) to (d) Although there is no specific programme of cooperation between jute farmers and

jute mills, Indian Jute Industries Research Association has developed a technique for upgrading quality of fibre and initiated certain measures for improvement of yields. The Jute Agriculture Research Institute has also developed a technique of mechanical decortication of ribboning which permits controlled retting in minimum water and can replace manual extraction to some extent.

The Ministry of Agriculture and Rural Development has on-going programmes like Intensive Jute Development Programme for improving production and productivity of raw jute. Recently a Pilot Scheme has also been taken up for improving raw jute productivity in consultation with the State Government of West Bengal, in Gaighata Development Block in District North 24 Parganas of West Bengal. The project is to be financed entirely by Jute-Manufacturer's Development Council from its Cess Fund and operated by Jute Corporation of India in association with the State Government.

**Bank assistance towards poverty eradication programmes in Madhya Pradesh.**

**3819. KUMARI PUSHPA DEVI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have stepped up bank assistance towards various poverty eradication programmes during 1985-86;

(b) if so, the amount of bank assistance provided to the weaker section by different banks in Madhya Pradesh towards various poverty eradication programmes during 1985-86; and

(c) the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c) The public sector banks have been advised to increase the flow of credit to weaker sections so that their share in the total priority sector advances and in total outstanding credit is not less than 25% and 10%, respectively. As per the latest

provisional data available, the advances of public sector banks outstanding as at the end of December, 1984 in respect of 7.56 lakh accounts belonging to weaker sections in Madhya Pradesh stood at Rs. 209.32 crores. This constituted 24.8% of the total priority sector advances of public sector banks in the State.

**Opening of bank branches in Madhya Pradesh.**

**3820. KUMARI PUSHPA DEVI :** Will the Minister of FINANCE be pleased to state :

(a) the number of branches of State Bank of India opened in different districts of Madhya Pradesh;

(b) whether State Bank of India proposes to expand its branches in the backward States;

(c) if so, the number of branches proposed to be opened in Raigarh and other backward districts in Madhya Pradesh in 1986-87;

(d) the places identified therefore in Raigarh district; and

(e) the number of new branches proposed to be opened in the other districts of Madhya Pradesh during 1986-87;

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Reserve Bank has reported that as on 30th November, 1985 there were 561 branches of State Bank of India functioning in different districts of Madhya Pradesh.

(b) to (e) Under the branch licensing policy for the period 1985 to 1990 the State Government have to identify potential centres for opening bank offices in accordance with certain norms. It is proposed to have one bank branch for a population of 17,000 in the rural and semi-urban areas of each block. In addition, a bank office should be available within a distance of 10 Kms from each village. Licences for opening of additional bank offices in the State of Madhya Pradesh would be granted by

Reserve Bank to the various banks including State Bank of India on receipt of recommendations from the State Governments and in the light of the above policy. Under the branch licensing policy no quantitative targets State-wise or bank-wise have been fixed by Reserve Bank of India for opening new bank offices.

**Loan by LIC to Municipalities/Corporations for executing water supply schemes**

3821. SHRI AJAY MUSHRAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Life Insurance Corporation grants loan to various Municipalities/Corporations for executing their water supply schemes under the guarantee of the respective State Governments;

(b) the procedure for granting such loans;

(c) the details of loans granted under this procedure to Corporations/Municipalities of Jabalpur District, Madhya Pradesh so far; and

(d) whether Government propose to simplify the procedure by granting lump-

sum loan to the State Governments as per plan allocations and making them responsible for granting loan to the Municipalities/Corporations and recovery thereof ?

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

(b) to (d) The loan applications for technically and administratively approved schemes of Government received from State Governments or the State-level Board, wherever constituted, are examined by the Life Insurance Corporation of India and justification and financial viability of the Scheme established before sanctioning loans. After execution of agreement by the borrower and Guarantee Deed by the State Government concerned, loans are disbursed in instalments looking to the financial and physical progress of the Scheme in hand subject to the allocations made by the Planning Commission.

In the overall interest of the policy-holders, it is necessary for the LIC to monitor the physical progress of each Scheme to ensure proper utilisation of funds and also matching contributions by the Municipalities, etc. Details of loans granted by the LIC to the Jabalpur Municipal Corporation are as under :

S. No.	Name of the Scheme	Year	Amount (in lakhs)	Remarks
1	2	3	4	5
1.	Water Supply	1965-66	40	
2.	Water Supply Project Phase I	1978-79	265	Released in instalments commencing from 1979-80. Last instalment of Rs. 5 lakhs was released in the current financial year (1985-86)
3.	Water Supply Project Phase II	1985-86 (current year)	270	To be released in suitable instalments. The first

1

2

3

4

5

instalment of Rs. 150 lakhs will be released after completion of necessary formalities by the Municipal Corporation, and the State Government of Madhya Pradesh.

**RBI instructions to private financial institutions to regulate deposits.**

3822. SHRI SURESH KURUP : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has given instructions to the private financial institutions to regulate their deposits; and

(b) the action Government propose to take against those institutions which are not following the guidelines of Reserve Bank of India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) Deposits acceptance activity of non-banking financial companies incorporated under the Companies Act, 1956 is governed by the directions issued by the Reserve Bank of India. These directions seek to regulate the deposit acceptance activities of such companies. Violation of these directions may render them liable for prosecution.

The deposits acceptance activity of individuals, firms and other un-incorporated association of individuals is regulated by the provisions of Chapter-III C of the Reserve Bank of India Act, 1934. In terms of the provisions of the said Chapter, these un-incorporated bodies are prohibited from accepting deposits from more than the number of depositors specified therein. Contravention of the provisions of Chapter-III C of the Reserve Bank of India

Act shall be punishable with imprisonment for a term extending upto two years or with fine as provided in the Act. Reserve Bank of India and the State Governments have concurrent powers to apprehend the persons violating the provisions of Chapter III-C and also to prosecute them as provided in the Act.

Some of these un-incorporated bodies had earlier challenged the constitutional validity of the provisions of Chapter-III C of the Reserve Bank of India Act in the High Court of Delhi. These petitions were dismissed. A number of them have however filed appeals in the Supreme Court and the matter is *sub-judice*.

**Amount received from Kerala by way of Customs Duty, Excise Duty, Income Tax etc.**

3823. SHRI SURESH KURUP : Will the Minister of FINANCE be pleased to state :

(a) the details of the amounts received from Kerala by the Union Government by way of customs duty, excise duty, income tax etc. during the Sixth Five Year Plan period; and

(b) the details of the amount released to Government of Kerala by the Union Government during the Sixth Five Year Plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The details of Customs duty, Excise Duty and Income Tax etc. received from Kerala by

Union Govt. during the Sixth Five Year Plan are as follows :—

(Rs. in crores)		
Customs duty	Excise duty	Income Tax etc.
479.46	1148.24	364.91

(b) The details of the amount released to Govt. of Kerala by the Union Govt. during the Sixth Five Year Plan are as follows :—

(Rs. in crores)	
Indirect Taxes	Direct Taxes
645.51	208.74

**Representation of small farmers on Coffee Board**

3824. SHRI SURESH KURUP : Will the Minister of COMMERCE be pleased to state :

(a) the number of members in the Coffee Board representing small farmers;

(b) whether Government propose to increase the number of representatives of small scale farmers on the Coffee Board; and

(c) if so, the details thereof ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (c) The number of members representing small growers in the Coffee Board has already been increased from 5 to 7 with effect from 26th August, 1984 when the Board was reconstituted.

**Tariff rates of imported newsprint**

3825. SHRI SURESH KURUP : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to restructure the tariff rates of imported newsprint; and

(b) if so, the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Customs duty on newsprint has recently been fixed at Rs. 550 per tonne. However, customs duty on newsprint is reviewed from time to time in the light of representations made to the Government by the newspaper industry and other relevant factors.

**Allotment of space at Pragati Maidan**

3826. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE be pleased to state :

(a) the criteria laid down for allotment of space/stall during the exhibitions organised by the Trade Fair Authority of India;

(b) the rentals charged for such space/stalls;

(c) whether it is a fact that the rental charged by the Authority is more and the exhibitors charge more for their wares on that account;

(d) whether any study has been conducted in that regard and if so, the findings thereof;

(e) the number of Government Departments which have taken space permanently on rental basis in Pragati Maidan, New Delhi, from the Authority; and

(f) the purpose for which the space has been taken and the monthly rental charged from them by the Authority ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) The allotment of space/stall in the exhibitions organised by Trade Fair Authority of India at Pragati Maidan is generally on "first come first served basis". However, other important factors such as standing and capabilities of the firm are also kept in view.

(b) The existing rentals are as under :—

**India International Trade Fairs**

Covered space — Rs. 700/- per Sq. Mtr.

Opened paved — Rs. 250/- per Sq. Mtr.

Open space — Rs. 200/- per Sq. Mtr.

**Specialised Commodity Fairs**

(i) With facilities such as covered space, floor covering facia writing and partition walls, (Interior construction of stall is the responsibility of participants).

Rs. 250/- per Sq. Mtr.

(ii) With facilities such as covered space, plus partition walls, facia writing, floor covering including interior construction of the stall on standard pattern.

Rs. 400/- per Sq. Mtr.

(c) The rates charged by the T.F.A.I. from the participants are reasonable considering the facilities provided to them, and therefore the question of charging more on this account by the exhibitors should not arise.

(d) No need has been felt for such a study so far.

(e) and (f) 19 State Governments, 9 Central Ministries and 2 Public Sector Undertakings/Commodity Boards have permanent pavilions in Pragati Maidan and they are utilised for participation by them

in India International Trade Fairs to project India's advancement in various fields. For this purpose, licence fee is charged by T.F.A.I. @ Rs. 200/- per Sq. Mtr.

**Shortcomings in Price Stamping System**

**3827. SHRI MOOL CHAND DAGA:** Will the Minister of TEXTILES be pleased to state :

(a) whether a number of shortcomings in the current Price Stamping System on cloth have come to the notice of his Ministry;

(b) if so, the details thereof;

(c) the number of cases of infringement of the present stamping policy which have come to the notice of Government during the last three years;

(d) whether the number of cases of infringement is increasing or decreasing;

(e) the names of the State in which the number of cases of infringement has been maximum;

(f) the action taken against the defaulters;

(g) whether Government propose to review the present system and adopt a new policy to help the public; and

(h) if so, when ?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) to (b) : There are certain major deficiencies in the existing price stamping on account of which it has become difficult to take action in case of infringement. Action has been initiated to introduce a revised scheme under the new Textile Control Order.

**Fall in sale of cigarettes due to hike in Central Excise**

**3828. DR. DATTA SAMANT :** Will the Minister of COMMERCE be pleased to state :

(a) whether there is fall in the sale of cigarettes since the hike in Central excise on cigarettes in September, 1985;

(b) if so, the extent of fall in sales;

(c) the consumption of cigarettes in the country in 1983, 1984 and 1985, year-wise details thereof; and

(d) the loss in revenue due to fall in the sale of cigarettes ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) to (d) The information is being collected and will be laid on the Table of the House.

*[Translation]*

**Issue of licences to Nainital-Almora Regional Rural Bank for opening of branches**

3829. **SHRI HARISH RAWAT :** Will the Minister of FINANCE be pleased to state :

(a) whether the Nainital-Almora Regional Rural Bank has been issued licences for opening new branches during the year 1986-87;

(b) if so, the number of such licences issued and the places for which these have been issued; and

(c) when these branches are likely to be opened ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Reserve Bank of India has reported that no licences have been issued so far to the Nainital-Almora Regional Rural Bank for opening new bank offices during 1986-87

(b) and (c) Do not arise.

**Show Rooms of N.T.C. in Uttar Pradesh**

3830. **SHRI HARISH RAWAT :** Will the Minister of TEXTILES be pleased to state :

(a) whether National Textile Corporation proposes to open some show rooms in Uttar Pradesh during the year 1986-87; and

(b) if so, when and the names of the places where these show rooms are proposed to be opened ?

**THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) :** (a) and (b) Opening of show-rooms in hill areas will be considered only after assessing the demand and reviewing the performance of the two show-rooms opened last year. However, at present there is no proposal to open any show-room-in Uttar Pradesh during 1986-87.

**Issue of licences to nationalised banks for opening of branches in Pithoragarh District (Uttar Pradesh)**

3831. **SHRI HARISH RAWAT :** Will the Minister of FINANCE be pleased to state :

(a) the total number of proposals received by the Reserve Bank of India from various nationalised banks of district Pithoragarh, Uttar Pradesh to set up their branches during 1986-87 and the number of licences issued by the Reserve Bank in this regard; and

(b) the names of the places for which licences have been issued to open branches and the time by which these branches will be opened ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) : Reserve Bank of India has reported that it has not received any application from any of the 20-Nationalised Banks for opening branches in Pithoragarh District (Uttar Pradesh) in 1986.

(b) Does not arise.

**Supply of essential commodities to Uttar Pradesh**

3832. **SHRI HARISH RAWAT :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state ;

(a) the quantity of wheat, rice, sugar and levy cement allotted to Uttar Pradesh during the last six months, month-wise;

(b) whether allocation of sugar and levy cement to Uttar Pradesh is being reduced continuously; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) A statement is attached.

(b) No, Sir.

(c) Does not arise.

#### Statement

Month	Rice (Qty. in '000 tonnes)	Wheat	Sugar (Qty. in tonnes)	Levy cement
<b>1985</b>				
October	50.00	45.00	50,466 *	
November	50.00	45.00	50,466 *	2,55,500 **
December	50.00	45.00	50,466	
<b>1986</b>				
January	50.00	45.00	50,466	
February	50.00	45.00	50,466	
March	50.00	4500	50,466	2,55,500 **

\* For the months of October and November, 1985, additional quantity of 8067 MT. were made.

\*\* Levy cement is allocated only on quarterly basis.

#### [English]

(b) Does not arise.

#### Proposal to set up Food Processing Unit in Kerala

3834. SH. V.S. VIJAYARAGHAVAN: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether there is any proposal to set up a food processing unit under the Modern Food Industries Ltd. in Kerala; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) No, Sir.

#### D.A. to Central Government Employees

3835. SHRI V.S. VIJAYARAGHavan : Will the Minister of FINANCE be pleased to state :

(a) the total amount paid to the Central Government employees as dearness allowance in 1985;

(b) the amount that has been received back as income tax;

(c) whether any demand has been made that the dearness allowance should not be taxed; and

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

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):** (a) The total amount paid to Central Government employees as Dearness Allowance/Additional D.A./Adhoc D.A. during financial year 1985-86 is approximately Rs. 3040 crores.

(b) For purposes of deduction of tax at source, the D.A. is not treated as a separate item but forms part of the income under the head 'Salaries'.

(c) and (d) On receipt of certain representations the Government is considering the proposal to exempt DA/ADA fully or partially from tax.

#### **Implementation value-added exports**

**3836. DR. K.G. ADIYODI:** Will the Minister of COMMERCE be pleased to state the steps being taken to implement value-added export and its impact on our economy during 1985-86, ending December, 1985?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER):** Export of commodities in value-added form and of other value added products is being encouraged through various policy measures, including Import-Export Policy, schemes relating to 100% EOU's and Export Processing Zones and fiscal incentives. Exports of value added products are expected to gradually increase.

#### **Direct sale of cloth and yarn by eastern region subsidiary of National Textile Corporation**

**3837. SHRI R.P. DAS:** Will the Minister of TEXTILES be pleased to state:

(a) whether decision taken by the eastern region subsidiary of the National Textile Corporation to make direct sale of its cloth and yarn stocks has run into trouble;

(b) if so, details thereof;

(c) the measures taken to solve the problem; and

(d) whether any change in the method of marketing by the National Textile Corporation is going to take place?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN):** (a) NTC (WBABO) sells cloth through indenting agents and yarn locally through dealers. No final decision has been taken to sell cloth directly. However, in case of accumulation of stock, direct sale has been resorted to in past on few occasions. Recently, a decision was taken by the subsidiary corporation to liquidate the accumulated stock by supplementing the efforts of the agents and dealers with those of direct buyers at prices not below the floor price fixed by the Subsidiary Sales Committee, from time to time. Since this decision has been taken recently, no problem has been reported from any quarter up till now.

(b) and (c) Do not arise.

(d) No change in method of marketing is contemplated by NTC as at present.

#### **Securing of deposits by non-banking companies**

**3838. SHRI P.M. SAYEED:** Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has conducted a comparative study regarding rate of growth and attracting regulated cash deposits from the public by the non-banking companies and the scheduled banks during 1983-84;

(b) if so, the salient points that have been brought out by the study;

(c) whether non-banking companies have been securing much more deposits from the public than the banks during the last three years;

(d) if so, the reasons therefor; and

(e) the action taken or proposed to be taken by Government so that banks do not lag behind in this regard?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) It is presumed that the reference is to deposits raised by non-banking companies incorporated under the Companies Act, 1956. If so, Reserve Bank of India (RBI) has reported that it carries out an annual survey of deposits with non-banking companies incorporated under the Companies Act, 1956. The last survey of RBI relates to the position as on 31.3.1984.

(b) RBI's survey of deposits with non-banking companies incorporated under the Companies Act, 1956 has indicated that the deposits with such companies have risen by Rs. 357 crores from Rs 1977.5 crores as on 31.3.1983 to Rs. 2334.5 crores as on 31.3.1984 representing an increase of 18 percent. RBI has reported that the rate of growth of deposit with Scheduled Commercial Banks was 17.4 percent in 1983 and 17.9 percent in 1984.

(c) No, Sir. The total deposits with the non-banking companies (other than the exempted deposits) constituted only 3.8% of the total deposits of Scheduled Commercial Banks as at the end of March, 1984.

(d) and (e) Do not arise.

**Frequent changes in the post of Chairman, S.T.C.**

**3839. SHRI P.M. SAYEED :** Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the post of Chairman in the State Trading Corporation has changed hands very frequently during the last 10 years;

(b) if so, how frequently and the reasons therefor and the present position; and

(c) the adverse effect it has on the performance of this public undertaking and reaction of Government thereto ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI SHIV SHANKER) :** (a) and (b) A statement showing the names of persons who have held the post of Chairman, STC. in the last 10 years, their duration etc., is attached. Action has already been initiated to select a full-time Chairman for STC.

(c) During the period of 10 years from 1975-76 to 1984-85, the total turnover has gone up from 981.00 crores to Rs. 2865.53 crores, and profit before tax from Rs. 14.5 crores to Rs. 61.13 crores.

#### Statement

During the last 10 years, the following persons have held the post of Chairman, STC for the period mentioned against their names :—

1	From	To	Remarks
2	3	4	
1. Shri V.V. Parekh	8-6-1973	31-3-1977	Whole-time
2. Shri P.K. Kaul then Additional Secretary, Ministry of Commerce	31-3-1977	1-8-1977	Additional Charge.
3. Dr. S.C. Bhattacharjee	1-8-1977	31-1-1981	Whole-time
4. Shri P.K. Kaul then Secretary, Ministry of Commerce	1-2-1981	11-8-1981	Additional Charge.

1	2	3	4
5. Shri Abid Hussain then Secretary, Ministry of Commerce.	11-8-1981	22-5-1982	Additional charge.
6. Shri P.K. Das Gupta	22-5-1982	27-8-1983	Whole-time
7. Shri P. C. Luthar	27-8-1983	1-8-1985	Whole-time Shri Luthar remained on leave from 4.7.85 to 31.7.85 and relinquished charge of the post of Chairman from 1.8.85.
8. Shri S.V.S. Raghavan Chairmen, MMTC	8-7-1985	10-2-1986	Additional charge.
9. Shri R.K. Dang Additional Secretary, Ministry of Commerce	10-2-1986	Continuing	Additional charge.

At present the post is being held by Shri R.K. Dang as an additional charge.

**Exports to selected African countries and measures to boost thereof**

3840. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE be pleased to state :

(a) the value of the goods exported to African countries viz. Nigeria, Zambia, Kenya and Tanzania during 1983-84 till date year-wise;

(b) the value of goods likely to be exported during 1986-87;

(c) whether it is a fact that there is decline in export of goods to these countries;

(d) if so, the reasons therefor and the steps being taken by Government to check the decline;

(e) whether it is also a fact that a large amount of Indian investment has been blocked in those countries;

(f) if so, the details thereof; and

(g) the steps being taken to realise it ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Value of Indian exports to Nigeria, Zambia, Kenya and Tanzania from 1983-84 till April-Sept., 1985-86 are given below :—

(Rs. crores)

Country	1983-84	1984-85*	1985-86* (April-Sept.)
Nigeria	39.92	35.89	8.03
Zambia	15.55	10.22	4.47
Kenya	16.78	28.37	12.01
Tanzania	12.39	15.92	7.07

*\*Provisional.*

(b) Exports depend upon a number of factors and are likely to show an upward trend.

(c) Indian exports to Nigeria and Zambia have declined.

(d) Drought, fall in primary commodity prices, and foreign exchange shortages in these countries are mainly responsible for decline in Indian exports. Several measures such as exchange of delegations, organisation of fairs/exhibitions, establishing special bilateral arrangements are being undertaken to improve exports.

(e) and (f) Details of Indian blocked investment are not readily available.

(g) Negotiations at Government and financial institutions levels are being held.

*[Translation]*

#### Consumption and export of Opium

3841. RROF NIRMALA KUMARI SHAKTAWAT: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the biggest

producers of opium in the country are Kota and Chittorgarh districts of Rajasthan and Mandsore district of Madhya Pradesh;

(b) whether opium is used in the manufacture of lifesaving drugs;

(c) the quantity of opium consumed in the country, the names of the countries to which it is exported and the quantity exported to each country; and

(d) whether Government propose to explore additional international markets for opium ?

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

(b) Opium derivatives are generally used in the manufacture of pain relieving and cough suppressant drugs.

(c) The quantity of opium consumed in the country, for the manufacture of alkaloids, etc. varies from year to year and was of the order of 94 tonnes at 90° consistency during the year 1984-85. The names of countries to which it is exported and the quantity exported to each country during 1984-85 are furnished below :—

Name of the country	Quantity exported during 1984-85 (In tonnes at 90° C)
1	2
1. U.S.A.	382.650
2. U.S.S.R.	150.000

1

2

3. Japan	60,000
4. France	35,000
5. U.K.	57,175
	684,825 *

(\* provisional)

(d) Yes, Sir.

**Deposits in Swiss Banks by Indians**

3842. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that nearly 20 per cent of the capital deposited in Swiss banks belongs to Indians; and

(b) if so, whether Government propose to take some important steps to attract them to invest this amount in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No information is available with the Government.

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

**Complaints regarding exploitation of opium growers by Narcotics****Department**

3843. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether complaints regarding exploitation of opium growers by the Narcotics Department have been received by Government from time to time;

(b) whether the licences of opium growers of Chittorgarh and Mandsaur Districts have been cancelled;

(c) if so, the reasons therefor;

(d) whether Government propose to constitute any other enquiry team so that exploitation of farmers could be stopped; and

(e) the other steps Government propose to take to alleviate the hardships of opium growers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e) There have been, from time to time, complaints from the opium poppy cultivators against the staff of the Narcotics Department, on which necessary and appropriate action is taken. While specific complaints are enquired into in depth and appropriate corrective, administrative and other measures are taken, there is no proposal to constitute any enquiry team in this behalf.

2. Grievance Cells have also been constituted in each Unit for the redressal of the grievances of opium growers.

3. The licences of only such of those opium poppy cultivators in Chittorgarh and Mandsaur districts, who could not tender the minimum qualifying average yield fixed by the Government, or who were not eligible otherwise than in accordance with the licensing principles have been cancelled.

**Development of monuments of Nawabs of Awadh in Faizabad**

3844. SHRI NIRMAL KHATTRI : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether there is any proposal to develop the monuments belonging to the period of Nawabs of Awadh in Faizabad district among which Gulabbari and the tomb of Bahubegum are prominent from the point of view of tourism; and

(b) if so, the details of the steps being taken in this regard?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) No proposal has been received from the State Government for development of monuments of Nawabs of Awadh in Faizabad.

(b) Does not arise.

**Delay in settlement of insurance claims of IRDP beneficiaries**

3845. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) the number of insurance companies in the country engaged in general insurance business;

(b) the names of the companies having offices at the divisional level and of those having offices at the district level;

(c) whether it is a fact that in most of the offices of insurance companies not existing at the district level, the claims of the beneficiaries through the banks remain unsettled for years together;

(d) whether it is also a fact that as a result of this most of the beneficiaries of I.R.D.P. are not getting full benefit from this programme, that is, in the case of death of cattle, say a bullock, another cattle cannot be had on account of non-settlement of the earlier claim; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Five including General Insurance Corporation of India (GIC),

(b) All the four subsidiaries of GIC viz., "National", "New India" "Oriental" and "United India" have offices at divisional level all over the country. However, at district level one or more of the above subsidiaries have offices in 435 out of 441 districts in the country.

(c), (d) and (e) Claims of beneficiaries through banks do not remain unsettled due to non-existence of offices at district level because wherever a particular Insurance Company does not have an office, the district is serviced by an Inspector through the office in an adjoining district. The main reason for the delay in settlement of these claims is non-receipt of requisite claim documents. Insurance companies, on their part, pursue such cases with the concerned quarters.

In respect of I.R.D.P. beneficiaries, Insurance Companies, while making payment of claims to the bank, inform I.R.D.P. authorities simultaneously so that replacement of the animal may be expedited. With a view to expedite settlement of such claims, claims settlement producers have since been simplified by dispensing with valuation certificate, post-mortem report, etc., and death certificate signed by two village officials is now accepted by the Insurance Companies.

*[English]*

**Jewellery exhibition in Oman**

3846. SHRI P.M. SAYEED : Will the Minister of COMMERCE be pleased to state :

(a) whether jewellery exhibition was held in Oman by the Handicrafts and Handlooms Export Corporation in February, 1986;

(b) the net result of the exhibition in terms of sales made and the expenditure incurred;

(c) whether it is a fact that the exhibition proved to be a flop and if so, the main reasons therefor; and

(d) whether the right type of exhibitors

were selected and whether they were properly equipped with correct information and also furnished with pre-exhibition survey report?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER):** (a) Yes, Sir.

(b) The total sales during the exhibition amounted to Rs. 40 lakhs and the total expenditure was Rs. 6.74 lakhs.

(c) No, Sir.

(d) Yes, Sir.

**Closure of powerlooms in Maharashtra**

**3847. SHRI D.B. PATIL:** Will the Minister of TEXTILES be pleased to state:

(a) whether a large number of powerloom units have been closed in Maharashtra because of new textile policy;

(b) if so, the number of powerloom units closed till January, 1986;

(c) the number of workers rendered jobless because of closing down of these powerloom units; and

(d) the steps taken or proposed to be taken by Government to rehabilitate these workers?

**THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN):** (a) No, Sir.

(b) to (d) Do not arise.

**India's exports consultancy services**

**3848. SHRI D.B. PATIL:** Will the Minister of COMMERCE be pleased to state:

(a) the standing our country in exports of consultancy services in comparison to developed countries as well as to developing countries in particular with China;

(b) the steps being taken to enhance exports of consultancy services; and

(c) the types of consultancy services being exported at present?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER):** (a) Over the last few decades, India has acquired the experience and capabilities to offer consultancy services in divergent fields. At present, over 200 consultancy organisations employing more than 20,000 professionals are engaged in this field, apart from individual consultants working in specialised fields. While it is not possible to make an accurate assessment of India's expertise in various fields vis-a-vis other developed/developing countries, Indian consultancy services are comparable to the best international standard.

(b) The following incentives and facilities are available to Indian consultancy organisations:

(i) Consultancy services exporters, whose annual foreign exchange earnings by way of export of services are not less than Rs. 5 lakhs, are eligible for foreign exchange facilities for business development, purchase of tender document, payment of commission, bid bonds, etc.

(ii) Ad-hoc applications for import of designs of drawings, office equipment, instruments, tools and accessories and other items may be considered from technical consultancy firms, construction agencies, and design engineering firms.

(iii) In order to cover risks, EGGC has designed policies to cover specific transactions of service exports.

(iv) Marketing Development Assistance is provided to consultancy organisations which are registered with FIBO for undertaking market studies, opening of foreign offices, publicity campaigns and feasibility studies.

(v) Under Section 80-O of the Income Tax Act, consultancy organisations are entitled to the deduction upto 50% of the net foreign exchange earnings in computing total income.

(vi) EXIM BANK has introduced a scheme under which deferred payment facilities are available from EXIM BANK in respect of consultancy jobs to be undertaken from India.

(c) The types of consultancy services being exported from India include; technical consultancy, economic consultancy, management consultancy and financial consultancy.

**Internal sale and export of coffee**

3849. SYED SHAHABUDDIN : Will

the Minister of COMMERCE be pleased to state :

(a) the quantity of coffee released for internal sale during 1983, 1984 and 1985;

(b) the per unit price for internal release;

(c) the average export price during these years;

(d) the quantity of coffee purchased by the USSR; and

(e) the export duty per unit during those years?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (e) A statement is attached.**

**Statement**

Item	1983	1984	1985
1	2	3	4
1. Qty. released for internal sale (in tonnes)	62770	57824	69100
2. Mean Average Prices secured for main varieties in domestic auctions. (In Rs. per tonne)			
Plantation 'A'	13665	15620	17025
Ar. Cherry 'AB'	11455	14830	14990
Rob. Cherry 'AB'	11245	16635	14585
3. Average Unit Value realisation on exports (Rs. per tonne)	21006	25898	*23963 (Prov)
4. Exports to USSR :			
Green Coffee (in tonnes)	27000	18500	35000
Instant Coffee converted into raw coffee equivalent (in tonnes)	3942.3	3237.7	2639.3

1

2

3

4

5. Rates of Export Duty prevalent per tonne

@ Rs. 5300

1.1.84 to

1.1.85 to

6.5.84

28.4.85

@ Rs. 5300

@ Rs. 7200

7.5.84 to

29.4.85 to

8.10.84

9.6.85

@ Rs. 6400

@ Rs. 5700

9.10.84 to

10.6.85 to

31.12.84

1.8.85

@ Rs. 7200

@ Rs. 4150

2.8.85 to

31.12.85

@ R. 3000

Opening of a branch of Reserve Bank at Siliguri (W.B.)

3850. SHRI AMAR ROYPRADHAN: Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to open a branch of the Reserve Bank of India at Siliguri, West Bengal to avoid inconvenience to the public;

(b) if so, the details thereof; and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY) : (a) Reserve Bank of India has reported that it has no proposal under consideration to open a branch at Siliguri, West Bengal.

(b) Does not arise.

(c) According to Reserve Bank of India it is having an office in the State Capital of West Bengal at Calcutta which caters to the banking needs of the entire State of West Bengal.

Decline in Inflow of tourists from abroad

3851. SHRI P.M. SAYEED: Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that inflow of tourists from foreign countries has been on the decline during the last two years as compared to previous years;

(b) whether it is also a fact that the number of Indian tourists is also going down;

(c) if so, the reasons therefor;

(d) the steps proposed to be taken to strengthen tourism infrastructure at the State level; and

(e) the measures adopted to encourage weaker sections of the society in India to undertake tours whenever they get time ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) Foreign tourist arrivals (excluding nationals of Pakistan and Bangladesh) during the last 3 years are as given below :—

Year	Number
1983	884,731
1984	835,503
1985	836,908

(b) No statistics are available in this regard.

(c) The decline in foreign tourist arrivals was mainly due to the adverse media coverage of some of the unfortunate events in India during the latter half of 1984 and the first half of 1985.

(d) The basic approach for the development of tourism infrastructure is to mobilise the resources of the Central and State Governments, public institutions and private entrepreneurs.

(e) Special emphasis is being given for the promotion of domestic tourism and creation of infrastructure to cater to the needs of low/middle income group of tourists. One recent initiative of the Central Government in this regard is to introduce a scheme for constructing Yatri Niwas in various places of tourist importance in the country. Also State Tourism Corporations have been asked to organise cheap packages and many are already operating such packages.

**Case against Officials of Food Corporation of India**

3852. SHRI C. MADHAV REDDI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of cases booked against the officers of the Food Corporation of India in the year 1985;

(b) the number of officials dismissed; and

(c) the number of cases pending at present ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) :** (a) 609

(b) 42

(c) 954 (As on 31.1.1986)

**Installation of weigh-bridges in Food Corporation of India**

3853. SHRI C. MADHAV REDDI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of weigh-bridges installed by the Food Corporation of India in the country;

(b) the approximate cost of these installation of these weigh-bridges;

(c) whether Government expect to save any amount by these installations;

(d) if so, how much; and

(e) how many weigh-bridges are installed in Andhra Pradesh ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) As on 28.2.1986, 257 Weigh-Bridges have been installed by the Food Corporation of India.

(b) The approximate value of all the Weigh-Bridges installed so far is Rs. 3 crores.

(c) and (d) Installation of Weigh-Bridges will ensure 100% weighment of stock resulting in effective control on operational losses which in turn will contribute to substantial savings. However it is not possible to quantify the savings in this context.

(e) 17 Weigh-Bridges have already been installed in Andhra Pradesh.

**Proposed to start international marketing Centre at Cochin**

3854. SHRI P.A. ANTONY : Will the Minister of COMMERCE be pleased to state :

(a) whether the Trade Fair Authority of India has any proposal to start an international marketing centre at Cochin; and

(b) when the Centre is likely to be opened ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) No, Sir.

(b) Does not arise.

**Promotion of tourism in Karnataka during Seventh Five Year Plan**

3855. SHRI SRIKANTA DATTA NARASIMHARAJA WADIYAR : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the amount earmarked during the Seventh Five Year Plan for the promotion of tourism in Karnataka;

(b) the various tourism development schemes proposed to be implemented in Karnataka during Seventh Plan; and

(c) the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) Rs. 700.00 lakhs have been earmarked for tourism under State sector for the Seventh Five Year Plan.

(b) and (c) The tourism development schemes proposed to be implemented are creation of tourist accommodation and management of tourist lodges, opening of regional tourist offices and information centres, creation of tourist statistical cell and tourism training institute, production of publicity material and organising exhibitions, resurrection of Hampi, development of beach resort, sports tourism, provision of tourist infrastructure facilities and way-side facilities on the Highways, organising package tours and development of ground facilities for tourist transport.

**Inspection of foreign fishing boats by Customs**

3856. SHRI SOMNATH RATH : Will the Minister of FINANCE be pleased to state :

(a) whether government have taken adequate safeguards to ensure that foreign chartered fishing boats are inspected in our harbours;

(b) The existing procedure for inspec-

ting their catch by Customs officials before departure to foreign ports; and

(c) the steps being taken to institute proper and effective safeguards by Customs to prevent illegal activities by foreign boats ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANNARDHANA POOJARY) : (a) and (b) The foreign fishing boats are reported to be inspected by a designated officer of the Ministry of Agriculture. The catch is inspected by Marine Products Export Development Authority and on the basis of the certificate issued by them the declaration in the Export Documents is checked by Customs officials before departure of the foreign fishing vessels. Customs, however, carry out random inspection of the vessels as a safeguard against smuggling activities.

(c) In view of (a) and (b) above, (c) does not arise.

**Visit of Belgian Trade Delegation**

3857. SHRI SOMNATH RATH : Will the Minister of COMMERCE be pleased to state :

(a) whether Belgian Trade Team visited India recently;

(b) if so, the nature of discussion held with the trade team ; and

(c) the outcome thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) and (c) A Belgian mission on energy led by the Belgian Minister of State for foreign Trade visited India between 3-7 March, 1986. The purpose of the mission was to discuss possible areas of Indo-Belgian cooperation and transfer of technology in the energy sector.

**Looting of banks in Punjab**

3858. SHRI SOMNATH RATH : SHRI PRAKASH V. PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that banks located in Punjab are very frequently looted by extremists;

(b) if so, the amount so far looted from various branches of banks in Punjab since 1985 till date; and

(c) the steps being taken by Government to stop such recurrence ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b) Information regarding bank robberies/dacoities that occurred in branches of public sector banks in Punjab and the amount involved therein during the period January, 1985 to February, 1986 as reported

by Reserve Bank of India, is given in the attached statement.

(c) A High Power Working Group had been set up by Government to critically review security arrangements in banks and to make suggestions for improvements therein. The report of the Group was sent to all public sector banks and State Governments/Union Territory Administrations for implementation. Banks have been implementing the measures recommended by the Working Group in a phased manner for providing greater security for branches. In addition, Reserve Bank of India have advised all public sector banks regarding steps for strengthening security arrangements in their branches in Punjab, including installation of alarm systems and posting of armed guards wherever necessary on a high priority basis.

#### Statement

Information regarding bank robberies/dacoities that occurred in public sector banks in Punjab during the year 1985 and upto February 1986 and the amount involved therein as reported by Reserve Bank of India.

Sl. No.	Name of the bank & branch	Date of occurrence	Amount involved (Rs. Lakhs)
1	2	3	4
<b>1985</b>			
1.	State Bank of Patiala, Sikh National College Ext. Counter, Dowal.	16.1.85	0.08
2.	New Bank of India, Manak-wahad Dist. Jullundhar	12.2.85	0.11
3.	State Bank of Patiala, Jalaldiwal. Dist. Sangrur.	2.5.85	0.54
4.	Indian Overseas Bank, St. Francis School, Amritsar.	11.6.85	0.10
5.	Punjab & Sind Bank, Khiala Kalan, Distt. Amritsar.	21.6.85	0.14
6.	Punjab & Sind Bank, Barundi, Dist. Ludhiana.	5.7.85	0.27
7.	State Bank of Patiala, Bangowani Kunjor Dist. Gurdaspur.	15.10.85	0.10

1	2	3	4
8.	Indian Overseas Bank, Ludhiana Industrial Estate.	6.12.85	15.2
9.	Oriental Bank of Commerce, Dandhar, Teh. Moga Dist. Faridkot.	19.12.85	0.10
10.	State Bank of Patiala, Goniana Bhatinda.	22.12.85	2.90
Total			<u>5.86</u>
<b>1986 (upto February 1986)</b>			
1.	State Bank of Patiala, Bhuchkalan, Dist. Bhatinda.	1.2.86	0.37
2.	New Bank of India, Taran Taran, Dist. Amritsar.	8.1.86	4.00
3.	Punjab National Bank, Shahapur Jajan, Gurdaspur.	30.1.86	0.36
4.	Canara Bank, Boota Mandi, Dist. Jullundhar.	8.2.86	0.98
5.	Punjab & Sind Bank, Nathuwala West, Dist. Faridkot.	26.2.86	0.62
Total			<u>6.33</u>

(Data provisional)

**Control over working of private non-banking companies**

3859. SHRI T. BALA GOUD : Will the Minister of FINANCE be pleased to state :

(a) the number of Private non-banking companies operating in the country having deposits of more than rupees one crore;

(b) whether any complaints have been received by Government about such companies;

(c) the role of Reserve Bank of India in controlling working of such institutions;

(d) whether any such companies in Andhra Pradesh are cheating the public;

(e) if so, the details thereof and the steps being taken by Government to safeguard the interests of the citizens; and

(f) whether, keeping in view the high resource requirement of the Seventh Five Year Plan, there is any proposal to utilise the resources available with these institutions ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANA-RDHANA POOJARY) :** (a) to (f) Information is being collected and to the extent available and permissible under the statutes will be laid on the Table of the House.

**D.A. Instalments to Central Government Employees.**

3860. SYED SHAHABUDDIN : Will

the Minister of FINANCE be pleased to state :

(a) the dates when instalments of additional dearness allowance fell due for Central Government employees during the year 1985;

(b) the dates when these instalments were announced and sanctioned; and

(c) the increase in the cost of living index between the date of falling due and the date of sanction during that period ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) The following instalments of Additional Dearness Allowance were sanctioned to the Central Government employees during the financial year 1985-86:

Date from which instalments fell due	Date on which orders regarding payment of DA instalments were issued
1-5-1985	2-9-1985
1-8-1985	15-1-1986
1-11-1985	
1-1-1986	28-2-1986

(c) The details regarding increase in the cost of living index between date of an instalment falling due and the date of sanction of the instalment during that period is as under :—

Index level of CPI at which D.A. instalment fell due	The level of CPI on the date when due instalment was sanctioned	Increase in the C.P.I.
594 (1-5-1985)	618	24 points
615 (1-8-1985)	630	15 points
625 (1-11-1985)	630	5 points
630 (1-1-1986) CPI for the month of February, 1986 not yet available.		

**Submission of periodical report by branches of Public Sector Banks**

3861. SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) whether each branch of a public sector bank submits a periodical report on the number of applications received, sanctioned and amount disbursed;

(b) whether the district administration has been authorised to monitor the progress of credit flow; and

(c) whether public representatives are associated with supervision of credit flow ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Branches of Public Sector Banks are required to submit reports to their controlling offices as well as to the lead bank regarding number of applications received, sanctioned, disbursed and pending under priority sector lendings.

(b) In the case of Integrated Rural Development Programme and Scheme for Self-Employment for the Educated Unemployed Youth, banks are required to furnished data to District Rural Development Agencies and District Industries, Centres, respectively. The District level consultative

ttee and its Standing Committee meet periodically to monitor the progress of flow of credit to priority sector.

(c) The State Governments were advised to constitute block level advisory committees with local MLAs being included as members, for recommending measures to ensure smooth flow of credit, under Integrated Rural Development Programme. At the district level also the district level review committee having local representatives, has been assigned the task to review the flow of credit under the Annual Action Plan.

**Supply of essential commodities under tribal sub-plan to Bhutia Lepcha**

3862. **SHRIMATI D. K. BHANDARI** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether his Ministry is aware that the Tribal Sub-Plan under which Tribal people viz. Bhutia and Lepchas get wheat and rice at subsidised rate, covers only 50 per cent of tribal people; and

(b) if so, what concessional proposals are there for the tribals who are residing outside notified B/L (Bhutia Lepcha) constituencies and other people who live in scattered villages and also below poverty line ?

**THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A. K. PANJA) :** (a) to (c) The scheme of supply of wheat and rice at specially subsidised prices is presently restricted to the population living in the Integrated Tribal Development Project areas and the tribal majority States. Other schemes in operation are expanded coverage of the Rural Employment Programmes and additional support to the Supplementary Nutrition Programme for young children, pregnant women and nursing mothers.

**Increase in export price of iron-ore**

3863. **SHRIMATI JAYANTI PATAIK** : Will the Minister of COMMERCE be pleased to state :

(a) the sale prices of iron ore in the country;

(b) the rate at which iron ore is exported to Japan and other countries;

(c) whether there is a need to raise the export prices of iron ore in view of the rising cost of transport; and

(d) if so, the steps being taken in the matter ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Minerals & Metals Trading Corporation supplies iron ore to domestic steel plants at a price ranging from Rs. 67.50 to Rs. 90/- per DMT depending upon sectors concerned.

(b) Export prices of Indian iron ore to various countries vary depending upon the grade of the ore to be shipped, competitiveness in terms of the landed price in the country of import, port of loading in India etc. MMTC's prices for 1985-86 for export to Japan for Bailadilla fines is 26.23 US Cents and for Bailadilla lumps is 30.73 US Cents per 1% of Fe FOB per DLT. Prices of iron ore of all other grades and sectors for export to Japan and other countries are generally derived from above prices keeping in view other relevant factors.

(c) and (d) Yes, Sir. However, supply of iron ore in international market is very much in excess of demand dealing to severe competition and depressed prices. For competing in the international market, our sale prices have to be in line with the prices offered by other leading producers like Brazil and Australia.

**New Cash Compensatory Support scheme**

3864. **SHRIMATI JAYANTI PATAIK** : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have decided to introduce a new Scheme of Cash Compensatory Support for exports;

(b) if so, when such a scheme is going to be launched;

(c) the major products groups likely to be covered under the above scheme; and

(d) the salient features of the new scheme?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Yes, Sir.

(b) 1st July, 1986.

(c) The major product groups to be covered under the new CCS scheme will be Engineering Goods, Chemicals and Allied Products, Plastic Goods, Processed Foods, Marine Products, Agricultural Products, Leather Goods, Jute goods, Sports Goods Handicrafts, Textiles, etc.

(d) The salient features of the new CCS Scheme are as follows:

- (i) In respect of industrial products, reimbursement of un-refunded indirect taxes will continue to be the main element for determining the CCS rates. However, the cascaded structure of taxation will also be taken into account.
- (ii) Compensation for product/market development will be given only in a highly selective manner on the basis of a phased out programme.
- (iii) For agricultural items, such as fruits and vegetables which are perishable in nature, a special element of compensation will be provided for the high cost of transportation within India.
- (iv) For Handicrafts items, the value added by labour will be one of the main factors to be considered for determining the CCS rates.
- (v) The restriction regarding grant of CCS not being allowed to exceed 25% of the value-added i.e. f.o.b. realisation less REP entitlement (under the Import Policy for Registered Exporters) will continue.

(vi) The present policy for granting CCS on certain categories of supplies within India treating them as deemed exports will continue.

*[Translation]*

**Applications for assistance under Self Employment Scheme forwarded by District Industry Centre, Santhal Pargana (Bihar)**

**3865. SHRI SALAHUDDIN :** Will the Minister of FINANCE be pleased to state:

(a) the number of cases forwarded by District Industries Centre, Santhal Pargana, Bihar, during the last three years upto 31 December, 1985 for providing assistance under the self-employment scheme to each branch of the banks in this district:

(b) the number of persons provided with such assistance as on 31 December, 1985 and the number of those cases in which the assistance has not been given; and

(c) the time by which assistance will be provided in all the cases and the details in this regard?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b) Under the Scheme for providing Self-Employment to the Educated Unemployed Youths, the number of applications recommended by the District Industries Centre in Santhal Pargana District to banks were 2031 and 1517 for the years 1983-84 and 1984-85 respectively. Out of the above, the number of applications sanctioned by banks were 491 and 598 for the years 1983-84 and 1984-85 respectively. Information for the year 1985-86 has not yet been reported.

(c) Under the Self-Employment Scheme the banks can sanction cases upto the target assigned to them. Under the revised procedures the District Industries Centres have been advised not to recommend more than 10% of the applications over and above the target fixed for the bank branches for sanction under the scheme.

The loan proposals are to be disposed of by the bank branches within 14 days from the date of receipt of applications. Time frame for the release of the assistance mainly depends upon the taken time for the procurement of the assets and the phased requirements of the working capital.

**[English]**

**Assistance by banks to victims of riots and disturbances**

3866. SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has issued guidelines to the banks for providing relief and rehabilitation systems to the victims of riots and disturbances;

(b) if so, brief particulars of the schemes under operation;

(c) the total amount sanctioned as loan by the banks to such victims during 1984-85 and 1985-86, State-wise break-up thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JARNARDHANA POOJARY): (a) and (b) Yes, Sir. Brief particulars of the important facilities given to the persons affected by riots and disturbances are as under :

(i) Loans for replacement of essential household effects could be sanctioned upto Rs. 5000/- per family carrying interest at 12.5 per cent per annum repayable in a period of three to five years.

- (ii) Advances would be sanctioned for repairs/reconstruction of houses on the basis of assessed damage. These advances would carry a concessional rate of interest of 12.5 per cent
- (iii) Credit at a concessional rate of 12.5 per cent would also be available to truck and transport operators whose vehicles were destroyed or damaged in the disturbances.
- (iv) Advances would be available to retail traders whose shops had been destroyed, for continuing/restarting their business upto the limit of Rs. 5 lakhs carrying a concessional rate of interest of 12.5 per cent.
- (v) Fresh advances to small scale industrial units damaged/destroyed would also be sanctioned upto a limit of Rs. 5 lakhs at a concessional rate of 12.5 per cent to be repaid in three interest of to five years.
- (vi) No margins would be stipulated for loans upto Rs. 25,000/- For advances over Rs. 25,000/- grants/subsidy given by Government would serve as the margin. In cases where no grant/subsidy is given by the Government the margin would be built up gradually after the borrower had started acquiring income on a regular basis.

(c) The State-wise data as at the end of March, 1985 and December, 1985 (Cumulative) is set out in the attached Statement.

**Statement**

**Annexure**

**State-wise position on amount sanctioned to riot affected persons.**

States/Union Territories	As at the end of March, 1985 Total amount sanctioned	As at the end of December, 1985 Total amount sanctioned
(Amount in lakhs)		
Gujarat	4.09	

Delhi	2962.04	3404.98
Himachal Pradesh	29.88	45.27
Punjab	—	39.00
West Bengal	115.64*	52.94**
Rajasthan	4.35	8.18
Madhya Pradesh	613.50	732.77
Uttar Pradesh	759.32	829.61
Bihar	162.13	255.21
Maharashtra	138.67£	60.88££
Tamil Nadu	9.74	—
Jammu & Kashmir		18.68

\* 16 Banks Reporting

\*\* 9 Banks Reporting

£ 8 Banks Reporting

££ Few Banks Reporting

Data : Provisional

Source : Reserve Bank of India

#### Development of non-mulberry silk areas

3867. DR. T. KALPANA DEVI : Will the Minister of TEXTILES be pleased to state :

(a) whether suggestions for development of non-mulberry silk areas have been received by Government from the Silk Manufacturers' Association of India;

(b) if so, action/decision taken by Government thereon; and

(c) whether Government propose to encourage improvement of Tusser silk in view of its vast untapped potential and thus help improve economic condition of the people ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

(b) Does not arise.

(c) Yes, Sir.

#### Retrenchment of labour force of Food Corporation of India

3868. DR. D.N REDDY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have decided to retrench 6465 labour force of Food Corporation of India as a measure to save non-plan expenditure as reported in 'Economic Times' of 3 March, 1986;

(b) whether this figure was arrived at by the Food Corporation of India management itself after a detailed study;

(c) whether Government have undertaken similar studies for his Ministry and its subordinate offices also; and

(d) if so, the action proposed to save non-plan expenditure drastically?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b) The

Government have approved retrenchment of only the departmental labour of FCI working at major ports as the imports and exports operations of FCI have shrunk in size considerably. This will bring savings of about Rs. 23 crores every year which the FCI was incurring towards payment of idle wages to this labour.

(c) Yes, Sir.

(d) About 200 posts have been identified for surrender in both the Departments of Food & Civil Supplies with a view to reducing expenditure.

#### Effects of raids on diamond trade

3869. SHRI D.N. REDDY : Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that recent Income Tax raids may halt diamond trade which is flourishing and bringing in sizeable foreign exchange, earnings and employment of workers;

(b) if so, the corrective steps taken/proposed, if any;

(c) whether trade has been following Central Board of Direct Taxes guidelines for book-keeping; and

(d) whether Government propose to introduce computers to simplify the tedium of accounts?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Income-tax Department has conducted searches in the cases of diamond dealers on receipt of specific information regarding transactions outside the account books & seized only unaccounted diamonds acquired out of undisclosed sources. Accordingly there is no possibility of genuine diamond trade being affected by Income-tax searches.

(b) Does not arise.

(c) It is not possible to say whether the diamond traders are following the Central Board of Direct Taxes guidelines issued in respect of maintenance of accounts. But Income-tax Department is

making seizures only in cases where account books, are not maintained as per these guidelines and/or where stock found is not reflected in the account books.

(d) Income-tax Department is introducing computers in a phased manner to simplify the tedium of accounts.

#### Income-tax on insurance claims paid in excess of written value of machinery

3870. SHRI ANANDA PATHAK : Will the Minister of FINANCE be pleased to state :

(a) when insurance claims are paid in excess of the written value of machinery is the excess taken as income for computing income-tax;

(b) when insurance claims are paid in excess of the purchase value, does the excess amount attract income-tax or capital gains; and

(c) what is the excess insurance claims over the purchase value in case of Pure Drinks, Mohan Machines, Kool Crowns and Cee Jay Crowns?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) The information is being collected and will be laid on the Table of the House as soon as it is received.

#### World Bank's policy towards developing and developed countries

3871. DR. SUDHIR ROY : Will the Minister of COMMERCE be pleased to state :

(a) whether the World Bank has been advising the less developed countries to follow a policy of free trade;

(b) whether the World Bank gives same advice to the developed countries like, USA etc. which actually follow severe restrictive trade policies;

(c) whether India has advised or proposes to advise the World Bank to follow

a uniform policy towards developing as well as developed countries; and

(d) whether India's policy of unilateral liberalisation of imports has contributed to the country's balance of trade deficit and to what extent?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER):** (a) to (c) As far as India is concerned interaction with the World Bank is within the framework of the Bank's Articles of Agreement and in conformity with India's national economic policies and priorities. We are not aware of the policy prescriptions that the Bank may be making in relation to other countries.

(d) The trade deficits during last four financial years and upto September, 1985 have been as follows :

Year	In Rs. Crores
1981-82	5802
1982-83	5503
1983-84*	5891
1984-85*	5435
April-Sept. '85*	4124

\*Figures are provisional.

The import policy is framed keeping in view the overall foreign exchange position and the needs of the economy. The trade deficit is attributable mainly to import of bulk items such as petroleum and petroleum products, fertilizer, edible oils, iron & steel and sugar.

*[Translation]*

**Exemption of Income-tax to Birla Institute of Technology, Mesra, Ranchi for conducting research work**

3872. **SHRI VIJOY KUMAR YADAV :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that Orient Paper Mill, Brijraj Nagar (Orissa); Orient Paper Mill, Ambala (Madhya Pradesh); Hindustan Motors, Uttar Para (West Bengal) have been enjoying exemption of Income-tax on the amount being spent on research work;

(b) whether exemption in income-tax has been given to the Birla Institute of Technology, Mesra, Ranchi in the name of conducting research work;

(c) whether the Birla Institute of Technology, Mesra have neither mentioned about the amount of expenditure in this regard in their annual budget nor they have got conducted any such research work;

(d) if so, whether Government propose to conduct a high level enquiry into the matter of exemption in the income-tax, giving full details of concerned research work; and

(e) if so, when ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JARNARDHANA POOJARY):** (a) to (e) The information is being collected and will be laid on the Table of the House as soon as it is received.

*[English]*

**New projects for development of tourism in 1984-85 and 1985-86**

3873. **SHRI C. P. THAKUR :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the new projects for development of tourism taken up during 1984-85 and proposed to be taken up in 1985-86; and

(b) whether any project from the Government of Bihar has been included in the list ?

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** (a) and (b) Development of tourism facilities is a continuous

process involving the combined efforts of the Centre, the State & the private sector. Projects are taken up by the Department after evaluation, depending upon the potential, availability of funds and inter-se priority. During 1984-85 the Department released funds for 45 Central schemes that included three projects in Bihar. During 1985-86 the Department has so far taken up 65 projects out of which two projects are in Bihar.

**Income Tax, & Excise Customs cases pending in courts**

3874. SHRI KAMLA PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether customs raids and investigations yield large scale prosecution but the income-tax raids on the other hand are rendered infructuous as they are usually litigated and in the absence of concrete evidence that a suspect deliberately tried to cheat Government, courts decide against criminal convictions;

(b) if so, how Government propose to deal with the situation;

(c) how many cases of income-tax, central excise, customs etc. are locked up in the courts, since when and what steps have been taken to expedite their finalisation; and

(d) whether there is any proposal for the creation of special income-tax courts ?

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

**Raids at residences of officials of the Office of Joint Chief Controller of Imports and Exports**

3875. SHRI BANWARI LAL PUROHIT : Will the Minister of COMMERCE be pleased to state :

(a) whether the Central Bureau of Investigation (CBI) has recently raided at the residential premises of the official of the office of the Joint Chief Controller of Imports and Exports at Bombay as reported in the news papers of 20th February, 1986;

(b) if so, the details of the officials on whom raids were conducted and full details of incriminating documents and fixed deposits receipts, etc, seized during the raids; and

(c) the action contemplated by Government against the officials of the office of the Chief Controller of Imports and Exports in this regard ?

**THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) :** (a) Yes, Sir.

(b) A statement is attached.

(d) The investigation of these cases by the CBI is in progress.

Sl. No.	Case No. & Date	Name of accused	Allegation in brief	Statement		Present Position
				1	2	
1	RC. 54/85-BOM dt. 31.10.85	1. Sh. P. G. Manshani (Retired) 2. Sh. H. R. Chaswal 3. Smt. P. L. Rebello 4. Sh. A. V. Ramam- urthy, Controller in the office of Jt. Chief Controller of Imports and Exports, Bombay.	The accused officials mechanically endors- ed the import licen- ces under para 138 without referring the relevant documents for the reasons best known to them and caused pecuniary gain (wrongful) to certain parties in Bombay.		Searches were conducted on the residential premi- ses of the officials of Jt. CCI & E, Bombay dur- ing February '86, details of which is as under :-  A—1 : Few incriminating documents seized.	
					A—1 : Cash in Bank Cash in hand VCR, TV valuing	Rs. 1,50,000 Rs. 20,000 Rs. 6,400
					A—3 : Household articles valuing	Rs. 38,468
					Gold ornaments : 13.7 grams FDRs	Rs. 40,000
					National Savings Certificates Cash in Bank two flats purchased in 1966	Rs. 1,400 Rs. 6,000 Rs. 20,000
					A—4 : Cash in hand Cash in Bank Fiat car Scooter	Rs. 4,000 Rs. 1,500 Rs. 20,000
					MMM 7335	

2 RC.15/86-BOM  
Dt. 14.2.86  
Shri K.M. Balakrishnan Controller,  
O/o Joint Chief Controller of Im-  
ports & Exports  
Bombay (GO.B)

The accused mechanically endorsed the import licences under para 138 without referring the relevant documents for the reasons best known to him and caused pecuniary gain (Wrongful to certain parties in Bombay).

A-1 : National Saving Certificates. FRDS Cash in hand Cash in Bank Flat Household articles Shares Gold ornaments.

Rs. 42,000	Rs. 5,000	Rs. 38.50	Rs. 58,900	Rs. 42,000
Rs. 69,700	Rs. 86,430			Rs. 40,000

Case is under investigation.

**Setting up of flour mills in Haryana**

3876. SHRI CHIRANJI LAL SHARMA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of applications received for setting up of flour mills in Haryana upto December, 1985; and

(b) action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b) The general policy of the Central Government since May, 1980 has been not to permit establishment of new roller flour mills. However, keeping in view the present easy availability of wheat in the country, the above policy has been reviewed and it has been decided to permit a limited number of new units of capacity up to 30 MTs per day to be set up in States/Union Territories. The State Governments have been advised to obtain applications from entrepreneurs for grant of permission and forward them to Central Government before 30.4.1986, for further consideration. The requests received for establishment of new units in Haryana before 26.12.1985 were rejected in accordance with the policy then prevailing. The applications now being received will be considered after 30th April, 1986.

**Subsidy on rice paid to States and Union Territories**

3877. SHRI BRAJA MOHAN MOHANTY : Will the Minister of FOOD

AND CIVIL SUPPLIES be pleased to state :

(a) the amount of subsidy on rice provided to each State and Union Territory by the Union Government for distribution of rice through Public Distribution System during 1985-86;

(b) the subsidy contributed by the Union Government to the rice sold at Rs. 2/- per kg. in Andhra Pradesh and the contribution of the State for subsidy;

(c) whether Government have examined the subsidy scheme of sale of rice at Rs. 2/- per kg. in Andhra Pradesh and the reaction of Government thereto; and

(d) whether the subsidy scheme of Andhra Pradesh selling rice at Rs. 2/- per kg. will be laid on the Table ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b) A statement showing state-wise, the off-take of rice from the Central Pool for the public distribution system and the amount of consumer subsidy, thereon, during 1985-86, is attached.

The Government of Andhra Pradesh have reported that in 1985-86 their subsidy on the rice sold at Rs. 2.00 per kg. will be around Rs. 176.64 crores.

(c) No, Sir.

(d) Does not arise.

**Statement**

Statement showing the off-take of rice from the Central Pool and the amount of subsidy thereon during 1985-86 (April 85 to January 86)

Name of the State/  
Union Territory

Quantity lifted\*  
(in metric tonnes)

Subsidy\*  
(in Rs./crores)

1

2

3

Andhra Pradesh

8,62,000

68

1	2	3
Assam	8,62,000	21
Bihar	21,000	2
Gujarat	91,000	7
Haryana	8,000	1
Himachal Pradesh	35,000	3
Jammu & Kashmir	79,000	6
Karnataka	3,54,000	28
Kerala	11,98,000	94
Madhya Pradesh	1,82,000	14
Maharashtra	3,24,000	26
Manipur	21,000	2
Meghalaya	74,000	6
Nagaland	40,000	3
Orissa	61,000	5
Punjab	2,000	0.2
Rajasthan	6,000	0.5
Sikkim	25,000	2
Tamil Nadu	3,77,000	30
Tripura	76,000	6
Uttar Pradesh	1,46,000	12
West Bengal	6,02,000	47
Andaman & Nicobar Islands	7,000	1
Chandigarh	3,000	0.2
Arunachal Pradesh	33,000	3
Dadra & Nagar Haveli	300	0.02
Delhi	1,21,000	10
Goa, Daman & Diu	30,000	2
Mizoram	50,000	4
Pondicherry	8,000	1

\*The figures are provisional and approximate.

**Subsidy to Andhra Pradesh on foodgrains**

3878. SHRI BHATTAM SRIRAMA MURTY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Union Government was giving about one hundred crores to Andhra Pradesh by way of subsidy on foodgrains;

(b) if so, the details of the above amount of subsidy as stated by him recently at Hyderabad;

(c) the over all quantum of sarees and dhoties supplied by the Andhra Pradesh State Government and to what extent the Centre is offering subsidy; and

(d) the similar figures for distribution of rice at Rs. 2 per kg in Andhra Pradesh

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) and (b) During the 1985 calendar year, 9.78 lakh tonnes of rice and 3.75 lakh tonnes of wheat were lifted by Andhra Pradesh from the Central Pool at the Central issue prices for distribution through their public distribution system and other schemes. The Central subsidy on rice was about Rs. 77 crores and on wheat about Rs. 25.5 crores.

(c) and (d) The schemes are of the State Government.

**Proposal to increase Income Tax exemption limit for the purpose of sale of property.**

3879. DR. K.G. ADIYODI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the seller of a landed property upto Rs. 50,000/- is not required to produce income tax clearance certificate to the registering authority to register a sale deed;

(b) whether Government are aware that to avoid production of income tax

clearance certificate to the registering authority the sale value of property is kept below Rs. 50,000/- even though the actual sale is much higher in order to evade stamp duty and registration fee;

(c) if so, whether Government propose to increase the limit of Rs. 50,000/- to at least Rs. one lakh; and

(d) if not, the steps proposed to curb evasion of stamp duty & registration fee ?

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

(b) No material in the form of empirical evidence is available with the Income-tax Department which can establish a nexus between the requirement of a certificate under section 230A of the Income-tax Act and the evasion of stamp duty and registration fees. However, in order to avoid hardship likely to be caused to small immovable property holders and to effectively manage the workload, it is necessary to have a prescribed limit for the production of income-tax clearance certificate to the registering authorities.

(c) The proposal to increase the existing limit under section 230A of the Income-tax Act is under the consideration of the Government.

(d) Stamp duty on instruments connected with sale of landed property is a State subject of taxation under Entry 63 of the State List-II of the Seventh Schedule of the Constitution. The revenue from stamp duty has been assigned to the States who collect and retain the proceeds of such duty. The Indian Registration Act, 1908, is also administered by the State Governments. Hence it is for the State Government concerned to take remedial measures relating to evasion of stamp duty and registration fees.

**Request of Andhra Pradesh Government for permission to procure rice through F.C.I.**

3880. SHRI E. AYYAPU REDDY

Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government of Andhra Pradesh have requested the Union Government to permit it to procure 27 lakh tonnes of rice through the Food Corporation of India and to permit the State Government to utilise 22 lakh tonnes for the State's requirement especially to supply subsidised rice to people below poverty line;

(b) whether Union Government have agreed to the said proposal; and

(c) if not, the reasons for not agreeing the said proposals ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF FOOD AND CIVIL SUPPLIES (SHRI A.K. PANJA) : (a) Yes, Sir.

(b) No, Sir.

(c) The procurement of such a large quantity in a rice consuming State, in the context of present production, would not be conducive to the food economy of the region.

#### **Stringent action against coin hoarders**

3881. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have asked the State Governments to take stringent action against coin hoarders;

(b) if so, whether in a communication to the Chief Ministers he has pointed out that adequate steps including imports of coins to enhance availability have been taken; and

(c) if so, the other points raised by him in his communication ?

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

(b) Yes, Sir.

(c) The other points covered in the communication were :—

(i) steps taken to increase the production of coins such as introduction of incentive schemes in the Mints, increase in the working hours, introduction of a second shift in the Calcutta Mint etc., and

(ii) steps being taken to establish a new Mint at NOIDA, U.P.

#### *[Translation]*

#### **Relief to synthetic yarn industry**

3882. SHRI C. JANGA REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government had given relief to the tune of Rs. 131 crores to synthetic yarn industry but this relief did not percolate to the consumer; and

(b) if so, the facts thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b) In regard to the reliefs given to textile industry in August 1985, the N.T.C. mills manufacturing low price fabrics under the 'Sulabh Cloth Scheme' have passed on the benefits of duty concessions to the consumers. The duty reliefs have also had an impact on prices of certain textile items and the price situation of textiles has generally been satisfactory during the year 1985-86. However, in certain areas, the benefits have reportedly not been passed on entirely to the consumers.

11.59 hrs.

#### *[English]*

PROF. K.K. TEWARY (Buxar) : Sir it is a very important matter. I have seen in newspapers today and I have sent a notice also. The Press has reacted

very violently to a very innocuous observation made by you in the House.

PROF. MADHU DANDAVATE (Rajapur) : Sir, I am on a point of order.

PROF. K.K. TEWARY : This House is supreme.

SHRI K. P. UNNIKRISHNAN : (Badaga) : I have given a notice.

MR. SPEAKER : I have got it.

PROF. MADHU DANDAVATE : Sir, I am on a point of order.

MR. SPEAKER : On this ?

PROF. MADHU DANDAVATE : I am raising a point of order regarding this.

PROF. K.K. TEWARY : Let me finish my submission. After that you can raise.

PROF. N.G. RANGA (Guntur) : Before his point of order, let him make his point.

PROF. K.K. TEWARY : Mr. Speaker, everybody respects the freedom of the press, but, Sir, the sovereignty of the House...

(Interruptions)

SHRI K.P. UNNIKRISHNAN : Has he given any notice ?

PROF. K.K. TEWARY : I have given notice.

MR. SPEAKER : Might be. But Mr. Unnikrishnan's notice has come to my knowledge. Prof. Tewary, have you also given notice ?

(Interruptions)

PROF. K.K. TEWARY : You have called me first, Sir.

(Interruptions)

MR. SPEAKER : No, no. He has given notice, I have received that, Let him ask.

(Interruptions)

12. hrs.

MR. SPEAKER : No, no. I was asking you whether you have also given notice of the privilege motion.

PROF. K.K. TEWARY : Under the rules and under the Constitution, your observations cannot be challenged.

(Interruptions)

SHRI K.P. UNNIKRISHNAN : have given notice of privilege.

MR. SPEAKER : It seems he has also given. I will listen to you.

(Interruptions)

PROF. MADHU DANDAVATE : am on a point of order, Sir.

MR. SPEAKER : What is your point of order, Sir ?

PROF. MADHU DANDAVATE : Let him finish and then I will raise the point of order.

(Interruptions)

PROF. K.K. TEWARY : My submission is that under the rules of the House and under the Constitution your observation cannot be questioned outside the House, cannot be made a matter of controversy. We all respect freedom of the press, but the attempt of the press to gag the Speaker and the cast aspersions on the Speaker, this question must be decided once for all.

MR. SPEAKER : That is all right, you have made your point.

(Interruptions)

MR. SPEAKER : It is all right, I have heard your point, I have listened.

(Interruptions)

MR. SPEAKER : It is all right, there is a limit to everything. Now you have finished.

PROF. K.K. TEWARY : What limit you have put for me ?

MR. SPEAKER : You have done your job.

**PROF. K.K. TEWARY :** I would seek your ruling on it.

**MR. SPEAKER :** I will see to it.  
(*Interruptions*)

**PROF. MADHU DANDAVATE :** I am raising the point of order regarding the conduct of the proceedings of the House. My point of order is—I have with me Kaul and Shakdher, and I would like to remind you that...

**PROF. K.K. TEWARY :** There are better books on this.

**PROF. MADHU DANDAVATE :** When you write, we will refer to it.

On 17-3-1960 a Ruling was given in the Lok Sabha that as far as the Speaker's Rulings are concerned, no public controversy or controversy with the press will be carried on. Today the press has reported that you have already fortunately clarified to the association's representatives of the press that you have already said that you do not have any animosity against them. You have already said that, Sir, and as a result of that, that clarification has come in the press. My contention is, according to the rulings regarding the proceedings and the powers of the Speaker as far as clarifications are concerned, they should not be given outside the House, but they should be a part of the House and so I demand that as required by the precedent, you should clarify the position in this House and your clarification will become a part and parcel of the Lok Sabha records. So, as your ruling was in the House, the clarification must be in the House. It must not be in the Chamber of the Speaker, but it must be in the Chamber of the Members of this House. That is what I demand.

Sir, I seek your Ruling.

**MR. SPEAKER :** I will give my Ruling.

**PROF. N.G. RANGA :** Chamber is a part of the House.

(*Interruptions*)

**PROF. MADHU DANDAVATE :**

Please clarify that your Chamber cannot be a substitute for this Chamber.

**SHRI K.P. UNNIKRISHNAN :** I have given a notice...

**MR. SPEAKER :** Yes, I have received it.

**SHRI K.P. UNNIKRISHNAN :** ... for privilege against Mr. Anantaraman, President of the Delhi Press Association, Mr. Subhash Kirpekar, Secretary and other Members of the Executive who seem to have adopted an extraordinary resolution yesterday and this resolution not only brings your office into ridicule, into dispute, but it challenges the very basis of our constitutional democracy. And I am astonished that something has been circulated. I do not know, it is a fatherless document, unsigned document, in the name of Lok Sabha, Secretariat to the press. That clarification has also come. What happened is, an unsigned document has been circulated as a reply to this resolution in the name of the Lok Sabha Secretariat.

**MR. SPEAKER :** No, no.

**SHRI K.P. UNNIKRISHNAN :** It is an unsigned document. That is precisely the point. This is an extraordinary situation because this is a document.

**MR. SPEAKER :** No.

**SHRI K.P. UNNIKRISHNAN :** If that is true, it calls for an explanation from whosoever is responsible for it. I have written to you separately. It is good that you clarify these questions :

(1) On a motion of privilege, for which notice has been sent.

It is one of the gravest provocations which I have seen in my parliamentary career and this unsigned document which has been circulated to the Press.

**PROF. K.K. TEWARY :** I am on a point of order.

**SHRI K.P. UNNIKRISHNAN :** I will read it.

**PROF. K.K. TEWARY :** It is absolutely right on the part of...

*(Interruptions)*

**SHRI K.P. UNNIKRISHNAN :** Here is the document. I will read it.

**PROF. K.K. TEWARY :** Because you have made the observations under the rules...

**MR. SPEAKER :** Now listen to me.

*(Interruptions)*

**SHRI K.P. UNNIKRISHNAN :** This is not the way to do it.

**PROF. K.K. TEWARY :** Because you have made the observations under the rules, you do not owe any explanation to anybody, whether it is the Press or anybody else.

**PROF. MADHU DANDAVATE :** It is a right clarification at the wrong place. It should be made here.

**MR. SPEAKER :** Just listen to me. Now, you listen to me. There is nothing. No clarification has been issued. Nobody.

*(Interruptions)*

**SHRI K.P. UNNIKRISHNAN :** Who issued it ?

**MR. SPEAKER :** I have listened to you. I have listened to both of you. Now you listen to me also, I have listened to both of you. Prof. Saheb's contention also.

**PROF. MADHU DANDAVATE :** I have quoted the precedent.

**MR. SPEAKER :** I have taken note of it.

As you know, being the Speaker, I am accessible to every person and when any hon. Member or public or even the Press come to me, I have to see them and I must see them. As Prof. Ranga said, it is a part of it. This is the chamber, here.

But that is part and parcel of your chamber.

**PROF. MADHU DANDAVATE :** We cannot raise a point of order in your chamber. We have to raise it here.

*(Interruptions)*

Prof. Ranga will misunderstand you and go to your chamber to raise a point of order there.

**MR. SPEAKER :** That is what I have said, Professor. The chamber is this.

*(Interruptions)*

**MR. SPEAKER :** That is what I have clarified. That is what, I have said.

**PROF. MADHU DANDAVATE :** We can have a cup of tea in your chamber. Can we take it in this chamber ? We cannot.

**SHRI K. P. UNNIKRISHNAN :** There are some proprieties.

**MR. SPEAKER :** That is what I have said. I did not disagree with you on this subject. Did I ? I did not.

**PROF. MADHU DANDAVATE :** Prof. Ranga has a misunderstanding. He is a founder member of the Constituent Assembly. He should not misunderstand it.

**THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) :** Mr. Speaker, Sir...

*(Interruptions)*

**MR. SPEAKER :** Please sit down. I have allowed Mr. Bhagat.

**PROF. MADHU DANDAVATE :** What is your point of order ?

**SHRI H. K. L. BHAGAT :** I am speaking on what you have said.

I am making a respectful submission, through you, Sir, to all the hon. Members of the House. You said, something in the House and you have made your

observations. And your observations certainly cannot be challenged. But certain feelings developed in the minds of the Press. They brought them to your notice. I do not see anything wrong in you meeting the Press and listening to them and talking to them and saying whatever you wanted to say. It is a good thing.

*(Interruptions)*

Please hear me. Don't interrupt me. I did not interrupt you.

SHRI K.P. UNNIKRISHNAN : It is outside the House.

SHRI H.K.L. BHAGAT : Just wait. You can argue it. I have a right to say what I want to say.

*(Interruptions)*

MR. SPEAKER : Don't get agitated. No problem.

SHRI H.K.L. BHAGAT : It is a very right thing. In meeting them, there is nothing wrong in it.

*(Interruptions)*

Madhuji, I do not expect you to interrupt me. I did not interrupt you. Don't provoke me.

MR. SPEAKER : Don't get provoked.

SHRI H.K.L. BHAGAT : What I am saying is, the matter is already sort of cleared. I do not think any further clarification or anything else is needed at all. It is not necessary. The Speaker is free to meet anybody in his chamber.

*(Interruptions)*

MR. SPEAKER : Now, listen to me. I am on my legs.

*(Interruptions)*

MR. SPEAKER : Why are you trying to interrupt? There is no problem. We are trying to create something which is not there.

SHRI SOMNATH CHATTERJEE (Dolpur) : We do not want to create a problem but to solve the problem.

MR. SPEAKER : Let me solve it. There is no problem either.

SHRI SOMNATH CHATTERJEE : You have been good enough to express the feeling. Let it go on record here.

SHRI DINESH GOSWAMI (Guwahati) : Let the clarification form part of the record.

*(Interruptions)*

MR. SPEAKER : Look here. I am saying something. Why don't you allow me to say something? Why are you interrupting unnecessarily?

Why don't you sit down?

SHRI H.K.L. BHAGAT : They are trying to recreate a controversy which is already over. There is no controversy.

MR. SPEAKER : It is all right.

PROF. MADHU DANDAVATE : Why are you getting angry? Otherwise, you are such a sweet person.

MR. SPEAKER : It was a question raised and in good faith. Everything was said on the floor of the House and at your intervention, I said that, Press is one of us. There was no question at any time in my mind to malign it. There was nothing at all. It should have ended. But it was a question, certain times people do not study in a calm atmosphere, as Bhagatji was saying "Don't try to provoke me". That is the thing. We are all human beings. We get carried away by the moments which we are in. There was nothing. The Press and ourselves we have to work hand in hand. We have always worked like that.

*(Interruptions)*

MR. SPEAKER : Don't interrupt. So many things have been said certain times and we have overlooked everything. There is no question at all. But, when people come to me, naturally I have to see them. They are hon. Members, part and parcel of ours and when they have certain things, they come and I must listen and talk and then everything is clarified. There is nothing wrong about it.

PROF. MADHU DANDAVATE : Whatever you have clarified, please clarify it here. Let it be part of the record. What Press friends could benefit, let us also benefit.

MR. SPEAKER : That has already been clarified, whatever there was.

SHRI K.P. UNNIKRISHNAN : They are questioning your right. You have your sovereign right. You also represent the rights of this House.

MR. SPEAKER : Unniji, that is what I am saying. Your supremacy and the supremacy of the House can never be challenged. You are supreme and your supremacy must be kept intact. That is my job to do it. I am going to uphold it. I am only saying we in our position are trying our level best to be up and at level. We have got no animosity against anybody. Nothing of the sort. We just go on certain facts and if they are not taken in the proper light, they can be clarified.

SHRI SURESH KURUP (Kottayam) : They are browbeating you.

MR. SPEAKER : No question of browbeating at all.

PROF. MADHU DANDAVATE : I have one submission. We are happy that you have taken this correct attitude. Let it be a part of the record namely the reference in yesterday's ruling was only about Shri Jitendra Prasada's case and there was no general aspersion on the Press.

MR. SPEAKER : That is already on the record.

PROF. MADHU DANDAVATE : No. It is not on the record.

MR. SPEAKER : If you read it, you will find it.

PROF. MADHU DANDAVATE : I have read it and I say that whatever you clarified to the Press, let it be clarified here.

MR. SPEAKER : My ruling contains

everything. You read it and you will find it. I don't have to clarify it.

SHRI K.P. UNNIKRISHNAN : What about the document ?

MR. SPEAKER : No question. No part of my office, nobody from my office, has circulated anything. No.

(*Interruptions*)

AN HON. MEMBER : We are satisfied.

PROF. MADHU DANDAVATE : Do we take it that the clarification made in the Chamber is the official clarification here ?

MR. SPEAKER : What I have said here is on the record. That is my record, what I have said here.

(*Interruptions*)

MR. SPEAKER : Shri S. Jaipal Reddy.

SHRIMATI GEETA MUKHERJEE (Panskura) : You allow me also.

(*Interruptions*)

12.15 hrs

[*English*]

Annual Report of and Review on India's Institute of Packaging, Bombay for 1984-85, Overseas Construction Council of India, Bombay for 1984-85 and Detailed Demands for Grants of the Ministry of Commerce for 1986-87

#### PAPERS LAID ON THE TABLE

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : I beg to lay on the Table :-

(1) (i) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Packaging, Bombay, for the year 1984-85 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Indian Institute of Packaging, Bombay, for the year 1984-85.

[Placed in library See. No. LT-2306/86]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Overseas Construction Council of India, Bombay, for the year 1984-85 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Overseas Construction Council of India, Bombay, for the year 1984-85.

(3) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in library See. No CT-2307/86]

(4) A copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Commerce for 1986-87.

[Placed in library See. No LT-2307/86]

MR. SPEAKER : I have said I am helpless. I cannot do it.

SHRI S. JAIPAL REDDY : Why not?

MR. SPEAKER : Because it is sub-judice. I am not going to explain anything. It is my ruling.

SHRI SURESH KURUP (Kottayam) : Why not?

MR. SPEAKER : I have told you so many times. Again you raise the same thing. I cannot do it. Nothing goes on record, whatever the gentleman says.

(*Interruptions*)\*

SHRIMATI GEETA MUKHERJEE (Panskura) : An hon. Member of this House, Shri Narayan Chaubey is on indefinite hunger strike.

MR. SPEAKER : That is something you have to take care. Please take care of Mr. Chaubey. He is a good friend of mine.

SHRIMATI GEETA MUKHERJEE : I request you to take it up with the Human Resources Development Minister so that the strike is settled.

MR. SPEAKER : That is all right. It is not on the Agenda. Irrelevant.

SHRI SOMNATH CHATTERJEE (Bolpur) : That is very important.

MR. SPEAKER : It is all right. I have already said it.

#### PAPERS LAID ON THE TABLE Contd.

*[English]*

Review on and Annual Report of National Handloom Development Corporation Ltd., Lucknow for 1984-85.

THE MINISTER OF STATE OF THE  
MINISTRY OF TEXTILES (SHRI  
KHURSHID ALAM KHAN) : I beg to

\*Not recorded.

MR. SPEAKER : Again the same thing. Not allowed. Irrelevant.

SHRI S. JAIPAL REDDY : Why are you not allowing it?

lay on the Table a copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :—

- (1) Review by the Government on the working of the National Handloom Development Corporation Limited, Lucknow, for the year 1984-85.
- (2) Annual Report of the National Handloom Development Corporation Limited, Lucknow, for the year 1984-85 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in library. See No. LT-2309/86]

MINISTRY OF FINANCE (SHRI JANA-RDHANA POOJARY) : I beg to lay on the Table :

- (1) A copy of Notification No. G.S.R. 490 (E) (Hindi and English versions) published in Gazette of India dated the 11th March, 1986 together with an explanatory memorandum seeking to provide effective rates of excise duty in respect of package tea, tea bags, instant tea and instant coffee subject to the condition that duty of excise on loose tea or cured coffee, as the case may be, from which they are made, has already been paid, issued under the Central Excise Rules, 1944.

[Placed in Library. See No. LT—2310/86]

- (2) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 48 of the Life Insurance Corporation Act, 1956 :

(i) G.S.R. 302 (E) published in Gazette of India dated the 18th February, 1986 containing corrigendum to Notification No. G.S.R. 357 (E) published in Gazette of India dated the 12th April, 1985.

(ii) G.S.R. 303 (E) published in Gazette of India dated the 18th February, 1986 containing corrigendum to Notification No. G.S.R. 794 (E) published in Gazette of India dated the 12th October, 1985.

- (3) Two statements (Hindi and English versions) showing reasons for delay in laying the notifications mentioned at (2) above.

[Placed in Library see No. LT—2311/86]

- (4) A copy of the Annual Report (Hindi & English versions) of the National Bank for Agriculture and Rural Development for the

#### PAPER LAID ON THE TABLE— CONTD.

(*English*)

Notifications under Central Excise Rules, Life Insurance Corporation Act, two statements re delay in laying papers under LIC Act and Annual Report etc. of National Bank for Agriculture and Rural Development Act.

THE MINISTER OF STATE IN THE

\*Not recorded.

year 1984-85 along with Audited Accounts, under sub-section (5) of section 48 of the National Bank for Agriculture and Rural Development Act, 1981.

[Placed in Library. See No. LT - 2312/86]

Houses of Parliament during the current session and assented to.

12. 16-30 hrs.

12.16 hrs.

**ASSENT TO BILL**  
**Motor Vehicles (Amendment) Bill**

[*English*]

**SECRETARY-GENERAL :** I beg to lay on the Table the Motor Vehicles (Amendment) Bill, 1986, passed by the

**LEAVE OF ABSENCE FROM THE Sittings OF THE HOUSE**

[*English*]

**MR. SPEAKER :** The Committee on Absence of Members from the Sittings of the House in their Third Report presented to the House on 20th March, 1986, have recommended that leave of absence be granted to the following Members for the period mentioned against each :

1. Shrimati Indumati Bhattacharyya	7th to 20th December, 1985.
2. Shrimati Vyjayanthimala Bali	18th November to 20th December, 1985
3. Shri Charan Singh	20th February to 18th April, 1986.
4. Dr. G. S. Dhillon	20th February to 14 to March, 1986.
5. Shri B. V. Desai	20th February to 18th April, 1986.
6. Shri Bharat Kumar Odedra	3rd March to 31st March, 1986.
7. Shri B. B. Ramaiah	25th February to 24th April, 1986.

Is it the pleasure of the House that leave as recommended by the Committee may be granted ?

**SOME HON MEMBERS :** Yes.

**MR. SPEAKER :** The leave is granted. The members will be informed accordingly.

12.17 hrs.

**PUBLIC ACCOUNTS COMMITTEE**  
**Twenty-Eighth and Thirtieth Reports**

[*English*]

**SHRI E. AYYAPU REDDY (Kurnool) :** I beg to present the following Reports (Hindi and English versions) of the Public Accounts Committee :

(1) Twenty-Eighth Report on Para 33 of the Report of the Comptroller and Auditor General of India for the year 1981-82, Union Government (Civil) regarding Delay in remittance of collections by Public Sector Bank.

(2) Thirtieth Report on action taken on their 212th Report (Seventh Lok Sabha) regarding Central Railway—construction of broad gauge line between Diva and Bassein Road stations and North Eastern Railway—Gauge conversion from Samastipur to Darbhanga.

(*Interruptions*)

MR. SPEAKER : Mr. Deb, it is irrelevant. Please sit down.

(*Interruptions*)

MR. SPEAKER : There is no point of order.

SHRI SARAT DEB (Kendrapara) : I am not mentioning anything about Ram Swaroop's case. I want to say something about Orissa.

MR. SPEAKER : You can come and tell me in the Chamber. No Orissa business here.

(*Interruptions*)

MR. SPEAKER : I would like you to withdraw from the House if you do like that. It is a State matter.

(*Interruptions*)

MR. SPEAKER : Orissa Government is not here. It cannot be discussed here. It can be taken up on the floor of that House.

Now matters under Rule 377.

12.18-30 hrs.

#### MATTERS UNDER RULE 377

[*Translation*]

(i) **Demand for construction of a railway line from Maharajpur Station to Mandla Fort in Madhya Pradesh.**

SHRI M.L. JHIKRAM (Mandla) : Mr. Speaker, Sir, I would like to raise the following matter of public importance under Rule 377 :—

District Mandla of Madhya Pradesh is most backward in the matter of transportation facilities and there is not even a single national highway there. During the British regime there was a proposal to construct a railway line from Nainpur, the main junction of South-eastern narrow gauge line—to Mandla Fort, but instead the line was constructed up to Maharajpur only on the other side of Narmada river, which is unsuitable from every point of view. In this connection I had made a

request that the railway line be extended from Maharajpur to Mandla Fort which is already in the record. Even today the tickets are issued in the name of Mandla Fort, but its survey was conducted upto the other side of Narmada river only. The most important thing was the construction of a railway bridge on Narmada river which has been abandoned.

Sir, one can easily understand why the Britishers must have deliberately abandoned the proposal, because they were foreigners and they were merely interested in ruling the country. They were least bothered about public welfare and provision of facilities to the people. Even though our Government is committed to the development of backward and undeveloped districts, it has not done anything in this direction for the last 38 years.

Therefore, I urge the hon. Railway Minister to pay special attention in this direction and give priority to the construction of railway line in this stretch of 5 kms. between Maharajpur Station and Mandla Fort. This is absolutely essential in public interest.

(ii) **Need to provide adequate relief to the drought affected people of Churu district of Rajasthan.**

SHRI NARENDRA BUDANIA (Churu) : I want to draw the attention of the Central Government under Rule 377 to the plight of my Constituency, Churu—which is a desert district of Rajasthan.

The farmers of Churu have been ruined by famine conditions which has struck the district regularly for the last eight years during the last decade. Due to acute shortage of water and fodder, cattle wealth is perishing. The purchasing power of weaker section has gone down considerably. The Fair Price Shops are not playing a decisive role in improving the situation. Though the district has a population of about 15 lakhs, but only 18,000 people have been provided employment opportunities under the famine relief programme which is far from adequate. I, therefore, appeal to the Government to provide employment to at least 1 lakh poor people under the famine relief programme. It is

essential that more and more roads should be constructed in order to provide transportation facilities to this backward area. Due to acute shortage of drinking water, people are migrating to other places along with the livestock. More funds should be provided under the Minimum Needs Programme. In order to drill more tube-wells in my area rig machines should be made available in my area.

**(iii) Need to take over the Anand Sugar Mill in Khalilabad, U.P.**

**DR. CHANDRA SHEKHAR TRIPATHI** (Khalilabad) : Mr. Speaker, Sir reports are pouring in from various parts of the Country that some industries have already closed down and some are on the verge of closure or are likely to be closed down in near future. In this connection, to keep a close watch over sick industries, the Government has introduced a Bill envisaging improvement in conditions and smooth functioning of units and it is pending for consideration in the House. Nevertheless, there are some problems, the solution to which does not seem imminent even when the Bill is passed. In this very context, I would like to draw the attention of the Government to Anand Sugar Mill at Khalilabad in district Basti of Uttar Pradesh. The reported announcement about the closure of the mill due to inability of the concerned mill owners to run the Mill is certainly unfortunate. Whereas due to the closure of the Mill, on the one hand thousands of workers would be rendered jobless, and their families will face starvation, on the other hand the farmers who have produced sugarcane by the sweat of their brow, will be deprived of their money as the mill owners are not in a position to pay the arrears of lakhs of rupees due towards them. As a result of this there is widespread resentment among the farmers in the entire area.

I, therefore, request the hon. Minister of Industry to take over the Mill in the public interest in view of the fact that it is the only source of livelihood for the workers employed therein and also in view of poverty and unemployment prevailing in Eastern Uttar Pradesh.

**(iv) Demand for opening Ayurvedic department in every District hospital and giving the same pay etc. to the Ayurvedic doctors as is being given to the Allopathic doctors.**

**DR. PRABHAT KUMAR MISRA** (Janjgir) : Mr. Speaker, Sir, I would like to draw the attention of Government to the deplorable plight of Ayurvedic system of medicine and Ayurvedic doctors.

Ayurved is the most ancient system of medicine. Our young Prime Minister wants that we should preserve our heritage and as it is our legacy and it is the oldest system of medicine in the world it should be preserved and protected. But it is a pity that neither Ayurvedic hospitals are being opened in the country nor adequate recognition and facilities are being provided to Ayurvedic doctors.

The most surprising thing is that even today Ayurvedic doctors in Madhya Pradesh are employed in the district dispensaries on a paltry sum of Rs. 300 per month and this has been the state of affairs for the last 15 years. Besides, there are no buildings for these dispensaries. This is not only a blemish on legacy but also a slur on the humanity.

I request the Government to open an Ayurvedic department in every district hospital in the country and provide the same salary and other facilities to Ayurvedic doctors as are given to allopathic doctors in order to improve their economic condition and thereby enable thousands of people living in rural areas, to take the benefit of Ayurvedic system of medicine according to their choice.

Ayurved is becoming increasingly popular among urbanites because the Ayurvedic medicines do not have any side effects.

I demand that the Government should initiate steps at Government level to popularise this system in other countries so that they could know about our ancient culture and could derive benefit from this age-old, time-tested, system of medicine.

*[English]***(v) Demand for including the Bhayinder area in Bombay Telephone Corporation.**

**SHRI S.G. GHOLAP** (Thane) : Sir, Bhayinder area had been the part of Bombay Circle for telephone purposes for the last 50 years, but recently while forming the new Bombay Telephone Corporation, Bhayinder part has been excluded from the jurisdiction of Bombay Telephone Corporation, while new areas like New Bombay and Mumra are included in Bombay Corporation. Thus, it is a clear case of injustice to the people of Bhayinder area and, therefore, they are agitating. It is requested that Government should immediately look into it and include Bhayinder area in Bombay Corporation immediately.

*[Translation]***(vi) Need to direct the Food Corporation of India to purchase mustard seeds at support price.**

**SHRI BIRBAL** (Ganganagar) : Mr. Speaker, Sir, the price of mustard oilseeds has declined from Rs. 500 per quintal during last year to Rs. 300 to 315 per quintal this year. Even though the farmer used quality seeds and costly fertilizers and toiled in the fields, he is not getting adequate price to meet even their cost of production. Mustard has reached the market. If the Government do not pay any attention to it immediately the farmers would be economically ruined.

I would like to submit to the Agriculture Minister that even though Government has fixed the price of mustard oilseeds at Rs. 400 per quintal, but it is being sold at far lesser price in the markets. The Government should immediately take measures to ensure support price for mustard in order to protect the interest of the farmers. The Indian farmer is the mainstay of our country's economy. The House should discuss this matter. Similarly the prices of *Taramira* seed and *Toria* seed is also declining sharply. The Government should direct FCI to purchase the product at support price so that the farmer could get the fair price for his agricultural produce in time.

*[English]***(vii) Demand to Constructs an airstrip at Gangtok, Sikkim**

**SHRIMATI D. K. BHANDARI** (Sikkim) : The need to put Sikkim on the air map of the country can hardly be over emphasised in view of the frequent dislocation of road traffic due to landslides on the main national highway connecting Sikkim with the rest of the country. This is so particularly during the monsoon season when this area experiences heavy rainfall. The dislocation which sometimes continues for days causes great hardship to the people of the State. Not only prices of essential commodities go up beyond the reach of the common man but people also can not travel out of the State to respond to any emergency call.

This being the situation, a vayudoot service linking Gangtok the State capital with Bagdogra Airport at Siliguri in West Bengal has been a must. It may be mentioned here that survey was carried out by the Civil Aviation Department for a suitable airstrip. Such an area was also found but it required levelling work involving considerable expenditure. The State Government, because of its limited financial resources, had requested the Civil Aviation Department to bear the expenditure. The matter has again been taken up with the Centre. It is requested that the construction of an airstrip at Gangtok be taken up at the earliest not only in the interest of the Sikkim but also in the larger interest of the country.

*[Translation]***(viii) Demand for measures to provide adequate transport facilities in the country, especially in Delhi on bandh days**

**\*SHRI HARIHAR SOREN** (Keonjhar) : The number of bandhs organised in the country in general and Delhi in particular are increasing day by day. The frequent bandhs have a direct impact on day to day life of the people. Taking the plea of bandhs a group of traders open the shops

\*The speech was originally delivered in Oriya.

for a short period and sell the essential commodities at high prices. Other traders who do not fall under this category do not open the shops with the fear that the organisers of bandhs may cause damage to their shops.

The most sufferer section is the employees. Employees working in various offices and commercial complexes face a lot of problem in the absence of proper transport facilities. When DTC buses stop plying a handful of private bus owners stop their buses and charge more than the usual fare. The scooterists charge exorbitantly high fare from the passengers. Moreover all employees cannot afford to spend so much on fare.

As such, there is need to provide adequate transport facilities to the employees on the bandh days. DTC should augment its fleet so that passengers do not suffer on account of bandhs. Government should take some urgent steps and help the passengers from all such hardships.

*[English]*

**(ix) Need for allocating funds under the Plan expenditure for proper maintenance of Government buildings in various States.**

**DR. A. KALANIDHI** (Madras Central) : From the inception of Five Year Plans, various schemes have been implemented by the Central and the State Governments and its undertakings in India of which about 40% have been invested in the construction of buildings, factory sheds etc. These buildings, factories are the assets of our nation. But, the expenditure on their maintenance is termed as Non-Plan expenditure and adequate funds are not set apart for this purpose. This has led to the growth of wild plants, vegetations on the terrace of these buildings, over the corrice, sunshades, suijas, particos, etc. They are not white washed annually and painted periodically. Even though certain norms are being followed by various Governments, funds are not placed even upto the norms on the plea that they have to curtail Non-Plan expenditure. Thus the buildings are allowed to deteriorate leading

to heavy loss. Central Government and Planning Commission and Finance Commission should allocate funds for the maintenance of the buildings constructed out of the Plan i.e., Five Year Plan funds in various States and under the Central Sector, so that these buildings will be maintained upto the standards prescribed by the Central PWD. Such allocation of funds shall be treated as Plan expenditure and not as Non-Plan expenditure in view of the fact that scheme like PHC, ICCI, SIHS, IUDP, DPAP, RLEG, NMEP, HADP, RHS, RWS are not funded continuously by the Planning Commission and Central Government.

12.30 hrs.

#### DEMANDS FOR GRANTS (GENERAL) 1986-87 Contd.

**Ministry of External Affairs**

*[English]*

**MR. SPEAKER :** The House will now take up discussion and voting on Demand No. 29 relating to the Ministry of External Affairs for which 6 hours have been allotted.

Motion moved\*

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the fourth column of the Order Paper be granted to the President out of the Consolidated Fund of India to complete the sums necessary to defray the charges that will come in course of payment during the year ending 31st day of March, 1987 in respect of the head of Demand entered in the second column thereof against Demand No. 29 relating to the 'Ministry of External Affairs'."

\*Moved with the recommendation of the President

**Demand for grant (General), 1986-87 in respect of Ministry of External Affairs submitted to the vote of Lok Sabha**

No. of Demand	Name of Demand	Amount of Demand for Grant on account voted by the House on 13th March, 1986	Amount of Demand for Grant submitted to the vote of the House		
1	2	3	4		
29	Ministry of External Affairs	Revenue Rs. 39,45,84,000	Capital Rs. 23,41,67,000	Revenue Rs. 1,97,29,17,000	Capital Rs. 42,13,33,000

MR. SPEAKER : Hon. member present in the House whose cut motions to the Demand for Grant have been circulated may, if they desire to move their cut motions, send slips to the Table within 15 minutes indicating the serial numbers of the cut motions they would like to move. Those cut motions only will be treated as moved.

A list showing the serial numbers of cut motions treated as moved will be put up on the Notice Board shortly. In case any member finds any discrepancy in the list he may kindly bring it to the notice of the officer at the Table without delay. Shri Ananda Gajapathi Raju may speak now.

SHRI ANANDA GAJAPATHI RAJU Bobbili) : Mr. Speaker, Sir, I rise to speak in favour of the moneys which are allocated to the Ministry of External Affairs from the consolidated Fund of India. We support this but nevertheless at certain occasions we would like to mention our reservations in the form of a few suggestions.

Sir, ours is an ancient civilisation and it is incumbent on us to play a bigger role in world affairs and also to find our rightful place. Foreign policy is usually a consensus—a national consensus—between different parties and we would not be lacking in our duty to take part in this consensus. All I would like to say to start with is that the canvas is wide and we would like to touch upon most of what is required but nevertheless we may be failing

sometimes and we may be excused for the lapses, if any.

12.34 hrs.

[SHRI VAKKOM PURUSHOTHAMAN in the chair]

Sometimes there is a tendency amongst smaller nations particularly our neighbours and littoral States to consider India having hegemonic tendencies. This is something which has to be countered because the size of India does not determine its hegemonic attitude and this should be amply clarified at various forums and situations.

Further our precepts and aspirations for an egalitarian society towards peace should also be reflected in our foreign policy. At this juncture it is worth mentioning that our role in NAM is also something which is of paramount importance. Some days back an hon. Member spoke about the relevance of NAM and also spoke about the forums which we could utilise to better our performance and also our contribution towards a more egalitarian society.

Sir, NAM has no parallel elsewhere in the world. We should try to exploit or make use of NAM from economic angle also so that we get better projects and the strategy for growth is also initiated.

The recent conference of NAM at

Nassau was a pointer in the direction towards idealism tampered by pragmatism in an international forum. At this time, we also took advantage of trying to point out that the apartheid should be done away with and India played a major role in placing such facts before an international body.

The recent SAARC conference at Dhaka was also an introspection reflecting the biblical thought, namely 'Love thy neighbour or neighbours.' It is a positive development that a Secretariat has been established and it is something that all of us must appreciate. Nevertheless, there remains certain grey areas in which some attention and application is required. The problem of the Third World countries still persists. There is still a blanket of non-North-South cooperation; the North-South cooperation has still not reached a stage of take-off and we would urge the Government to take some more steps to see that this country is brought to a meaningful level.

Today, colonialism has given way to neo-colonialism and the Third World has taken the role of creditor nations. Usually, in the 19th and early 20th centuries, the Third World countries were debtor nations and today, in view of the high interest rates and in view of the protectionist tendencies by the western countries, the Third World has taken the role of creditor nations. That includes Latin America and Afro-Arian countries including partly the countries relating to Europe. Therefore, the high rates of interests fixed by the Federal Reserve Bank of USA are siphoning away funds from the Third World and the situation should be corrected.

**SHRI G. G. SWELL (Shillong) :** Ours is a debtor nation. Can you explain how it is a creditor nation?

**SHRI ANANDA GAJAPATHI RAJU :** I will explain. The interest rates are so high in the western countries, and these are fixed by the Federal Reserve Bank. Whenever they increase the rate of interest by one per cent, the Third World countries debt goes up by a couple of billion dollars. That is what I mean by saying that we are a creditor nation.

The debt trap also is imminent and India should be in a position to avoid it.

The multifibre agreement is definitely a retrograde step. The multifibre agreement must be modified so that export go to the western nations. They are protecting their market at our cost and we are just on the periphery. It is like a metropolitan country taking advantage of the peripheral nations. This kind of a situation should be brought to an end so that there is more egalitarianism not only within this country but outside the country also.

Again, the international trade has come to its lowest point in the last 30-40 years. I submit that today there is no parallel to the dampening effect on international trade as there is now; because of the great depression, the trade has come down. This is a retrograde step and will definitely affect the developing countries particularly ours. I would submit a few facts which have come to our notice. Western Nations talked about development decades. They said that the sixties and seventies were the development decades. But this never happened. There are near famine conditions in Sub-Saharan Africa in the African continent and also elsewhere. We also have a role to play in seeing that these things are corrected, because of the prestigious role that we play in the Non-aligned Movement.

An attempt by the Western nations to remove protection for services, which they want to move into the GATT now in this year, should be stoutly opposed because we will be losing a lot of employment potential in this country and value added also will be reduced in the country and employment will be hit. Therefore, we should have a common dialogue with the developing nations to cut out this kind of a movement by the western countries.

One per cent of the GNP is what they said that they would allocate towards the development of the Third World. But the percentage has not increased anything above 0.5 per cent. So, if your Department could kindly ensure that this is brought to one per cent, through some way or the other, we might benefit in the process.

[Shri Ananda Gajapathi]

We remain poor (I do not mean that we are completely poor, but to some extent) because we are poor and therefore this kind of a situation should be changed. If the North is not going to co-operate with the South, then at least South & South should cooperate & make something out of it. The common secretariat that you have set up in Dhaka could now work out common projects either some automobile projects or various other projects, which could be helpful to generating some employment in this country.

Today India and China are being considered as potential markets in the Eighties, just as Latin America was considered in Sixties and Seventies. Therefore, there should be consolidated movement by the West to see that the purchasing power in these countries, particularly in our country, is increased because it is the rich only who would trade with the rich and the rich do not find it necessary to trade with the poor, and they try to take advantage of the poor. So, it should be on an equal basis. I say this because a number of contracts are taking place and contractual obligations are going on. It should benefit India which is standing today on a more solid ground than what it ever had before.

The Brandt Commission's Report has been put into cold storage and if it is reviewed in any international forum, that would also definitely better our chances of developing more. Therefore, what I want to say is that dogmatism should give way to a certain amount of pragmatism, so that our interests are also safeguarded and the role that we play is better appreciated by other countries.

The Indian Ocean is becoming a very potential threat to peace in this zone. The present call of the US Enterprise on the Karachi Port also raised some heat in this House. If this type of things are done, the Indian Ocean zone becomes further militarised and then we will run into problems. Our Defence expenses are rising and this expenditure might rise

even further and create problems for us.

The escalation of arms race in the Sub-continent also has not come down and something should be done to contain that also. In Sri Lanka, there is an attempt towards a military solution to the problem. But the ethnic problem has to be sorted out and there should be a devolution of power to the Northern and Eastern States, not only in conformity with the unitary Constitution of that country, but some further concessions have also to be made and we should oppose tooth and nail a military solution to this problem.

Then, our attempts to de-fuse our differences with China also have not been very successful. And if we are able to de-fuse them, then definitely two cultural giants will be able to achieve mutual satisfaction in trade and exchanges that take place from time to time. Our relations with the Soviet Union also should graduate into a more mature pace. Soviet Union has been a trusted friend, we do realise the contributions that they made to the development of this country and let it be on a more matured level so that the trade relations between these two countries are put on a complementary basis. Latin American Cooperation is also necessary because we have not taken much interest in the Latin American Nations. If that take place, then our exports could also increase, the generation of employment could also increase and we would be in better position. Again we cannot just ignore the Asian countries because we have to look towards the East where the Sun is rising and the economic cooperation with them also would be of necessity.

Stabilisation of relations with the Gulf and Afro-Asian countries, also calls for further attention. Again the Western bloc which has been a cradle of rationalism and modernisation cannot be ignored. We have to have relationships with them also and we should try to get the maximum amount of technical know-how which will be useful to develop our country on a more modern basis. We cannot afford to forget the role played by the United Nations and the international institutions, particularly in terms of stabilising commodity prices and the raw materials that

we export to the Western Nations. They should be more value added in this country and we should take advantage of our being a potential market in the coming decades. Therefore, I have in the form of a suggestion, because foreign policy is basically a national consensus and we are here not to criticise the Government, but to suggest a few angles which might help our country to develop a better perspective. Therefore, what we appeal to the hon. Minister, through you, Mr. Chairman, is that we should attempt more egalitarian society where people of the weaker sections, people of the farming community, people of the backward regions, and people who do not have privilege, should be developed, not only on a national level, but that perspective should be developed on internal level also. Then definitely, the aspirations of the people of India will be fully met.

Thank you.

**SHRI DINESH SINGH (Pratapgarh):**  
 Mr. Chairman. Sir, the House is aware of the growing dangers in which we live today. The lessons learnt from the circumstances that brought about the Second World War would have led to greater globalism in preference to narrow nationalism. This has not been the result of the various steps that the international community took. The United Nations came into existence with a variety of organs attached to it. And there were efforts made by others to bring about a global treatment of the interests of various countries. Unfortunately, this is on the decline. The United Nations itself has lost much of its charm, much of its effectiveness and its organisations are now facing serious economic crisis. The nations that have the capacity to support these organisations and bring into existence a global view of the world are now backing out, because they feel that their narrow nationalism would be better served, outside the global institutions. But one thing has sustained, and that is regionalism. Although the global institutions are not functioning, the regional institutions are. The European Community, the Association of African States, all these, together with other regional organizations are still in existence. They are still of value to those who feel

that their national interests would be better served in a group of countries, than by themselves.

Unfortunately, the regional interests have not led to the strengthening of a global perspective. And because of this, we see the growing conflict in the world. I came across the other day an interesting article in a newspaper which highlights the growing conflict that is now developing. It is from "The Guardian" of November 17, 1985. It says—I quote :

"In a world where one in three adults cannot read or write, and one person in four is hungry, military spending has reached 8 billion a year, despite the existence of enough nuclear weapons to kill everyone 12 times over. Forty years of arms race has cost between 3 to 4 trillion U.S. dollars, produced 60,000 megatonnes of explosive nuclear energy, compared with 11 megatonnes which killed 13 million people in the Second World War, Korea and Vietnam."

But all this has not led to any better understanding in the international community. On the other hand, interference in the internal affairs of States is growing. For example, take Nicaragua. A constitutionally-established Government is threatened by a major world power, not because that Government is creating any difficulty for its neighbours, not because that Government violates international norms, but because it does not conform to the ideological view of a major Super Power. What is of concern is not world peace, creating a New Order based on cooperation, but what is of interest is to see that the interest of a particular country, and above all the ideology of a particular country is served better. Others are now to conform to the ideology of one country, if they wish to exist.

But I must say that the credit goes to the people of the United States that they are standing up to their Government, to prevent this kind of action. And I think that we still have some hope that despite the actions of the Governments, peoples all over the world are for peace; are for cooperation. And this, I think, is one of the greatest achievements of the post-

**[Shri Dinesh Singh]**

World War II situation, namely that people have risen, and are now acting—whether it was the U.S. people in Vietnam situation, or whether it is the people of the Philippines now; they are rising against the wrong policies of their governments or the dictatorships that have been helped from outside.

But we must be careful. It is not only a question of Nicaragua. A similar situation can take place anywhere.

In fact, it does take place in Africa, in Asia and therefore we have to be even more careful to safeguard our interests and our independence.

Only recently we have seen the presence of a large naval force very near our shores. The Foreign Minister yesterday made a very strong statement against it and we welcome this. But these are dangers which we cannot take sitting or lying down. What do we do against these dangers?

**SHRI AMAL DATTA** (Diamond Harbour) : Issue statements.

**SHRI DINESH SINGH** : That is not the policy of our party; that is now confined to the hon. member's party.

**SHRI SOMNATH CHATTERJEE** (Bolpur) : We are not a party to it.

**SHRI AMAL DATTA** : We say what the government has done except issuing statements.

**SHRI DINESH SINGH** : All right. The government has taken one of the most commendable steps in bringing countries from six continents together to initiate a dialogue on this issue, and the hon. member will agree that even his party supports it.

**SHRI SAIFUDDIN CHOWDHARY** (Katwa) : All good things we support.

**SHRI DINESH SINGH** : Thank you very much. We are taking positive action

in support of freedom of countries, in support of their national sovereignty and in support of their right to live within their boundaries as they feel best.

I have talked of the political dangers, of the military dangers, but there are also economic dangers that are becoming more and more manifest.

Taking what I call the World Bank Syndrome, the World Bank moves into give assistance to a country for its development. As soon as the World Bank loan is taken, they ask for liberalization; that means imports must be allowed on a freer basis. Once these imports come, they have to be paid for. How are they to be paid for? They are to be paid for by exports. Then they bring in restrictions on export-tariff barriers, other quantitative barriers—with the result that the developing countries are unable to export to pay for their debt. Then more debt are initiated and we find a situation in which the country is asked to devalue their own currency. As soon as they devalue their currency, the raw-materials that have to be sent to the developed countries become cheaper and their imports of the material from the developed countries become expensive. Then they get into a debt trap which I would wish to call a death trap. Fortunately, we have a Foreign Minister who is equally well versed with economic affairs having been in Economic Ministries and the Planning Commission.

**SHRI SOMNATH CHATTERJEE** : Very good. We accept.

**SHRI DINESH SINGH** : Thank you again. Therefore, I am quite confident that he will not let us get into either a devaluation or a death trap both of which is being talked about in the country and I think he knows it well.

**AN HON. MEMBER** : What can he do? He is a poor man.

**SHRI DINESH SINGH** : He is not a poor man in the sense in which you have put it.

**SHRI S. JAIPAL REDDY** (Mahbubnagar) : He cannot tell his Finance Minister; he does not know what he is.

**SHRI DINESH SINGH :** So far as we are concerned, I think, one of the most important achievements of this government has been the realisation of an old dream, the dream of helping to set up the South Asian Association for Regional Co-operation.

13 hrs.

Why I do lay so much importance on SAARC is, this was the only area in the world which had not had the benefit of regional cooperation and as I said at the very beginning, although we had not been able to reach any kind of understanding to strengthen global organisations, we have been able to at least evolve up to a regional stage, and therefore, the creation of a regional-organisation of which we are a member, has been one of the most historic achievements of anytime and particularly of this Government and I would like once again to congratulate the Prime Minister and all those who have been involved in the setting up of the SAARC.

But, Sir, I would like to repeat what I said on earlier occasions when we had an occasion to discuss this issue, that here is a potential basis of cooperation obviously between these member States, but more so between Pakistan and India, which are the two largest countries within this organisation. And, therefore, we must pay the highest attention to our relations with Pakistan. It is a rather difficult situation, because relations depend on two people. And if one of them is not as keen as the other, the progress is slow, but if the other is hostile it is far more difficult. I would not say that people in Pakistan would be hostile to cooperation with India. It is my feeling and experience. I have had occasion to talk to some of the friends in Pakistan, and the people of Pakistan wish to have the closest relations with India as the people in this country do.

**PROF. N.G. RANGA (Guntur) :** That is our hope, that we still have.

**SHRI DINESH SINGH :** That is not a hope, it is a reality. The most important thing is that the Government should cooperate.

Now, that is where we run to difficulty. That is why I would request the people in responsible positions in Pakistan that they should think in terms of closer cooperation with India. And that is why Indo-Pakistan relations have been more or less in a peak and valley situation. But more valley and very very little time in the peak. Even today we did expect a better understanding between the two Governments, following SAARC and the meeting between President Zia and Prime Minister Rajiv Gandhi in Delhi. There were expectations that the relations would improve, but they have not. One can understand that President Zia's Pakistan is going through a phase of transition and a new system is trying to establish itself on somewhat democratic lines. When there are temporary aberrations and I would not hope that the Government would be.

(*Interruptions*)

**SYED SHAHABUDDIN (Kishanganj) :** Democracy in Pakistan, you mean is an aberration?

**SHRI DINESH SINGH :** No; I mean the less friendship at the moment between the two countries is a temporary aberration.

I have thought that ultimately Pakistan would prosper. There are more chances for that. Do you not think so?

**SYED SHAHABUDDIN :** I could quite appreciate.

**SHRI DINESH SINGH :** I lay greater importance on the relations with Pakistan, but our difficulty is because of lack of understanding between Pakistan and India. Look at our defence expenditure. Much of it is because Pakistan has got a large supply of arms on concessional rates and we have got to make up for that. Also because Pakistan, because of its own conception of its defence, is willing to play a client-State role in this region. We have seen not only the visit of the American Navy recently but also the statements made by the United States Secretary of State, Mr. Shultz, including Pakistan in their own area of a defence parameter which they would use in situations of emergency. The

[Shri Dinesh Singh]

introduction of a client-State in an area with which we seek close cooperation does create problems for us as it would create problems for Pakistan itself. And I am sure that large numbers of people in Pakistan would wish to get out of that scenario and would wish to have a fully independent policy of their own, not controlled by ideological or security considerations of countries far away. Therefore, as a larger partner in SAARC, as a larger country in comparison with Pakistan, it is our duty to make every effort to strengthen our relations with Pakistan, to find ways and means of reaching the people of Pakistan, trying to create bonds between the people of India and Pakistan so that we may be able to live together in harmony and cooperation.

While on the subject of SAARC, I must say that I am terribly disappointed with what is happening in Sri Lanka today. The genocide there is a matter of deep regret and concern to us all. The Government of India has gone to the farthest length, I think, in trying to assist them in finding a solution.

SHRI K.P. UNNIKRISHNAN (Badagara) : Beyond.

SHRI DINESH SINGH : My friend says beyond. I would not wish to comment on that. But there is this feeling that perhaps the assistance that we have been wanting to give to Sri Lanka has been made use of to gain time to build up a defence force which would then try to seek a military solution rather than a political solution. And it is a matter of deep regret that this should be said by no less a person than the President of Sri Lanka himself that he would first wish to have a military solution. One can see the involvement first of police, then military, then navy and now air force bombing its own people. It is not a matter which we can take lightly. I would not advocate any kind of interference in the internal affairs of States, particularly our neighbours and friends. But I do feel that we should now adopt a more firm attitude towards Sri Lanka and try to convince them that what they require is a political solution and not

a military solution.

MR. CHAIRMAN : How much more time will you require?

SHRI DINESH SINGH : Sir, if it is an indication of first bell, I will finish in two minutes.

While we are discussing the Demands of the Ministry of External Affairs, I would wish to remind the hon. Minister that there are two areas in which he may wish to give some more personal attention. One is an area in which we have to evolve more concretely policies which can be communicated to our missions because I have noticed that many missions are not fully aware of the exact nature of the work that they are required to do beyond answering letters sent by the Ministry and attending normal diplomatic functions.

Therefore, a better coordination in a region and a more specific understanding of their own role within a time frame would greatly assist in strengthening our foreign policy. Two, the selection of people to Missions need not be made on the basis of facility and climatic considerations. I think some kind of area specialisation is necessary and that would be possible only by varying the facilities that we give so that there is an incentive to people to go into area specialisation, understanding problems over a longer period than being shifted from one part of the world to an entirely different part. They are given one language to learn and the joke is that they would never get back to the country of the language for which they are specialising. So, a little more attention on these small matters would be of a great help.

May I take this opportunity to congratulate the Government on a very positive action that they have taken, about which I have made reference earlier, about SAARC and the entire conduct of foreign policy which has brought tremendous credit to us. Not only in India but internationally. We are a respected country all over the world and our Prime Minister enjoys tremendous popularity and support. The Foreign Minister has taken over the Ministry and I think this is the first budget he

is presenting. I would like to congratulate him, and say that we wish him every success. Thank you.

SHRI G.G. SWELL : Mr. Chairman, Sir, ... (Interruption).

SHRI SOMNATH CHATTERJEE : Foreign Minister followed by Ambassador.

SHRI G.G. SWELL : In the course of last one month, ever since we have been sitting in session, the Foreign Minister has drawn a lot of flak to himself from certain neighbouring countries for certain statements that he had made in the House. But that according to me is as it should be in a given situation. We do not need to pussyfoot, we do not need to cavil or quibble, we do not need to equivocate, to natter or resort to namby-pamby, and, above all, I think the time has come when we must shed off the image of our country as a big disjointed giant, at which any piranha fish can take a gibe, in which would some countries try to cast us. I think we are in situation when big troubles are likely to break out in the region. The Foreign Minister and the knowledgeable Members of this House will agree with me that big global troubles, sometimes war, have taken place because of miscalculation, because of misconceptions, because of under-estimation of the other man and the other party, and even today, a nuclear war is more likely to occur as a result of an accident and a miscalculation. Therefore, it is right and proper that we speak out our mind what we stand for, where we stand, up to what limit we can be persuaded to go and beyond which we will not, so that there is no miscalculation and no trouble takes place because of these miscalculations. I thank the hon. Minister for making certain blunt statements in the House whether in relation to Pakistan or in relation to Sri Lanka. He has done his duty and I would like to take this opportunity to congratulate him.

Because of events that are taking place our main concerns and preoccupations are with Pakistan and with Sri Lanka. In regard to Pakistan I think it bears reiteration

to tell them-as Mr. Dinesh Singh has said there is a fund of goodwill between the people of Pakistan and the people of India but this question is directed to the powers that be in Pakistan—that it should be plain to them as a pike that we have no designs against them; we do not cover a single inch of Pakistan soil. We have no stake, no interest, in their internal problems. Why should we want Pakistan, or any part of it? Just to add another burden of poverty and turmoil on ourselves? It does not make any reason at all. And therefore, when we say that we are deeply interested in the stability in the prosperity and peace of Pakistan, we are utterly sincere. There should be no doubt about it. And if there are troubles today between us and the rulers of Pakistan—to which my friends Mr. Dinesh Singh has made a reference—I feel bold to say that all those troubles have not been of our making.

We welcome the process of building up understanding and of removing misunderstanding whether it is garbed under the no-aggression pact or a treaty of peace, friendship and cooperation. We welcome this. We welcome what President Zia-ul-Haq terms his peace offensive. But we would like that all these professions should be backed up by certain concrete action. We would like, for example, to be satisfied from the rulers of Pakistan as to what exactly do they mean they talk of the Simla Agreement—according to us the Simla Agreement is itself a no-aggression pact by the same breath they talk also of a reference of the Kashmir question to international fora like the United Nations. We would like to know from them as to what exactly is the purpose. We would like to set our doubts at rest as to what exactly is the purpose of so much of induction of sophisticated arms into Pakistan when it has been established that many of those sophisticated arms cannot and will not be used in a mountainous terrain like Afghanistan.

We will like to be satisfied from them as to what they are doing with the uranium enrichment facilities when they do not have any nuclear plant in the country where the fuel can conceivably be used. We will like to know from them if Afgha-

[Shri G. G. Swell]

nistan is their problem and if they have willingly reduced themselves, as my friend said, into the position of a client or a vassal State to one of the major super powers today meet there eventuality. Then why this heavy concentration of the troops on the borders with India ? We will like to be satisfied from them that when we speak about the settlement of our bilateral problems through bilateral negotiations why do they keep insisting on not foreclosing their systems for foreign bases.

It is a well-known fact that Pakistan as it is placed today is not in a position to take decisions by herself, it has to take into consideration the interests and the perceptions of a major power that is behind it. Would that facilitate a bilateral settlement ? When we say that the introduction of another country into the bilateral affairs will not work for the settlement of our problems, we will like them to explain to us if they are sincere; if their peace offensive is sincere. Why have they refused to agree not to allow foreign bases in their territory ? The Foreign Minister, I think yesterday, was pleased to make a hint at another unsettling development. While a part of the American Seventh Fleet was in Karachi, he said, two naval vessels of Pakistan were on a visit to Colombo. Is this a mere coincidence or, as you yourself said in this Report, there appears to be a growing nexus between Pakistan and Sri Lanka ? What kind of nexus can it be except the nexus to crib and cabin India, to put India in her place or to injure the interests of India ? There cannot be any other nexus except that. There is nothing in common between the two. One is in the north and the other is in the south. And therefore, while it is good that we must try for the settlement of our problem with Pakistan, we should not allow ourselves to be taken up the garden path. Well, I appreciate if that is what it is, the Foreign Minister coming to this House and saying that there is nothing final or fixed about the visit of our Prime Minister to Pakistan until other things have been worked out. I agree with that, and I will take this opportunity to say that unless and until these problems

are sorted out, a summit between our Prime Minister and the President of Pakistan, a high profile summit, will only raise false hopes and send wrong signals. I leave at that, Sir, as far as Pakistan is concerned.

PROF. MADHU DANDAVATE (Rajapur) : False hope but good image!

SHRI G.G. SWELL : In regard to Sri Lanka, I will like to congratulate the Government and I will like to congratulate my colleague here, Shri G.S. Dhillon, who at one time was my colleague, Sir, when he was sitting in that Chair.

PROF. MADHU DANDAVATE : The moment he came down you used to sit there!

SHRI G.G. SWELL : All pins and needles.

I congratulate him on having spoken out very clearly in the Human Rights Commission in Geneva about the violations of human rights in Sri Lanka. It is not only our opinion but of the entire world. As a matter of fact, we have been very restrained about it. The whole world has been speaking about the violations of human rights in Sri Lanka. Many countries have done it. Many international organisations have done it. We have done it only when we see that the situation is getting from bad to worse.

Sir, I would like to take this opportunity to express the doubts of many people in this country. We do not understand the oscillation of the President of Sri Lanka, Shri Jeyawardene between the bluster, the rodomontade for a military solution and at the next breath, the effusion for a political solution. We do not understand it. I think, the request that we would make to him from here is that he should not take the Members of the House as so many fools and assume the rest of the world does not see through his game. I do not know. I am prepared to grant his sincerity, the sincerity of the Sri Lankan leaders because no country in the world can afford to have a situation like they have. But I have my doubt whether the leaders of Sri Lanka are really

in a position to take decisions by themselves. Sir, in your report, you have spoken about the presence of intelligence agencies of other countries in the world in Sri Lanka. You have hinted at their efforts to get a foot-hold, more foot-hold in the Indian Ocean and bases like Trincomalee Bay and other places to advance their geo-strategic interests. Therefore, it is open to doubt whether the leaders of Sri Lanka are really in a position to take decisions by themselves. We have come to that stage. Therefore, this is a direct threat to India.

Sir, if you look at the map, Sri Lanka is just beneath our groin, if you understand what groin is. You cannot take a knee-jerk at your groin. I cannot take a knee-jerk at my groin. Therefore, before anybody tries to do that, I have to warn him.

PROF. MADHU DANDAVATE : There is no need to hit below the belt, I think.

SHRI G.G. SWELL : I would only protect my groin. I would only protect my groin and mash up his face. That is a different matter. I think, it is time...

SHRI K.P. UNNIKRISHNAN : He is a black-belt holder.

SHRI G.G. SWELL : So, before that happens, it is necessary that we speak out—not necessarily in this House, not necessarily to the Press. When the time comes when we feel the vital interest of India is being affected—this has ceased to be a purely Sri Lankan problem—we cannot afford to have a volcano erupting among the 55 million Tamil in this country. While Sri Lanka has all the rights and opportunities to settle her own problem, it has no right to impose a problem and a danger on us. We have to take steps in order to prevent that eventuality. We have to send the message not only to Sri Lanka but to all the friends behind Sri Lanka.

I would like to submit that if that eventually does happen, nobody in this world has the right to throw it in our face. If President Reagan thought it his duty to intervene in Grenada, hundreds of thou-

ands of miles away from the United States of America because of certain perceived dangers to the ideological interests of America, if he thinks today that he must interfere in Nicaragua, again thousands of miles away because of perceived ideological danger to their interests, will it lie in his mouth to charge if we try to safeguard our national interests ?

But having said all this, I would like to pose certain inconvenient questions to the Foreign Minister. I am almost sure .

SHRI K. P. UNNIKRISHNAN : Please take note.

SHRI G.G. SWELL : My duty is to congratulate and to support my Government but, at the same time, to point out certain things so that we can do better. (Interruptions) Why not ? I am almost sure that you will have no answer when you reply to these questions.

(Interruptions)

PROF. MADHU DANDAVATE : Very unkind prediction!

SHRI G.G. SWELL : I will tell you. I will explain. I am saying this on record. I say you will have no answer because I find no indication of those things in this voluminous report. You are not aware of this problem. My grouse is not against you. You are a good friend. But my grouse is against your Ministry. I do not see that they have learnt the habit of cogitations thinking.

SHRI SOMNATH CHATTERJEE : Very good English.

SHRI G.G. SWELL : They have not learnt the habit of anticipating problems. I want to ask you, are Pakistan, Sri Lanka and Bangladesh, our only immediate neighbours? What about Burma ? It is the third largest country which is our immediate neighbour, the country whose border with us, land and sea, is second only to China, the single largest land mass in the whole of South-East Asia, a country so richly naturally endowed that it can be self-sufficient in every way, and

could not tell us and the rest of the world that it does not care for their aid, a country so near to us that we can do a great deal together in terms of trade, a country with cultural ties so deep and so strong running into the roots of history, a country through which we have been invaded once and we stood in jeopardy of losing our political freedom, a country whose Coco Islands touch our ribs and sit right at the head of the Andamans, a country with islands that could easily be turned into bases against us, is a hostile and agitated regional milieu.

We are so concerned with locking horns with Pakistan. We do not think in terms of the larger canvas. We fall into the habit of only running like a fire brigade whenever a trouble occurs.

You may not care about it. But other countries do. Japan does. But more particularly our neighbour to the North, China does.

Chinese shadow over Burma is the longest and the predominant. She has a political clout. In China wants to do, she can change the political fabric in Burma. But, apart from that, China has a very deep and widespread economic co-operation with Burma. Last year the President of China in his first visit abroad decided to go first to Burma and then to Thailand. You know very well that unlike ourselves who would like to go gallivanting round the world at the drop of a hat, Chinese leader move about only when they have a policy & objective to achieve. Following the visit of the President of China, whom did we send to Burma? Not a very articulate Minister of State in the Ministry of External Affairs.

While the Chinese economic development in Burma runs into hundreds of millions of dollars we made a ridiculous and petty offer of one million dollars which Burmese contemptuously ignored.

MR. CHAIRMAN: Please now conclude.

SHRI G.G. SWELL: I am finishing.

Now I am not saying that we should discuss Burma. This is only by the way in order that you might think and our officers may think over this question in our own interest.

There is another aspect which I would like to draw your attention to. The Foreign Minister is aware that the President of China has been on a visit to almost all countries of South East Asia. The other day he has been also to Bangla Desh and an economic package has been worked out. Then he want to Ceylon. We know that China has been supplementing supply of arms to Pakistan. We have reports that China is behind this resurgence of Iran in its struggle with Iraq. What does it all mean? It means the encirclement of India by China in her political influence and clout interest not only in many matters abroad, but in our immediate neighbourhood as well. What are we doing about it? Is this the foreign policy role that India should play—that a big and large country like ourselves to be confined within itself and to locking horns with its neighbour and not to have a broader concept as to what our role should be. I would like to put this specific question. I would like your Ministry to do a little more of cognitive thinking, as I said, of our role.

Lastly, I will come to the United Nations. You are aware, the Foreign Minister definitely is aware. That the United Nations to-day is in a precarious state—financially. The Secretary-General of the United Nations the other day drew pointed attention to this—that this world body is in danger of disintegration as a result of the cutting off by the United States of 25% of her contribution across the board.

The other day we sang the praise of our lamented friend, late Mr. Olaf Palme, I remember his speech in the United Nations. I pay my tributes to him. He was the only world leader who had the courage to speak from the podium of the United Nations and say that the deficit caused in the finances of the United Nations as a result of American action will be made good by the rest of the countries of the world. Sir, I think, here is another opportunity.

We, as one of the biggest developing countries, a leader of the developing countries, should take this initiative and try to mobilise world opinion and resources. You are aware, even the European Community countries, are working over it. Their Ambassadors in Washington wanted to meet the American Secretary of State on this question and he refused to meet them. The whole world is worried about it. Should we sit back and pretend to be innocent? This is a rare opportunity and I urge on the Foreign Minister to think about it whether we can take initiative and play an effective role in this matter.

SHRI K. RAMACHANDRA REDDY (Mindupur) : I beg to move :

"That the demand under the head Ministry of External Affairs be reduced by Rs. 100."

[Lack of initiative in saving the deliberate extermination of Tamils in Sri Lanka.] (14)

"That the demand under the head Ministry of External Affairs be reduced by Rs. 100."

[Need to normalise relationship with Pakistan] (15)

"That the demand under the head Ministry of External Affairs be reduced by Rs. 100."

[Failure to lodge strong protest with regard to the training of terrorists by U.S.A.] (16)

"That the demand under the head Ministry of External Affairs be reduced by Rs 100."

[Inability of the Government to convince U.K. not to give asylum to people demanding Khalistan]. (17)

SHRI SAIFUDDIN CHOWDHARY (Katwa) : Mr. Chairman, to begin with, I must say the policy of our country on the matters of external affairs i.e. Non-alignment, peace and good neighbourly relations, has stood in good stead over the years.

Obviously also, our relations with socialist countries have been very useful and beneficial. Before going into the question of peace and the other broad areas in the international arena, I would like to touch upon a few points relating to our neighbours.

Of late, we are trying to have more cooperation between the countries in our neighbourhood. Though efforts are made very much to improve relations with the countries of SAARC but it seems that our relations with China, after a long spell of hostility, look quite brighter. Many rounds of talks have been held and there is a desire in both the countries that we should live in peace and cooperation. I would like that the Foreign Minister will give us a detailed account of the progress made in these relations.

Yesterday, we had a discussion about the entry of U.S. Warship at Karachi. Many points were made then. But still I want to make certain points. It is a very good attempt that the South Asian countries have tried to come together; tried to live in peace and tried to broaden their economic cooperation. I welcome it. But the point that I want to make is when we are trying to come together, we have to locate the sharks in our waters. That is the third force, to be specific the US imperialism.

Now, what is happening in Sri Lanka? The talk of a military solution by Shri Junius Jayawardhane is known to all of us. But in the meantime, the genocide is increasing. We have tried to offer our good offices for a negotiated political settlement. But what has happened actually? I completely support Shri Dinesh Singh when he said that in order to gain time to organise their attacking capacity and to exterminate the Tamil community, they had played very dubiously. Why the demand for autonomy is not being granted?

And what are they upto? I do not know. We have been shuttling around so long. Earlier it was Mr. Parthasarathy and then Mr. B. Romesh Bhandare. I do not know why Mr. Parthasarathy was dropped. I have no personal preference

[Shri Saifuddin Chowdhary]

for anybody. But is this a fact that the Sri Lankan Government did not want Mr. Parthasarathy as he was a Tamil? Are they dictating terms to us? We have to get an answer to this. We are trying to help them. Now the talks have to be done between the Tamils and the Sri Lankan Government. Let us see what they can do. The other day the Prime Minister said that they had received a new paper from the Sri Lankan Government. But it has been openly challenged and it is said that no such paper has come. In this confusing situation I want a clarification from the Foreign Minister whether in the recent past any new paper has been received by our Government for a solution of the Tamils problem in Sri Lanka.

(Interruptions)

Now I come to Pakistan. Here I want to make it clear that with all the people in our neighbourhood we have to maintain our solidarity and brotherhood; there is no doubt about it. When the people of Pakistan fight for democracy, we stand by them; when the people of Bangladesh fight for democracy, we stand by them; we have a responsibility. But the question is whether we can take the Zia-ul-Haq Government as the true representative of the Pakistani people. No; we cannot. While we must try for SAARC and good neighbourly relations, we have to keep in mind the fact that the Zia-ul-Haq Government in Pakistan has no independence at all; it is an appendage of U.S. imperialism. It is a part of the U.S. design that they are trying to confuse the whole people in the world; they are trying to create confusion in the minds of our people also. Now, Pakistan talks of 'No-War Pact'. We seem to be on the defensive. There are people in our country also who believe that Mr. Zia-ul-Haq is playing the role of a dove. No; he is not. What is this 'No-War Pact'? In 1949 our country offered a 'No-War Pact'; again in 1965, 1968 and 1977. They never agreed to it. What about our Treaty of Peace and Friendship, the Treaty that we have offered? It is a question of non-intervention and not giving bases to other countries. Why are they not agreeing to it? On the one hand they are saying 'No-War Pact' and on the other hand they are raising the Kashmir issue;

they want to keep it open. They are also proposing mutual inspection of nuclear installations. We have, on grounds of principle—and I support it—not agreed to it. That is on grounds of principle. Will all the nuclear countries allow this to happen? It is not a question of only the relationship between Pakistan and us. It is a part of the U.S. design that they want to disarm us. I am not suggesting that our country should go in for nuclear weapons; it is not at all necessary. The point is, we cannot allow ourselves to be deceived by them. We have to take the offensive and make it clear to our people as to what stand we have taken. There can be no question of our being on the defensive. Our stand is on grounds of principle. Now, Pakistan and America are demanding South Asia to be a nuclear-free zone. Why does U.S.A not want this to happen in Europe? We have to understand that. It is like Israel demanding that West Asia should be a nuclear-free zone so that they can have the monopoly and have the access to nuclear capability. That is a kind of blackmail. We cannot support it, and we should not allow ourselves to be deceived by this also.

Now we have to take a particular reference of this to our internal situation also. Pakistan, as I have already said, has become a lackey of U.S. imperialism. They are trying to instigate those forces who are working in our country to divide it, to destabilise it. I have a report; I want verification from the Minister. In our country we see the communal flare-up and we should know whether there is any design by them here. My report is that U.S. has set up a special Muslim Department and Sikh Department in the CIA. That is the report. How is it now coming up? In our country it is Babri Masjid and in their country it is attack on Hindu temples—they flare up everything, so that the design of destabilisation can proceed in a very busy manner.

On 2nd February, 1986 Hindustan Times gave a report that a top colonel of the Pakistan Army has prepared a blue print for Punjab. What is that? It is to create anarchy in Punjab, capture Golden Temple. It is happening now. Then kill

people, VIPs, pop up figures like Bhindranwale and give training in arms. All these are being done according to the plan. We also know that they are now stepping up the USA's covert action.

They have formed a Committee taking people from different agencies in USA like White House, State Department, Pentagon and CIA. The name of this Committee is "20- Committee"—it is according to the name of the room in the White House Annexe. Five hundred million dollars is the annual budget for this. What is their aim? It is to destabilise what they call the pro-Soviet Governments. Those who are not pro-US have become pro-Soviet today. They think that they have every right to destabilise the pro-Soviet Governments. Who have given them that right? We have to take a very tough stand on this. I must say, though I support principally the stand of our country on different issues of external affairs but reading this year's Annual Report of the Ministry I am quite disappointed. The report says about the Indo-US relationship that :

"India and the USA have some difference in their perception."

Is it some difference? They are trying to destabilise our country to encircle it. But this is how you have thought it fit to tell the Members of Parliament. This is not some difference. This will confuse our people. This is untruthful accounts of the reality.

We have to understand the US role the jeopardising the peace efforts in the world about which we talk much and we are sincere about it. The efforts of the six nations are very big. We pay tribute to Mr. Olaf Palme. He is the martyr to the cause of peace. What is the response of USA? They have rejected it. But Soviets have responded favourably. Today also the U.S.S.R. have appealed to US Congress in America to respond to the Six Nations call. They have declared a unilateral moratorium. The Six Nations' efforts can be usefully utilised for this purpose if they think that they cannot verify the test mechanism. The Six Nations have said that they are ready to offer their good offices to verify these things. I believe

we have to organise very serious popular campaign in our country in support of the Six Nations' initiative. It should not be confined to the administrative level or the Ministry level. It should be taken to the people also.

I want to refer another aspect of the policy of the USA, the Brigandage policy, the mafia policy and the gangsterism that they are doing everywhere in this country. It has a definite link with the kind of society they are building. I have much respect for the people of USA who fought for democracy. But the question is that you have to understand that their economy has been shifted to military industrial complexes. What the FBI Director Mr. William Webster said is :

"There are a few businesses or industries in our community that are not affected by organised criminal enterprises."

The whole outlook has been changed to criminalism.

MR. CHAIRMAN : Your time is over. Your party's time is over. Please conclude.

SHRI SAIFUDDIN CHOWDHARY : I can take the same time as Shri Dinesh Singh has taken.

MR. CHAIRMAN : His party has got four hours. But you have got only fourteen minutes. Please conclude within two-three minutes.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : Please allow him. He is taking sense.

SHRI SAIFUDDIN CHOWDHARY : Now take the case of South Africa. How they survive? It is because US backs them. Our role in CHOGM has been highlighted very much. I am not satisfied with it. I am not at all satisfied.

When Benjamin Molaise was being hanged, we were trying to persuade Mrs. Thatcher. What is CHOGM? Why don't we walk out from it? CHOGM is nothing

but colonial nostalgia. Then who is subverting the re-union of Korea? It is United States of America. They have organised the team spirit exercise with the South Korean dictator.

MR. CHAIRMAN : Please conclude.

SHRI SAIFUDDIN CHOWDHARY : A word about Nicaragua. USA have the temerity to attack and encircle it. It is a legally constituted NAM government. It is under threats from USA. We have a duty to stand by them in all their needs and requirements.

Sir, on Libya our stand is not that forthright as it has to be. When the threat was there from USA we should have forthrightly told Mr. Reagan that you stop this madness.

Sir, people all over the world consider us a very important power. They do not consider us a super-power but a moral force which can influence the world events on not only political aspects but also on all other aspects, viz., economic aspects like fight of the third world countries, for new economic international order, South-South cooperation and fight against indebtedness. In Latin America this question of indebtedness has acquired very serious dimensions. They do not consider it as their debt; They say by brain drain from third world countries in 1970 the USA has taken away 4.7 billion dollars of what they gave as aid. They gave aid worth only 3.1 billion dollars.

Sir, UNCTAD has made startling revelations about this. Now a word about technology transfer. By way of dividend, fees and royalty in 1985 the rest of world is supposed to pay America 23 billion dollars. What is this transfer of technology? These are being produced in the USA by the skilled professionals of third world now in USA as a result of the brain drain. The loot by imperialism of the third world countries is going on. More vigorous fights against these are on the agenda. As a leader of the third world nations we have to give steadfast leadership and articulate the voice of the poor nations. I do not think in this there will be any resistance from our own people. They will stand by you, if you take more forthright stand in all aspects of our foreign policy.

13.59 hrs

[SHRIMATI BASAVARAJESWARI  
in the chair]

SHRIMATI SHEILA KAUL (Lucknow) : Mr. Chairman, Sir, I rise to support the Demands for Grants of the Ministry of External Affairs. At the outset I would like to stress the fact that India continues to adhere to the foreign policy enunciated by our late Prime Minister, Pandit Jawahar Lal Nehru. That policy has stood the test of time. We have seen that some countries align themselves with some and then they pull themselves out from their international forums but India continues to stand on firm ideology and our policy of non-alignment continues to gain ground in international sphere.

The membership of non-aligned countries has increased from 25 in 1961 to 92 in 1979. Now there are 101 countries in the group of non-aligned nations. Non-alignment does not mean sitting pretty or being in isolation or being neutral. It has a special programme. These countries have intervened in many important problems and have solved them. Among them is the urge to have peace. Smaller countries can air their views and India continues to host conferences of non-aligned countries in the cause of peace. Any amount of money that is spent on these conferences is well spent. To maintain its non-aligned character as also the movement of non-aligned countries, India has kept itself busy with numerous activities in different parts of the world. As I said, it is wiser to spend on peaceful programmes than to have programmes of fighting wars. India's eagerness to be friendly with all countries, and its friendly ideologies can be seen by her remaining a member of the Commonwealth, where problems relating to the various countries can be discussed. While some countries pulled out of the Commonwealth, India's decision to remain in it was a wise one.

14. hrs.

What amuses us is the report of 16th March from London. The report says that President Zia-ul-Haq of Pakistan accused India of cooling off India-Pakistan ties because of its own compulsions. Then, there was a television programme and he said that there had been no reversal as

such in Indo-Pakistan ties and the future prospects were very bright. President Zia-ul-Haq made another statement on Kashmir, and the other politicians there also did the same thing which created a controversy. The General acknowledged that the Kashmir issue would be set aside till such time when the other problems were resolved. Noise was made by others in authority that Kashmir issue should be raised in the United Nations. Then, General Zia-ul-Haq maintained that it should be resolved in accordance with the United Nations Resolution. Now, this is all double talk. The United Nations Resolution was violated by Pakistan itself by refusing to vacate the areas which it had illegally occupied by armed aggression. India wants to have good relations with her neighbours, and therefore, offered a treaty of friendship to Pakistan. The genuine desire for good neighbourliness and good relations can be seen by India's proposal that neither of the parties would offer military bases to the third country. This offer by India to Pakistan was not favourably received and Pakistan found it difficult to accept such a proposal because of its own various reasons.

Then, General Zia-ul-Haq proposed that the nuclear installations of the two countries should be kept out of the attack and India readily agreed. Anyone else would have been happy over India agreeing to this, but Pakistan started rethinking.

There have been reports that there has been heavy concentration of Pak troops in the Poonch, Rajouri and Haripur sectors and military activities have been intensified. There seems a contradiction in what Pakistan says and what Pakistan does. I would like to know from the hon. Minister what is Pakistan's foreign policy towards India, because to me, it is not obvious.

The Government of India has been making efforts to normalise relations with Pakistan as is evident by the numerous bilateral meetings which have been constantly held at the highest level. On different occasions, India's concern over the acquisition of sophisticated weapons by Pakistan has been voiced as to how it leads

to diversions of resources which could better be utilised for development and other peaceful purposes. We are anxious to know the views of Pakistan on this, if it can be obtained from them.

Our neighbour Sri Lanka is having difficult times. Though it is their business to find out how to solve it, we are also concerned with it and we shall be happy if the problems of Sri Lanka are solved. Grave situation continues to prevail in Sri Lanka and Tamils are being killed. Doors for negotiations should be kept open for a peaceful solution.

There was a happy occasion for us in December 1985 when the Heads of State of Nepal, Sri Lanka, Pakistan, Bangladesh, Bhutan and India met at Dhaka and the South Asian Association for Regional Cooperation was launched. This area has been long neglected and these are developing countries and they must find out and discuss without mistrust how to help each other. Indian Ocean laps on the coast of Sri Lanka, Bangla Desh, India and Pakistan and these countries would benefit. In Indian Ocean it declared a zone of peace. It is a matter of great concern to India that anglo-american base at Diego Garcia is to be upgraded.

Hon. member Shri Dinesh Singh mentioned about the United Nations and how it is going through crisis to crisis and how it is suffering. This world of ours is a small place and is it not better that we live together in peace than to be in isolation? UNESCO came into being after the United Nations was established. UNESCO is doing wonderful work in the field of science, education and culture and these are the basis for peace and progress of the world. We should continue to be part and parcel of UNESCO in their noble work.

I have to say a word about our missions abroad. Our people who were sent abroad, are trained in their special line. But we seldom find that they are given training in the language, of the areas where they are posted. Once they go there, they try to learn that language, but again they are posted in a far off corner where no use could be made of that language which they learnt. I have some people in

[Shrimati Sheila Kaul]

my mind, when I am talking about this. There was one gentleman who learnt Bulgarian for about three years when he was posted in Bulgaria. But he was transferred to Singapore. Now what use could be made of that language in Singapore? These are all very little things, but we must keep them in mind when we post people from one place to another.

I would like to say one thing more. I feel that no mission is small, and no country is small in its importance to us. We all have one vote each only in the United Nations. I remember that a Minister of Cyprus had voiced a feeling that theirs was a small country and I replied that they were not small at all and though we might be called big, we all have one vote each. So, no country is small and the missions of countries which are not big, should be well provided and well looked after and more funds should be diverted towards these missions. I thank you very much for giving me time to speak.

**SHRI SHARAD DIGHE (Bombay North Central):** Madam Chairman, I rise to support the Demands of the Ministry of External Affairs. While doing so, I will place before you, certain features of our policy on External Affairs and also put before the House, through you, some of my observations regarding the same.

Madam, it is a matter of satisfaction that our foreign policy is continuously based on non-alignment, friendship and peace. The role played by our country as the Leader of the Non-Alignment Movement is well-known. Similarly, the role which we played for the achievement of the goal of disarmament and peace is also very laudable.

As far as the developing countries are concerned, the world peace and disarmament is a matter of great importance to them because development and peace, they always go together and the nuclear war especially will not only destroy the nation which will be attacked, but it will be the

end of the whole human civilisation. And from that point of view, our efforts toward peace and disarmament have to be taken note of. But for the efforts these developing countries and the third world it would not have been possible to get a joint statement of the two big powers that "a nuclear war cannot be won and must never be fought." Of course, a very great progress in that direction still has to be done and I am sure that we shall play a very great role in that process.

As far as the establishment of regional association is concerned, the setting up of SAARC during last year has been a very important event for the region of this part and we have played a great part in establishing that organisation. As the time is short, I will not refer to all the aspects of our foreign policy, but I would like also to refer, as the other speakers have also referred, to our policy with respect to the two neighbours, namely, Sri Lanka and Pakistan.

Now, as far as Sri Lanka is concerned, I must congratulate our Prime Minister for taking a bold and firm stand. He had very candidly asked, when he was at Male; "whether Sri Lanka should let us know whether it wanted India to continue its peace efforts or not". When the Head of the State—Sri Lanka—was taking a double stand, it was quite necessary to put candidly before them whether they really wanted our intervention for settling that dispute.

Mr. Jayawardene had specifically stated at one stage that he would seek a military solution to "what I believe is a military problem, and after doing so, I shall tackle the political side." So, he considers the Sri Lankan problem first as a military problem; and after solving it with the help of the Military, he would like to solve it as a political problem. For that purpose, he had also very categorically stated that "the Army is better equipped, and better trained now and I expect them to end the guerilla violence by the end of the year." So, his main thrust appears to be on the solution of the Sri Lankan problem as a military one. If that is so, this killing of

Tamils is likely to continue for a long time.

It is, therefore, necessary to review our policy as far as Sri Lanka is concerned, and put political pressure on them, so that Colombo might effectively re-structure its policy and restrain its soldiers from continuously killing the civilians in that part of their country. So, my suggestion is that just as we had candidly asked them whether they wanted our intervention it is also necessary to take a bold step and pressurize them politically, to stop the genocide and bring both the parties to the negotiating table, so that there would be a political solution, and not a military solution to that ethnic problem.

As far as Pakistan is concerned, I must say that there also, a little review in our policy is required. Pakistan has been speaking for a long time with two tongues; and contradictory stands have been continuously taken. Perhaps Zia is taking us for a ride, and is feeling that this great country can be continuously fooled by the different statements which he is making from time to time. But, fortunately our Prime Minister has taken a very firm and bold stand. I feel that his visit to Pakistan has been, for the present, permanently postponed. Even the visit of our Minister of External Affairs which was to take place this month has been postponed. That is a right and firm stand which is necessary, when there is a positive evidence that in the extremist movement in Punjab not only there is a continuous supply of arms from that country, but training is also given, and camps are there in Pakistan to create trouble for our country and to de-stabilize the situation as far as certain States are concerned.

So, trouble is being created in Kashmir, and trouble is being created in Punjab. It has been openly stated that it is their right to interfere in the communal troubles of this country. If that is the position, I may submit that we should not go after them and persuade them again and again to come to terms, to come to the negotiating table, because when they are talking in two tongues, in two languages, it would not be possible to settle any

of the issues which are before the two countries. The meeting of the 17th December between the President of Pakistan and the Prime Minister of our country had raised great hopes. But since then, there has been very little progress, as far as the issues between the two countries are concerned. Merely fixing some time-table to meet again and again, and trying to discuss only the issues without giving up the basic stand on the 3 or 4 issues which are there between the two countries, no further progress can be made. At Siachen Glacier, if there are continuous attacks, if a continuous claim is being shown by Pakistan, then no solution can be found, as far as several issues are concerned.

As I was saying that on the basic issue if Pakistan is going to insist upon their own policy and is not going to budge an inch, then there can be no solution to the issues between these two countries and I do not wonder, because the problem of relationship between Pakistan and India, the problem of relationship between Srilanka and India, they are not isolated problems; they are part of global problems in which the American imperialists are definitely playing a great role and are seeing positively that India is continuously harassed by its neighbours by not solving these problems and by continuously giving trouble so that India should not make progress, India should not have its developmental works and should divert its attention and funds to the defence of this country or other purposes so that India should not become a very strong nation in this region.

DR. A. KALANIDHI (Madras Central) : Madam Chairman, at the outset, I must express my thanks to you, Prof. Madhava Dandavate and Mr. Shahabuddin for having given me a chance to speak earlier on the subject pertaining to the Demand for Grant under the control of the Ministry of External Affairs.

It is really painful for me to bring to the knowledge of the hon. Minister the fact about the Indian officials working in our Embassies in various countries. They do not bring to the knowledge of the Government day-to-day developments that are taking place; and also they do not

give a correct picture to the government about anti-national activities that are taking place. They fail to impress on the Heads of the Governments of the respective countries not to give asylum to the secessionists, particularly Khalistanis and others. It is also very painful to say that, in the case of natural calamities and other accidents when our Indians die, their information is not properly conveyed to the respective families; and there is an enormous delay in getting compensation for them. I request the hon. Minister to take note of this.

I will be failing in my duty if I do not bring to the knowledge of the hon. Minister the fact about the Foreign Secretary, \*\* article that had appeared in last Sunday Times of India; a vivid article has been written by Mr. Thakur, \*\*

*(Interruptions)*

THE MINISTER OF EXTERNAL AFFAIRS (SHRI B. R. BHAGAT) : I think that should not go on record.

MR. CHAIRMAN : Please expunge that.

DR. A. KALANIDHI : It is an open secret.

*(Interruptions)*

SHRI B. R. BHAGAT : You are a very senior Member of Parliament. A person who is not able to defend himself, why bring his name?

SHRI K. P. UNNIKRISHNAN : He is saying in the context of the debate.

MR. CHAIRMAN : The person whom he mentioned is not in a position to defend himself. Please expunge his name.

SHRI B. R. BHAGAT : This is not a fact also.

SHRI K. P. UNNIKRISHNAN : All right, you deny it.

MR. CHAIRMAN : It will be expunged.

\*\* Expunged as ordered by the Chair.

DR. A. KALANIDHI : They have mentioned that the Foreign Secretary had \*\* taken the family for the holiday to the finest beach resort of Sri Lanka when people were dying, when Tamils were crushed and when they were shedding their tears. Is it fair on the part of the Ministry to allow the Foreign Secretary to enjoy? It is just like Nero fiddling when room was in fire. When people do not have a proper conduct, when it is against the code of conduct for the Government Servants, it is not fair for the government to elevate such a person to a higher grade like Ambassador Extraordinary to be posted in Sri Lanka particularly; and I tell you, he is a person responsible for deporting Tamil leaders like Balasingam and Chandra Hasan; he is son of late—we call him Ceylon Gandhi—Chelva Nayakam. I request the Minister of External Affairs to take note of it.

I had an occasion to visit United States Assembly last year.

It is very painful for me to say that not a single memento has been placed in the Hall or anywhere. Even the smallest countries have displayed a Memento depicting the culture, art and the traditions. It is unfortunate that India has not even contributed such a thing to reflect our culture, art and tradition, whereas you are able to spend more money for implementing Hindi in the Embassies, and the Official Languages Committee, about a couple of years back visited the United States, spent quite a lot of amount and we are wasting by spending money on a language which is only one of the languages that is included in the Eighth Schedule of the Indian Constitution. That is not only language that can enjoy privilege.

Sir, yesterday during the Calling Attention, the hon. Minister informed that the U.S. Aircraft carrier U.S. Enterprise and a fleet of five ships had reached Karachi and the Pakistan ships are stationed at Colombo. This is causing a concern to us not only to the people of India, but the people of Tamil Nadu in particular.

\*\* Expunged as ordered by the Chair.

Six thousand Tamil people are killed in the past fifteen months and three lakh people have come as emigrants or refugees into Tamil Nadu and in spite of that you want to have a solution-a political solution. After the visit of the Pakistani President, Zia-ul-Huq, military action has been intensified and the British SAS and Israeli Mosads and African arms are very widely used and still you say that you have to be a silent spectator and you want a political solution.

Sir, in today Press, if I am permitted to quote, there is a news item in the *Indian Express* and I quote :

"9 Tamils killed by Lankan army Colombo, March 20 : At least nine Tamils were shot dead and 16 arrested on Thursday during a search operation by the Sri Lankan army at Nedunkeni, about 40 km. from the northern Vavuniya town, according to the Vavuniya citizens' committee sources.

No official version was available immediately.

The sources said the soldiers came in a number of vehicles including armoured cars on wednesday night and surrounded the area. The search was launched on Thursday morning.

The sources alleged that the search operation was intended to terrorise 'the local population into leaving the area.'

Sir, in Ampara district the innocent farmers are killed and burnt and the station is still worse & President Jayewardene has declared in an interview given by him to *London Times* that he is not resorting to a political solution, unless and otherwise the Tamil militants are killed and wiped out. I do not understand the Government of India's attitude. Why do you want to have a dialogue with a man who is not willing to come for a political solution, and who has been responsible for putting the Sinhalese against the Tamils by conducting a Padayatra

from Colombo to Kandy. History cannot be erased shortly. We should remember that. So, I only request the hon. Minister to review the entire situation and also the political situation in our vicinity. But you are trailing the other way and saying that a political situation is the answer. When this is the situation, I may point out that a dynamic Minister of Tamil Nadu, in a Television interview announces that India wants a political solution, on the face of a military onslaught by Sri Lanka. When the situation in Sri Lanka is escalating into tragic dimensions our young Tamil Nadu Minister postulates peaceful parleys.

Sir, innocent women are raped, butchered, breasts are chopped, and you call the boys as militants. But one basic thing you forget is, what made them do so ? They are fighting for their rights, for their struggle for life. It is only for their existence.

In the other situations you are reacting. What is your yardstick ? When it is the question of Palestine Liberation Organisation you immediately recognise it and on the question of Namibia you go out of the way, and on the question of South Africa you say that apartheid is the problem. But when there is genocide still in Sri Lanka you do not want to recognise that call them as leaders. On the contrary, you deport them, your administrative Secretary uses a language which cannot be mentioned here because it is unparliamentary. So, such things are still happening and still you do not want to call them as leaders. And you are calling them as militants. But the basic thing is that they are fighting for their lives. The Tamilians there are fighting for their lives. And you should not forget that it is only a struggle for existence. But I am sure that you will agree with me that there is no difference between apartheid in South Africa and genocide in Sri Lanka.

The hon. Prime Minister of India, probably because his surname is Gandhi, remembers frequently about South Africa where Mahatma Gandhi got the inspiration for the freedom struggle for India and in almost all the international forums, conferences and confabulations he advocates

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economic sanctions against South Africa to end apartheid.

In the case of carnage in Sri Lanka, his Government's spokesman says that Sri Lankan Government must bear 50 per cent expenditure on the maintenance of Sri Lankan Tamil refugees in India. Our hon. Prime Minister pontificates that an environments should be created in Sri Lanka for the dignified return of Sri Lankan Tamil refugees. This seems to be the only diplomatic initiative that our Central Government is taking to end the genocide of Sri Lankan Tamils.

Our hon. Minister of External Affairs, having ministerial experience for nearly three decades, will retort by saying that the Indian delegate has raised his voice in the U. N. Human Rights Convention against the State terrorism for wiping out the minorities in Sri Lanka. Immediately the President of Sri Lanka starts talking about his determination to implement the 1983 package of peace proposals. After three years of dilly-dallying, after three years of consolidation of his military might in eastern and northern provinces and after establishing everywhere adequate ground camps of security forces, the President of Sri Lanka and his Minister of National Security are launching the peace offensive by referring to the constitution of Provincial Council, to the elections to be held to the Council and to the election of the Chief of the Council and about handing over the law and order and land settlement issues to the Provincial Council. This edifice of national solidarity in Sri Lanka is to be built on the millions of dead bodies of Sri Lankan Tamils.

The then Government of India launched a massive diplomatic offensive throughout the world when lakhs of refugees from former East Pakistan poured into India. The Government of India assisted the national upsurge for the liberation of Bangla Desh. But the present Government of India satisfied itself by giving Rs. 40 crores to the Government of Tamil Nadu for the maintenance of Sri Lankan Tamil refugees. On the floor of Lok Sabha we are told that this is a national issue and not the problem of Tamil Nadu alone.

Our Foreign Secretary goes to Sri Lanka and our High Commissioner in Sri Lanka comes to Delhi for apprising national leadership about the crisis in Sri Lanka.

We have been crying from house-tops that Trincomalle—the eye of Indian Ocean—has been leased out to American Navy. The giant 101 oil tanker in Trincomalle will feed the American Naval fleet in Indian Ocean for months and months. Our Naval movement from East to West and Vice versa will have to be around Sri Lankan coast. In the name of scientific research programme, the US Government has put sea-mines around the Sri Lankan Coast. Near Colombo the biggest transmission tower set up by the US will watch the movement of our Navy, besides the Fleet movement of other countries in Indian Ocean. Our country's southern coast is susceptible. We should not forget that Sri Lanka is another Diego Garcia nearer our coast. Yet our supine international diplomacy continues merrily. Our abracadabra is non-alignment.

Sir, I demand that we should not hesitate to put on Naval vessels in our territory between Sri Lanka and India. We cannot allow the depredations of Sri Lankan Navy on our fishermen. As a strategic project of national importance, the Defence Ministry should take up the implementation of Sethusamudram Canal project so that we have our own sea-way for ships from west to east and vice versa. Our present Vice-President during his tenure as Defence Minister in reply to a calling Attention Motion on the floor of this house had conceded the strategic importance of Sethusamudram Canal project. This Canal will protect the southern coast of our country. Should we not take at least this kind of pre-emptive steps to safeguard the sovereignty of our country ? This is a part of our foreign policy.

We should demand international economic sanctions against Sri Lanka, which is no different in its ideology from South Africa. We should not be taken in by the peace offensive of the President of Sri Lanka. After exterminating the entire Tamil race in Sri Lanka, he will dump all the stateless people of Tamil origin on India. We must take adequate steps to counter this guile of President of Sri Lanka,

Finally, I conclude by telling that it is often stressed and requested by my beloved leader, Dr. Kalaignar M. Karunanidhi, that we must sever diplomatic ties with Sri Lanka and impose economic restrictions. In spite of that, if the Sri Lankan President does not come on the line, then the only solution left to us is military solution, because we have exhausted all our energies and avenues. I think, the military solution is the only solution in Sri Lanka for solving the ethnic problem there.

With these words, I thank the Chair.

*[Translation]*

SHRI DAL CHANDER JAIN (Damo): Mr. Chairman, Sir, I rise to support the demand No. 29 of the Ministry of External Affairs asking for grant of about Rs. 62 crores. At the outset I would like to draw your attention to one thing. A meagre provision of Rs. 10 lakhs have been made for the promotion of Hindi in foreign countries. I would like to submit that more funds should be spent for the promotion of official language. We often observe that when foreigners visit this country they speak in their mother tongue but when Indians go abroad, they have to speak either in English or any other foreign language. I would like to bring to your notice that our policy should aim at promotion of Hindi in foreign countries to the maximum possible extent. As the couplet by Kabir says—

*Kabira khada bazaar men mange sabki  
khair.  
Na kahu se dosti, na kahu se vair*

Similarly, according to policy of our Government our country has friendship with all and enmity with none. Our neighbouring countries which extend a hand of friendship towards us but actually they are constant headache for us. We should have a practical outlook viz if we extend our hand of friendship, other side should also reciprocate, otherwise we should pay them back in the same coin to defend our self respect. Our sasnts and sages go abroad to propogate Indian culture and heritage and therefore it should be borne in mind that the patriots get proper respect.

Those Indians who go abroad, but malign our country they should be called back so that they could not tarnish the image of our country.

Just now, my previous speakers also pointed out that there is need to enhance our power not to harm any other country but to defend our country. We should increase our military power whether it is through making Atom Bomb or through other means. This is not to be used to harm Sri Lanka or Pakistan. We should make Atom Bomb not to harm anybody but to increase our own power so that nobody is able to cast hostile looks on us. I would like to narrate a story about a lion. There was a ferocious lion. A saint advised the lion not to kill anybody to which it agreed. But as soon as the lion agreed, people started throwing stones at it. After some time when that saint met the lion again, it complained that the people are throwing stones at it. The Saint told it that nodoubt he had forbidden the lion to kill anybody but he had never forbidden it to roar. We should follow a similar policy. If anybody casts hostile looks at our country, we should deal with them in an appropriate manner, because only then we can safeguard our respect and defend the country. Indians who go abroad have to face great hardships and our embassies are not able to assist them properly. The Government should look into it and find the reasons therefor, wherever our Indians brethren go, they should get proper respect there. With these words, I conclude.

*[English]*

SHRI P. R. KUMARAMANGALAM (Salem): Mr. Chairman, may I, at the outset, take this opportunity to congratulate both the hon. Prime Minister Shri Rajiv Gandhi and our hon. External Affairs Minister, Shri Bhagat, for having kept our country's flag flying high in the international arena. India's contribution during the Chairmanship, which I understand is coming soon to a close, of NAM, is something which is not only gone on record from the historical point of view but is also revolutionary in many ways. We have made NAM into an effective movement to the extent that the other powers

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now look upon NAM not only seriously but with a certain amount of fear in their hearts.

They are afraid that our policies of nonalignment and peace will gather strength and may ultimately envelop the world and bring an end to the efforts of these global powers and their designs. India's contribution in so far as disarmanent, apartheid in South Africa, our contributions both in the United Nations and CHOGM as well as the group of 24 Ministers' meet in April 1985, is concerned, it is something which has gone on record in history, and would always be spoken of. But while this is so, in so far as our role in the international arena is concerned, there is something happening which I would like to bring to the notice of the Minister of External Affairs. This is regarding the employees in our various embassies abroad. I have visited many embassies abroad. I have noticed that in so far as employees whom we engage locally are concerned, they are poorly paid. They are paid much less than even what the minimum wage requires us to pay to them statutorily in those countries. To amplify my point I would like to say that almost all the countries abroad have minimum Wages Acts similar to what we have, especially the Western bloc and the European bloc. Many of the employees who are engaged locally like drivers, assistants, protocol assistants, etc. come and meet Members of Parliament and other dignitaries when we visit the countries abroad, but it is embarrassing to hear from them that they are being paid so poorly in comparison to their counterparts in other embassies. One bows one's head in shame when we know that we are using the veil of immunity of embassies to deny what rightfully should be given to the employees as their wages and other terms and conditions of service under various statutes. Sir, I would request the External Affairs Minister to look into this matter. This applies not only to embassies but also to all our missions abroad. It is a very unhealthy practice that one should try to make use of the immunity and the facilities that are available to our various diplomatic missions and embassies abroad in

this manner. It is a fact that we don't even pay our regular employees in the Foreign Service sufficiently. It is embarrassing to note that some of our Foreign Service personnel who are posted abroad welcome invitations often from other embassies only in order to skip a meal; and meal does not merely mean only the food but the drinks that go with it too! It is unfortunate that we are not able to look after these who have really contributed a lot to our national interest in the international area. Our success in the international field has not come overnight nor has it come without any effort on these employees; and I do not see why they should not be treated at least on par and on equal basis in comparison to the other embassies. When you compare them, please do not compare them with Government service in India. Because, the cost of living in India is definitely much less than what it is abroad in the western countries. Of course one would look at their VCR and television, etc. and presume that they are doing very well.

But factually what matters really is that when they come home, back to India, what do they bring with them other than the VCR, television and frigidaire. Do they bring any money in real terms of foreign exchange by means of saving? If one wants to know the answer, one would find, 'No'. It is those who are fortunate enough to be appointed in Missions, especially U.N. Missions, do get back a bit, but not those in the Embassies. Their savings are very little and that establishes beyond doubt that the amount of income they get is just about sufficient and meets their ends rather than really being a posting which they can make money from. I would like the External Affairs Ministry to look at the problem of employees, especially Indian employees abroad, those who belong both to the Foreign Service and those who do not belong to Foreign Service. Many Members of Parliament who have gone abroad, I am sure, would agree with me that especially the low level employees like the driver, protocol assistant etc. etc. would invariably complain to Members of Parliament about their state of affairs.

I would like to, secondly, speak on a

very important aspect of the posting abroad with regard to Class II, Class III and Class IV employees, not the Class I, the first class rated Service, IFS 'A' Service, but I mean IFS 'B'. There is a lot of favouritism, the proper rule is not being applied, the fact that some sort of rotational system should be adopted is not being employed. Rather what really is happening is that if a particular member of the IFS 'B' Service is close to the bureaucratic power that be, not even the Minister that be, he manages to get a reasonably long tenure, if possible, a whole tenure of service abroad, while the others remain as mere clerks in the Ministry of External Affairs pushing up files with a highly negative attitude and unless there is a rotational system brought into this efficiency, this complaint would continue.

Madam Chairman, I would like to. what is considered by a lot of my colleagues here as my favourite subject, Sri Lanka. Now, it is usually alleged that Members of Parliament who come from Tamil Nadu speak only on Sri Lanka, but fortunately, I think now there are more Members of Parliament from the rest of the country who are now raising their voices on the Sir Lanka issue and it is a pleasure to know that the country as a whole is worried and is taken aback and is aghast at the manner in which the Sri Lankan Government is conducting itself. Madam Chairman, I am sure the hon. Minister for External Affairs would recollect that when I spoke last year in the same debate, I had said that the then President and the now President of Sri Lanka has a tendency to speak with his tongue in his cheek and I think the recent past would prove my statement to be correct. At that time I had gone on record to say that this President was one who led the famous Candy march and went on record to break the settlement which, if it had taken place, would have never given birth to the ethnic problem at all. Now, it is that very President who is saying, 'No, I will have bilateral negotiations and tri-lateral negotiations and I will settle'. He came all the way to talk to our Prime Minister, but the ultimate was that he went back and said, 'My political experience is more than the age of the Indian Prime Minister himself.' He

had the arrogance to say that 'the Prime Minister of India is not the person who can tell me what I should do.' He went on record to say this and it is unfortunate to note that while saying this on the one hand he uses helicopters, gunships and what not taking advantage of the lull that was there.

He did not have ceasefire in Sri Lanka for the sake of ceasefire, or for the sake of settlement when he agreed to a ceasefire in Sri Lanka. He agreed to it only because he could arm him to the teeth and finally give a crushing blow on the unfortunate Tamils who are only asking for equality, why are only asking for the right to live with dignity, not to be treated as second-rate citizens or dogs.

Madam Chairman, a very unfortunate incident has taken place. Helicopter, gunships and modern equipment are being used to massacre not militants but civilians. The people living in their homes with their huts suddenly found that there was fire all-round because of the modern bombs raining on them by the Sinhalese guards. That is the real state of affairs. Madam-Chairman, why are we going to just keep quiet receiving insults, morning, night and day, sometimes individually and personally ? On the one hand, we receive insults and on the other, we stretch out our hand and say, "Well, we are willing to be a mediator." Today the Sri Lankan Government literally is scoffing at us and telling us, without using the words, "We do not need your mediation." How are we still going to keep quiet ? I am not saying that we have to send our military. It is not necessary. All that is necessary is, allow these young militants to fight their cause. We are not even asking help in the form of ammunition. They know how to get it and they will get in on their own. Let, at least, the Government of India give moral support. Well, for Bangladesh, we could go around the world. Our Prime Minister could hop from city to city in the world, from every capital to capital and we went on the house-top to say, "Genocide is taking place in Bangladesh." Why can't we at least say that genocide is taking place at the floor-level, when it is happening in Sri Lanka. It is now necessary to go around the world

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arena, not just Geneva—but to go to every single capital in the world—and to go on record to say that the conduct of Sri Lankan Government is reprehensible to say the least. They are violating every single norms of human rights. They do not give even minimum respect that is to be given to human life, let alone human dignity, which is secondary.

Madam-Chairman, it is not time for the Government of India to say that we will send the Army but rather to emphasise the need for a political settlement. Yes, it is not only the people of Tamil Nadu, the people of India but the people all over the world feel that the only way for a lasting peaceful settlement is to have a negotiated settlement. But when there are murders, are we going to keep quiet? Is the world community going to stand by and say, "When Tamils in Sri Lanka are being slapped on one cheek, they should show the other cheek since after all, they are the children of Jesus Christ"? Is that the answer we have? Or, are we going to say, "No, hit back. We are there to support you." We should at least use the world power that is there in our hands to stop this genocide. Madam Chairman, may I request the Government of India to make it a formal Governmental policy to tell the world as to actually what is happening in Sri Lanka? Let the world know that the Tamils are being killed—not militants, not armed personnel of any variety, not terrorists at all—but innocent civilians. It is the unfortunate women who is being raped. It is a little child who is being massacred. It is the baby that is being murdered, not even a young-man. There are very few young Tamil-men left in Sri Lanka to be killed.

Madam-Chairman, while ending, may I also just say that today the situation is, the Government of Sri Lanka is still sticking to its guns and saying, "Yes, we will give something called, provincial council etc." and then they arranged leaks into the Press, of so-called secret negotiations, talks of secret settlement. This is the latest moves, they have started adopting and they have managed to get into the Indian Press also—not only the Sri Lankan Press, not only the South Asian Press but

the Indian Press also. They have also got into the Indian press to put things which are not true. I would like to ask the Government of India to keep the Indian Press fully briefed and informed as to what they are to do. We have nothing to hide. We genuinely wish to have peace in Sri Lanka. We do not want annex Sri Lanka. We want Sri Lanka to develop, grow economically. We will be proud to have a neighbour which has peace, culture and growth. But we feel disturbed when we find a neighbour and many of those people who live in that neighbouring country, being massacred morning, night and day.

Actually the land settlement policy of Sri Lanka is now being used as another weapon against Tamils. Tamils are being bound, taken out of their old traditional homes and pushed away into so called refugee camps which are nothing but forests where there is no roof and they complain they are shot in large numbers and buried in mass burials. I do not know if Hitler has ever thought of it which they have now learnt. I do not know from which place they have got this education.

Of course, I do understand, that it is not so easy to have a solution to this problem. It is not that one can say "Let the Indian Army walk into Sri Lanka. The problem is solved." It would not be so. There would be flashbacks and outcomes of such an attempt. One is not just blindly asking for that. But one is asking the Government of India no longer be taken asleep. They should have their eyes open. This President of Sri Lanka and the Government of Sri Lanka will play games with us. They will tell us they are divided in themselves. They will say the Internal Security Minister is actually a rabid reactionary while the President is a revolutionary peace-loving man. All of them are of the same colour. They all belong to the same thinking. It is not new. For the last 30 years, they have adopted this system.

May I just end by saying let us not be taken for granted by the Government of Sri Lanka? Let the Indian Government show its mettle. It is respected in the world. If we go out to the world community and speak on still what is going on,

we will definitely be able to get the relief and the peace that the people of Sri Lanka require.

Sh. SYED SHAHABUDDIN(Kishanganj)  
 Madam Chairperson, the sordid story of Sri Lanka which is unfolding before our very eyes, is but a testimony to the failure of our diplomatic efforts during the last one year. I would have forgiven the Government's failure if it were not in Sri Lanka alone that there is the same situation on all sides; all round us we see the same story. We see the continued occupation of the Afghan people under foreign heels. We see Nepal groaning under a feudal order. We see Pakistan and Bangladesh being denied democracy. We see Burma ill-treating the people of Indian origin. The Indian Ocean is more and more heavily militarised with every passing day and there super power rivalry is reaching nuclear dimensions. Today Iran-Iraq war continues to rage raging next door to us. We are helpless spectators of this sordid scene around our security environment. We are helpless-or seem to be helpless. We only utter certain beautiful phrases from time to time but we do not seem to influence the course of events any longer.

The last one year seems to have given Indian diplomacy a certain style, a certain flamboyance which is totally out of place. Diplomacy is not flowers and champagne alone. Nor is it just cocktail circuits/and candle light dinner parties. It is cool calculation. It is persistent pursuit of national interests in a world which is still largely governed not by the force of principles but by the force of power. But by the force of power. We find a certain erratic pattern of behaviour. We see euphoria succeeded by depression. We see a quest of headlines. We see incoherence in our declarations. We see minor irritants sometimes blown up out of all proportions clouding our long term perspectives and our the distant horizons. We see sudden changes of mood & vacillations of mood and we are faced with the degrading spectacle of being forced into situation of squabbling with our neighbours.

15 hrs.

India is a historic entity. India is not

an artificial State. I do not wish to sound hawkish nor am I a dove. But I do believe in the manifest destiny of this part of the world which is called South Asia—surrounded on one side by the icy range of the Himalayas and watered by the blue waters of the Indian Ocean. We have a destiny to fulfil and in this part of the world we matter. We are there. We cannot be cut down to size. We are not apologetic about our size nor we can oblige anybody for any reason. But we have then certain corresponding responsibility which is not served by a show, by glitter or by style. I allege here that there has been more showmanship and less of substance in our pursuit of diplomacy during the last one year. And this must go. This is my appeal to the Foreign Minister.

Let us not show temper but to act. Let us be kind and persuasive. We do not need anger. We need understanding. We do not have to retaliate but we have to apply a soft pressure and a soft touch.

I find not only the political environment clouded but I find that the entire economic scene which is after all the counterpart of our political objective completely in shambles. What have we achieved in the last one year? The report itself is a confession of failures. It does confess that the conditionalities of foreign external assistance are hardening. It does say that foreign aid is drying up. It does say that we have made virtually no progress in international economic negotiations. The terms of trade are becoming more and more adverse. The access to technology, maybe it is not getting restricted if we see the headlines, but when you come actually to brass tacks and when you negotiate a deal, you know that the terms are harder and harder. Our share of development capital from private source is getting less and less. Our share of the IDA has gone down from 40 to 22%, if you want any testimony. And we are being urged to liberalise our economy and become market-minded and to adopt economic policies which by our standards are not particularly favourable from the point of view of a developing country. Sometimes I see a juvenile reaction Chairman Mao smiles at diplomats. President Reagan

[Shri Syed Shahabuddin]

writes a letter to our Prime Minister. He has acknowledges our letter. Well, it is then sent around if our diplomatic effort has succeeded and the world was on the threshold of a nuclear disarmament. But I do see a silver lining. During the last one year, as Mr Dinesh Singh pointed out, SAARC has taken shape. But I see it as a child suffering from malnutrition, as a rickety child which is still not capable of crawling, far less walking. And what is the reason which restrains the progress of SAARC ? This to my mind is the most important question which Indian diplomacy has to tackle to-day. SAARC is not going forward primarily because of internal conflicts of interest and that suspicious among the States which compose SAARC. Not all of them have put their heart in it.

As I mentioned a little while earlier, we have a historic responsibility. But do we have a clear perception of our long-term interest ? India is too large, too important, to be left alone and as I said, we cannot cut down our size. We have to grapple with this environment in South Asia. We have got to go to the heart of the problem. Why does this mistrust with regard to our policies persist among our neighbours ? We are big enough not to nurse a siege complex. We should not think that the world is our enemy and that everybody is just cussed. Something more needs to be done by us which we have failed to do. Are we then really doing all that we can to take forward the spirit of SAARC ? I am afraid, we are not. Have we given our neighbours a clear impression that not today but as a long-term perspective, we are prepared to share our markets; we are prepared for creating the vision of the common defence of the sub-continent against any extra regional incursion ? Have we given our neighbours a clear understanding that technologically advanced as we are, we are prepared to share our technology with our neighbours ? Are we prepared to say that while seeking self-sufficiency and self-reliance, we are still prepared for on a regional basis, economic planning on a regional basis so that it takes into account the resource endowment, and the posi-

sibilities and potential of all our neighbours ? We must be able to prove to them, to these smaller nations around us—all of them put together are not equal to us in size, they are not equal to us, in population and so they have a certain natural propensity to distrust us—have we been able to convince them that the scenario that we have in front of us does not in any way involve any abridgement of their sovereignty ? And that cooperation will not entail subordination ?

MR. CHAIRMAN : How much time would you take ? Please try to conclude. The Minister has to reply and at 3:30 P.M. we have to take up the Private Members' Bill.

Sh. SYED SHAHABUDDIN : I will take three minutes more. I do appreciate that time is short but I am trying to draw a broad canvas. Let me say that the States in South Asia are not strangers to each other. With all our minor irritations which plague our steps from day-to-day we are brothers unto each other. We are all members of the same family. Our joys and sorrows are to be shared and that without any condescension. We have got to give a lead, a nudge and a push like *Karta* of a joint family. A *Karta* of a joint family denies himself many pleasures in order to satisfy the requirements of the family.

AN HON. MEMBER : Hindu joint family.

Sh. SYED SHAHABUDDIN : It is a Hindu Joint Family, and I will be very happy if this Hindu tradition were applied in our diplomatic relations. That we are there when we are needed. But we do not breathe down their neck. A time has come, therefore to take a stand on South Asia. South Asia faces the onslaught of the great powers of U.S.A., U.S.S.R and China alike. I am not making any exception because in diplomacy, we do not admit of any permanent allies or permanent enemies. They are there. They would wish to fish in our trouble waters. We can keep them out only if we develop our relations with our immediate neighbours and give them a sense of belonging to a family, as I mentioned earlier.

We talk about Non-alignment, Non-alignment is only an instrument of policy. Nothing more than that. Non-alignment is supposed to project us our national interests to take us forward. But here, I find that the very concept of Non-Alignment today, is becoming very-very diluted. It is getting eroded. We have got captive nations which call themselves non-aligned; we have got slient States which call themselves nor-aligned; we have got thoroughly aligned States which are in the Non-Aligned movement. And that is why the Non-Alignment Movement is not effective. Somehow it has become too universal, everybody being so goodie-goodie to each other that you really cannot distinguish between the bad guys and the good guys. You cannot apply any definite thrust or any definite pressure in any particular direction. That is why its ethos has been lost and Recently when we had this case of one of the members of the non-aligned States being threatened by a great power, we, the Chairperson of the Movement, kept silent, and this was noted around the world.

We have come to the beginning of a new era and an appraisal is called for both of objectives and methods of policies and instrumentalities. The party is over; it went on for 500 days. Now let us sit down to hard work. The flying is over. The plane has now been grounded. Let us now come down to earth and look around us. I would say, of all possible alternative options for our diplomacy, the only viable card is South Asian regional cooperation. Let us put our stakes on it. Let us try to move it forward; let us give it a lead, for, this is our historic task. We should not stumble from initiative to initiative, from episode to episode, or should be seen to vacillate in the pursuit of regional cooperation. But I again warn the Government; this would call for a certain hard-headedness and a certain spirit of sacrifice. There is no option to peace in our region, there is no alternative to friendship and cooperation and good neighbourliness in our region. The only alternative will be a nuclear arms race which would be devastating for all the people of this region. This nightmare is unthinkable. If we want to avoid the nuclear peril, if we want to build up an

area of friendship and cooperation, then we cannot count our pennies, we cannot run our diplomatic activity or run the diplomatic process on a day-to-day basis, as I said, by going from incident to incident. We have to have a long-term perspective and in any case the SAARC we should use as an instrument for promoting it we should propose the following steps.

We should initiate as a long-term objective a multilateral Treaty of Peace, Friendship and Cooperation, something on the lines that we are negotiate with Pakistan. We should, in SAARC, initiate the process of economic planning of the region as a whole which would maximise and realise the potential of the natural endowment of the region as a whole and give every one of the States a certain role in meeting the economic needs and sharing the economic fulfilment of the region. In SAARC we should open the doors of all our institutions of higher learning. I am afraid, our entire contribution—I have seen the Budget of the External Affairs Ministry—is only Rs. 3 crores for economic cooperation with entire third world. We are the biggest flag-bearers of technical cooperation among the developing countries and in the region itself, apart from Bhutan and Nepal, we seem contribute just about Rs. 3 crores. Suppose Bangladesh, just for the heck of it, were to give away one of their islands to a Super Power and say, "All right; we are a sovereign State; we have done this; you do what you like". Then how many hundreds of thousands of crores will be required to defend our sovereignty against such a move? Yet, we seem to be so miserly in our approach in technical cooperation even with our neighbours.

My other suggestions are these. Let us build up a system of preference which would lead one day to a Common Market in South Asia. Let us go on pushing for open frontier so that there is a traffic in culture and a traffic in human values cutting across the frontiers that we have artificially placed in our Sub-continent.

Finally, let us form the habit of consulting with all our neighbours in trying to formulate a common policy towards all world issues, whether they are political or economic in character.

[Shri Syed Shahabuddin]

I would now crave the indulgence of the Minister—because I happen to have served in the Ministry of External Affairs at one time—to bring to his notice certain institutional matters. Please, for God's sake, reestablish the unity of command in the Foreign Office; today our friends and foes do not know who the real Foreign Minister is, who the real Foreign Secretary is, who really commands, who really decides policies; let us have a unity of command and let us not send around divergent and contradictory signals at various levels; let us have a consistent and persistent pursuit of our national policies.

Secondly, the Service is in a bad shape; the Service to which I had the privilege of belonging once, is demoralised. It is not attractive enough to the young blood. You will have to do something in order to make it more attractive. Because that is the only instrument at your command for transmuting into reality whatever aspirations and hopes we have for the future of India, for a great India which would not only be a regional power but which would play a role in the affairs of the world.

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI K.R. NARAYANAN) : Madam Chairperson, Hon. Members : I am very grateful to the Members of the House for the very impressive support that they have given to the conduct of our foreign policy. I would say the impressive support—almost a consensus behind our foreign policy which was established in the House today inspite of the very eloquent dissent by my hon. friend and former colleague Shri Shahabuddin.

SHRI S. JAIPAL REDDY : He continues to be a present colleague.

SHRI K.R. NARAYANAN : I would call him on Hon. friend. India's foreign policy has as its central core the safeguarding of our national interests. But as Pundit Jawaharlal Nehru said several times we have been pursuing our national interests in the context of world peace and

world cooperation. In a sense this is one of the most difficult experiments in history, to pursue a foreign policy which tries to reconcile and bring into harmony with each other India's national interest and the interest of the world as a whole. There is, of course, as a result of many difficulties, many obstacles, some of which my friend Shri Shahabuddin has brought out very pungently, the difficulty of living with our neighbours, the difficulty of tackling the problems we have with some of our neighbours while we pursue our larger goals as well as our own national interests.

I should submit that the record of Indian foreign policy has not been a failure but a magnificent success in very very difficult geographical conditions, very difficult international situation. Shri Shahabuddin talked about the armament race, about the drying up of concessional aid and about various conflicts which exist around us. He also mentioned very patriotically and very eloquently "the manifest destiny" of India. It is a phrase which has a bad odour and, therefore, I would not like to use it.

But while he has accused India of flamboyant diplomacy, I think he has pitched our present role at such a high level that it almost amounts to be a flamboyant operation of India's diplomacy. I think we have to be a little more humble while being ambitious and bold at the same time. It is unfortunate that we cannot stop the armament race, that we cannot affect the deteriorating international economic situation. We cannot succeed in getting more aid from the North to the South. These are hard difficult problems built into the present international situation.

What is important is that we have striven boldly together with other countries, particularly the non-aligned countries, the developing countries to hold the flag of independence and non-alignment high. And also to exert continuous pressure on the great powers for disarmament, for development and for a more equal and just international order.

To the extent to which a country like India with all its internal problems and

with all the problems surrounding it can do, I think, we have tried our best and that is why India is held in very high esteem in the world as a whole. He talked about "soft pressure". Well there was one President in the United States who said, "Talk softly and carry a big stick." I think we do not wish to do that. We would like to operate in a different way. I think in the midst of the provocative situation existing around us our Prime Minister, our country, has shown immense restraint and a great deal of wisdom in tackling these problems.

Let me refer very briefly to what is happening in Sri Lanka. There is no doubt that this is a situation that is trying India because though it is an internal problem of Sri Lanka it impinges on us and it will impinge even on the region. We have talked boldly. The External Affairs Minister said the other day in the House about the necessity and urgent need for stopping the killings and the violence that is going on in Sri Lanka. But the same fact compels us to display all our powers of diplomacy and even our patience in dealing with that situation.

We are afraid that the killings and violence in Sri Lanka if it goes on it would be a tragedy not only for the Tamils but even a greater tragedy for Sri Lanka itself and the situation can certainly be solved only by a political approach and, if I may say so, because we are talking about Sri Lanka, with a touch of the Budhha. The situation can be solved only by such a method otherwise Sri Lanka would be getting into a knot, a very difficult knot, which it would be impossible for it to unravel.

DR. A. KALANIDHI : President Jayewardene is not willing for a political solution and sought for a military solution. What is the use of ourselves talking about political solutions?

SHRI K.R. NARAYANAN : There have been other statements from Sri Lanka. I have no doubt that the wisdom of the politician, of the leaders in Sri Lanka and even more the people of Sri Lanka will assert itself and they would realise that it

is even in their narrow self-interest to pursue a political path, a peaceful path in dealing with their own people, in finding re-conciliation with their own people because after all the Tamils.

SHRI S. JAIPAL REDDY : This is hoping against hope.

SHRI K.R. NARAYANAN : It is not hoping against hope. There are certain compulsions of the situation. I am not saying that we have no role to play. We have a role to play and we are playing that role. We are not playing that role impatiently but with a certain degree of calculation and I am sure that the forces of peace and of good sense will prevail in Sri Lanka. We are ready to offer our good offices any time when that sense prevails, when the conditions are ripe and favourable for an effective re-activisation of our good offices.

DR. A. KALANIDHI : I am afraid the entire Tamil race there may be wiped out.

SHRI K.R. NARAYANAN : I do not think that people can be wiped out. I do not believe that the brave Tamils can be exterminated whatever degree of violence is offered. I have faith in that. I have faith in the people of Sri Lanka. I have faith in the Tamil people of Sri Lanka. I think they will win with the support of the rest of the world. And India is not just sitting quiet. We are talking to other people and to other countries.

We are talking to other people, to other countries, not trumpeting about it, but effectively talking to other nations in the world, pointing out the situation that exists in Sri Lanka in order to find out a solution.

DR. A. KALANIDHI : Don't you think that you have given time for them to equip themselves with the sophisticated weapons?

(*Interruptions*)

SHRI K.R. NARAYANAN : I wish to say only this about Sri Lanka. It would be counter-productive if this great country

[Shri K. R. Narayanan]

adopts a highly impatient, emotional, attitude towards this problem.

We have patiently pursued a certain policy towards Pakistan; of course, we have lived with Pakistan ever since independence and we will live with Pakistan. I am sure, amicably in the future in spite of the obstacles that are put in the way of friendship and cooperation between India and Pakistan.

I want to say something broader because India's national interest, India's position in the sub-continent and in the region is linked with our role in the world as a whole. Our power, our strength rises from our own unity, our own development, our own strength, but yet it is a world policy which in turn supports this strength and unity of ours.

Right from the beginning, we had opted for the policy of non-alignment. I want to say that non-alignment is not an abracadabra, nor is it a policy of being goody-goody or namby-pamby, but it is an effective policy for maintaining the independence of countries like India and new nations. We realised right from the beginning that there must be peace in the world, justice and equality in the world, if our independence is to be safeguarded and if India is to rise to its full stature in the world. That is the reason why from the time of Jawaharlal Nehru, we followed the policy of peace, non-alignment and peaceful co-existence.

The armament race is an issue which has pre-occupied our attention for a long time and during the last one year particularly, or one and a half years, this issue has become a dominant issue in our foreign policy operations.

The call given by our Prime Minister together with five other leaders of the Third World, of five continents, was a powerful expression of the yearning for peace of not only the six nations, but of the world as a whole. We have realised that while we have to work through diplomatic channels, in the United Nations and with other Governments for nuclear

disarmament, the most important thing is to organise and arouse public opinion in the world as a whole and bring it to bear upon the great powers. This has been one of our major objectives for controlling and affecting the course of the armament race. That is why we have given this subject central position in the non-aligned forum and also in the international forums.

MR. CHAIRMAN : It is already going to be 15.30 hrs. The Minister is likely to take another few minutes to complete. We shall take up the Private Members' Business thereafter. I hope, it has the approval of the House.

MANY HON. MEMBERS : Yes, yes.

MR. CHAIRMAN : The Minister may please continue.

SHRI K.R. NARAYANAN : Another objective of our foreign policy right from the beginning has been anti-colonialism, and in this field, in the new world of today, the classical colonialism is no more, but neo-colonialism has cropped up its head. And in places like South Africa and Namibia, colonialism has its last ugly distillation in the form of racism plus old style colonialism. We have tried to make an impact from the United Nations and from the Non-aligned Movement and we have even succeeded in reactivating the Commonwealth by making it focus its attention on the iniquity of the racial rule in South Africa. This has been one of our special achievements to make the Commonwealth Forum apply its mind to the South African question as a major world issue. Whether the role of the Eminent Persons' Group will succeed or not, it has taken a new initiative. Commonwealth has been made to take a new initiative largely at the instance of our Prime Minister in regard to South Africa and racialism there.

Now I am going to be brief because I do not have time. I want to mention another aspect of our foreign policy, which is the South-South Dialogue, the problem of South-South Cooperation. Since the

North-South cooperation or dialogue has been deadlocked, we are trying our best to break this deadlock. But instead of waiting for this, we have gone ahead very vigorously for organising South-South co-operation, not merely conceptually, but by economic cooperation between individual countries in the Third World and by co-operation with economic organisations in the Third World. I was recently in Africa and I found with what expectations they looked up to India for imbibing technology, especially intermediate technology and for cooperating with us in the economic field. I think that this is one of the foreign policy initiatives we have taken upon ourselves in order to give new life to the South-South cooperation.

Madam Chairperson, I would like to end by coming back to our own region and to SAARC, to which my good friend Shri Shahabuddin and others referred in their speeches. The fact that SAARC has emerged is a great thing, inspite of all the troubles, all the differences and conflicts in the South Asian region. Through the crevices of these conflicts and differences, the forces of cooperation which always have existed underneath, have cropped up. And this cooperation has come up in a natural way because it is not possible to force this cooperation and it has to follow an evolutionary process. It has taken place in South Asia and it is due to the wisdom of the leaders of South Asia that we are grasping this new opportunity and working for this cooperation. But we must take into account the realities of the situation and the facts in South Asia. If we try to be impatient and adventurous in going too fast forward, then this little baby may not even be able to crawl properly and grow up. Therefore, Madam Chairperson, I would like to stop my intervention by saying that India, within a very difficult international as well as regional situation, has through her wisdom tried to harness all the creative and constructive forces and played a very effective role in bringing a reconciling touch, in bringing a touch for peace as well as for safeguarding our own national interests.

15.35 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

Fourteenth Report

[English]

SHRI R.P. SUMAN (Akbarpur) : I beg to move :

"That this House do agree with the Fourteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 19th March, 1986."

MR. CHAIRMAN : The question is :

"That this House do agree with the Fourteenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 19th March, 1986."

*The motion was adopted*

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RAILWAY PROPERTY (UNLAWFUL POSSESSION) AMENDMENT BILL\*

12.36 hrs.

(Amendment of Section 9)

[English]

PROF. MADHU DANDAVATE (Rajapur) : I beg to move for leave to introduce a Bill to amend the Railway Property (Unlawful Possession) Act, 1966.

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill to amend the Railway Property (Unlawful Possession) Act, 1966."

*The motion was adopted.*

PROF. MADHU DANDAVATE :  
I introduce the Bill.

Now, Shri Mool Chand Daga may continue his speech.

[Translation]

12.36 1/2 hrs.

CONSTITUTION (AMENDMENT)  
BILL\*

(Insertion of new article 394A)

[Translation]

SHRI NARESH CHANDRA CHATURVEDI (Kanpur) : Mr. Chairman, Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

[English]

MR. CHAIRMAN : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India".

The motion was adopted.

[Transition]

SHRI NARESH CHANDRA CHATURVEDI : I introduce the Bill.

12.37 hrs.

CONSTITUTION (AMENDMENT)  
BILL—*Contd.*

(Insertion of new article 16A, etc.)

[English]

MR. CHAIRMAN : The House will now take up further consideration of the following motion moved by Shri G.M. Banatwalla on the 7th March, 1986, namely :—

"That the Bill further to amend the Constitution of India be taken into consideration".

SHRI MOOL CHAND DAGA (Pali) : Madam Chairman, our Government has firmly resolved to abolish the poverty from the country during Seventh Five Year Plan. If you try to understand it, I would like to cite before you, some facts and figures in support of it... *Interruptions*... Our Government has fixed a target to alleviate poverty to 25 points by 1989-90. During Sixth Five Years Plan this percentage was 40 and in 1984-85, the total number of the poor was 27,30,00,000. By 1989-90, this number is estimated to have reduced to 21,10,00,000. Government will endeavour to alleviate poverty mostly from the rural areas and our Prime Minister had also declared at an inauguration ceremony that the basic aim of the Seventh Five Year Plan is to start a battle against poverty with full strength and firm determination and we have to redeem this pledge.

I would like to tell you as to how much we are going to spend in this regard and on which sector the funds would be spent. In the current Budget, Rs. 1851 crores will be spent on I.R.D.P. against Rs. 1,239 crores during the last year. Besides it, Rs. 443 crores will be spent on National Rural Employment Programme against the previous year's outlay of Rs. 230 crores. Under R.L.E.G.P. Rs. 6,033 crores will be spent where as it was only Rs. 4000 crores during the last year. In addition to these schemes, it has also been decided to spend Rs. 125 crores for Rural Housing and to provide loans to the schedule caste and schedule tribes for house building. In addition to it, Government has provided sufficient funds for Public Undertakings. Apart from this, under Self Employment Scheme, we have decided to grant loans to the educated unemployed to start their own work and a sum of crores of rupees has been provided for this purpose in the budget. Besides it, under TRYSEM Scheme various development programmes have also been started. Mr. Banatwalla, you know that in India people believe in strenuous efforts and hardwork. When billions of rupees are

\* Published in Gazette of India Extra-ordinary Part II, Section 2 dated 21-3-1986.

being spent on various schemes and programmes like I.R.D., N.R.E.P., Self Employment and TRYSEM and D.P.A.P., then what else do you want? By introducing such Bill, you want them to become idle and useless by providing allowances while sitting at home and doing nothing. You know that our Government is giving old age pension. In villages old and aged people are getting pension at home. If people are fit for the work and wish to restructure this society by hard-work, they can take full advantage of various programmes and schemes started by the Government in this country. In our welfare state, a huge amount has been allocated for such programmes in the Seventh Plan. Despite this fact, if you introduce such a Bill providing payment of allowances to people doing no work at all, than your decision is not right.

I had asked a question and in its reply following figures were given to me :—

*[English]*

“The available information relating to education (School Final and above), women job seekers on the live registers of the employment exchange, all of whom may not be necessarily unemployed as on 31st December, 1984, was 25.25 lakhs”.

*[Translation]*

It was told as to how many educated women were unemployed.

*[English]*

This answer gives the position as on 31st December 1984.

*[Translation]*

It was also stated that a programme for their development has also been proposed. In this way, so many programmes have been launched in the country and these programmes are implemented under specific planning for the proper upliftment of the people. Even then if you bring such a Bill providing for payment of the allowance to the people sitting idle, then it is not good.

Madam, today the educated people in Kerala are working hard to make the soil fertile. There is nothing wrong in working in the fields. Our father of the nation, Mahatma Gandhi had given great respect for the labour. One who works hard, has been given a very high status... *(Interruptions)* Particularly the people of U.P. know it. They sit on the banks of Ganga for recitation of prayers and kirtans, some are psalmists and some others are palmists. In Himachal Pradesh also, some people are making money by hocus. pocus, but the people of Rajasthan are very brave, they work bravely, do hard labour and hardwork. They know how to work hard in the land. We do not want such laws. In the welfare state, our aim is to create community assets for the poor and to provide work for the agricultural labour.

In our area, labourers are not available. In your Bihar people are lazy who use to take and chew lime and catechu all the time.

**AN HON. MEMBER :** Tell the qualities of the people of Rajasthan.

**SHRI MOOL CHAND DAGA :** What can I tell you about Rajasthan? History of Haldighati is known to all. I feel shy of saying anything in appreciation of Rajasthan. Rajasthan is the land which protects you and it is a land of warriors about whom India feels proud. Rajasthan has produced brave people like Rana Pratap and that is why we won the battle at Haldighati.

Today Marwadis are residing all over the country and they have mixed themselves with every part of the country.

Madam, you might be aware about large number of Rajasthani living in Bangalore. They do their labour and believe in hard work. There is no place in the country where Rajasthani are not residing. Rajasthani have played a significant role in maintaining national unity and linguistic affinity. Rajasthani know Kannada, Tamil and Malayalam and they can also speak them. Now they have started inter-caste marriages also. They

## [Shri Mool Chand Daga]

are also living even in Assam. You should have more reverence for Rajasthan and should praise the qualities of Rajasthani people.

I would like to say that those who have brought forward this Bill,....

## [English]

MR. CHAIRMAN: Please address the Chair.

SHRI MOOL CHAND DAGA: Articles 41,42,43 are on Directive Principles of State Policy. Article 41 says :—

"The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness & disablement, and in other cases of undeserved want".

The whole thing is covered by Article 41 of the Constitution.

## [Translation]

The Social Welfare Department comes under Article 41 and it has been decided by the Social Welfare Department that two per cent of the vacancies in the Government services be reserved for the handicapped. Today the handicapped are working in the Government services. It has been made a mandatory provision that the handicapped be provided employment in Government departments, pension be provided to the old and the aged and assistance to the lepers. Yesterday only our Minister was replying :—

## [English]

"Art. 42. The State shall make provision for securing just and humane conditions of work and for maternity relief".

## [Translation]

Day before yesterday during discussion

on the demands for grants of the Ministry of Labour, the hon. Minister had said that the workers will be provided all types of facilities; they would be provided leave, their children will get the facilities of education and games and cold water. The Government is bent upon to eradicate the system of bonded labour completely. In this way we are following our principles. We will go on marching forward. Such a Bill will make the people lethargic and idle. Hardwork only brings good fortune. The Almighty has given us hands and other parts of the body and we should use them gainfully. It has been written both in the Gita as well as in the Quran that man should work and it is not good to beg.

The hon. Finance Minister has brought forward some new proposals on the Finance Bill. It is hoped that Shri Banatwalla will ponder over them. He is a great scholar. Therefore, he should withdraw this Bill without any hesitation.

## [English]

SHRI V.S. KRISHNA IYER (Bangalore South): Madam, I rise to support the amendment moved by my senior colleague Shri Banatwalla.

Madam, in the Directive Principles of State Policy of the Constitution of India, there are a number of Articles which should be implemented by the State, but unfortunately we have not been able to implement many of them. And in respect of some of the Articles even attempts have not been made.

Madam, one such Article is Article 41 which is now being sought to be amended. Madam, there are such Articles, for example, one is there on universal education, and also there is one for free and compulsory education to children, and most important—or equally important as any one—is one about a uniform civil code for the citizens. These articles are in the Directive Principles of State Policy.

I consider Article 41 to be the most important of the Directive Principles. Because, it is the base on which the country's foundation should be laid. If our

country should survive, we must see that this Article is implemented by bringing it under the Fundamental Rights.

Madam, we have already had planned economy for the last thirty eight years. There is considerable investment in and the modernisation of various economics sectors. What should have been the position, the economic scenario ? At present there should have been a very happy picture but actually what is the position now ? We find that the real national income has grown only by 3.5 per cent on an average during the period 1950-'1 to 1984-85; and the rural per capita income has grown only by as much as 1.3 per cent, on an average per year. The people below poverty line were 48 per cent, of the total population in 1977-78, and in 1983-85 it is estimated as 37.4 per cent to be the people below poverty line.

Madam, out of 28.85 crores of labour force in the country only 18.75 crores were employed in 1984. I know that the Government is having a number of programmes—anti-poverty programmes. Of course, I am happy that during the Seventh Plan there is a thrust in giving more funds for the anti-poverty programmes like NREP, IRDP, RLEGP etc. I am of the opinion that this alone will not solve the problem of unemployment. Of course, it gives employment temporarily. But how long will the Government go on giving employment like this ? Do you think that this will ultimately solve the problem of unemployment ? Certainly not, because we find that the latest figures given by the Government in answer to a question on 25th February, 1986 are as follows :

The latest available information about the number of men, women, educated and uneducated job-seekers is furnished below :

Men—218.22 lakhs

Women—44.47 lakhs

Total—262.69 lakhs

Education—132.62 lakhs

Uneducated—112.37 lakhs."

As you know, there is no registration

facility for the rural youth. So, millions and millions of rural people have not registered their names in the employment exchanges.

It is the experience of every one of us when we go to our constituencies that young boys and girls, unemployed youth who are graduates and double graduates, have become desparate and frustrated. I quote an instance. Recently, in my own constituency the Bangalore City Corporation had called for applications for 250 posts. For that not less than 24,000 applications were received. We find that for that for every post the applications are not less than 100. The ratio is 1:100. That shows the magnitude of the unemployment problem. How to solve this problem ? Now, a hope is given that Seventh Five Year Plan will generate more employment. How far it is possible, we will have to wait and see. But in this connection, I would like to bring a few points for the consideration of this august House.

After 3-1/2 decades of planned economy what has happened ? The gap between the rural and urban is really widening. The per capita income in 1983-84 was Rs. 3929 in urban areas and Rs. 1324 in rural areas. All our investments have widened the gulf between rural and urban areas instead of reducing the existing gulf. Larger investments have been made in the urban sector and the rural sector has not secured adequate attention in terms of investment, improvement in technology and infrastructure. The planned development of 3-1/2 decades has resulted in the emergence of two identifiable groups in our society—one characterised by organised, prosperous modern sector and the other consisting of traditional, unorganised and low productivity sector.

16 hrs.

The large industries sector does not any more provide large scale employment. It is capital incentive and power incentive. In the present electronic age, with robots and automation, the emphasis of large scale industries is to save on labour and to provide goods and service. We have,

[Shri V. S. Krishna Iyer]

therefore, to go in for a pattern of development which will be predominantly employment oriented. We have enough of large scale industries. It is time that we allow them to look after themselves. We have to shift from large scale industries to medium, small scale and village and tiny sector, and the development of handloom and handicrafts, etc. That is what Mahatma Gandhi has taught us. We have 39 years of independence. We have not been able to solve the unemployment problem because we are not following the way Mahatmaji had shown us.

It is because India consists of villages. It is the rural India which matters. Only when the rural India prospers, the country will prosper. But we have not paid any attention at all to the rural India. That is why we find unemployment everywhere. Our efforts during the next fifteen years should be to concentrate on the integration of the rural India with the urban India. We have to ensure that we enter the 21st century with less of rural-urban disparity, and inequality in the matter of distribution of wealth and the standard of living. Our objective should be to see that nobody is below the poverty line by 2000 A.D. The solution for this is to concentrate on the agricultural development. We should have such massive agricultural credit programmes that in the next fifteen years every agricultural family's needs are fully fulfilled, so that there is no need to give them any more cheaper credit after fifteen years. We have to see that within these fifteen years all the agricultural families in our country are fully settled down, and stand on their own legs. Unless this situation is created in the rural India, unemployment problem cannot be solved. In addition, there should be a subsidiary scheme to give financial, technical and marketing assistance for the development of rural industries. In this connection, our hon. Minister for Finance, Mr. Poojary knows it very well that he can play a very leading role and can come to the rescue of the rural India. He has already been doing it and he can do it on a larger scale now.

16.03 hrs.

[SHRI SOMNATH RATH *in the chair* ]

Another point which I would like to

stress in this connection, Madam, is that  
(Interruptions)

AN HON. MEMBER : Madam, is no more in the Chair.

SHRI V.S. KRISHNA IYER : There has been a sudden change of sex.

Sir, we have been claiming with pride that we have become self-sufficient in the matter of food. I agree that there has been a Green Revolution and now our food production has reached up to 150 million tonnes and now we also say that we are in a position to export foodgrains. But what is the real position in our country ? I would like to ask the Government how many of our countrymen are getting two square meals a day. When nearly 35 per cent to 40 per cent of the people of our country are below poverty line, how can they get two square meals a day ? So, to be proud of it is far from truth. Therefore, our aim should be to see why people are not able to get two square meals per day. They are so poor that they cannot afford even to purchase food articles. Our aim should be to see that every individual, every family has the capacity to purchase them. That should be arranged.

In our State of Karnataka, when we came to power, we promised the electorate that where there is no earning member in the family, at least one member of the family will be made an earning member. A sincere attempt is being made in this direction. Since we cannot give job to everybody in the Government offices, we will make them either get employment in a private factory or somehow we will make them self-employed and then make them earning members. So, Sir, we must see that at least one member in the family becomes an earning member. That should be the aim of the Government and that is what the Karnataka Government is doing. So, we should be very serious to see that unemployment problem is solved and also we should be serious to see that poverty is eliminated from the country, otherwise there may be revolution in our country if we do not provide to our unemployed youth jobs. Hundreds and thousands of our countrymen are without job. In the past, only boys used to apply for jobs but now even girls are applying and sometimes

their number is even more than that of boys.

It is very necessary that we should make earnest efforts in this direction. I do admit that the recent programmes of the Government do generate some employments but that alone will not completely solve the problem which we are facing. We should see that when we enter the 21st century there will be no one below the poverty line. For that we should have programme which will have more thrust on rural development and agricultural development rather than only on urban areas.

With these words I support the Motion moved by Sri Banatwalla.

16.05 hrs.

[*English*]

#### MESSAGES FROM RAJYA SABHA

SECRETARY GENERAL : Sir, I have to report the following messages received from the Secretary General of Rajya Sabha :-

(i) "In accordance with the provisions of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to enclose a copy of the Inter-State Water Disputes (Amendment) Bill, 1986, which has been passed by the Rajya Sabha at its sitting held on the 20th March, 1986."

(ii) "In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation Bill, 1986, which was passed by the Lok Sabha at its sitting held on the 17th March, 1986, and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

(iii) "In accordance with the provisions of sub-rule (6) of Rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (No. 2) Bill, 1986, which was passed by the Lok Sabha at its sitting held on the 17th March, 1986 and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said bill."

[*English*]

#### INTER-STATE WATER DISPUTES (AMENDMENT) BILL

SECRETARY GENERAL : I lay on the Table the Inter-State Water Disputes (Amendment) Bill, 1986, as passed by Rajya Sabha.

#### CONSTITUTION (AMENDMENT)

BILL—*Contd.*

(Insertion of new Article 16A, etc.)

[*Translation*]

SHRI VIRDHI CHAND JAIN (Barmer) : Mr. Chairman, Sir, we have achieved political freedom and now we have to attain economic and social liberties. We have been endeavouring utmost to attain economic freedom. We formulated the First Five Year Plan and at present our Seventh Five Year Plan is in vogue. We have made much progress through the plans and have succeeded to a great extent to solve the problem of unemployment. In such a situation the biggest hindrance in our progress and development is our growing population. Unless we are able to check the increasing population, however hard we may try, we cannot be economically free. It will never be possible to implement the proposal of Sri G.M. Banatwalla to include the 'Right to Work' in the 'Fundamental Rights.' I would request Shri G.M. Banatwalla to cooperate in making successful the programme of family planning formulated by the Government.

[Shri Virdhi Chand Jain]

If he has brought forward this Bill sincerely and if he wants to make 'Right to Work' a Fundamental Right, then he should come forward and should extend his cooperation in making the family planning programme successful. If he does not cooperate in this programme. I will say that this Resolution regarding amendment of the Constitution has not been submitted from core of his heart. He actually does not want to contribute in achieving success of economic freedom.

Another thing I want to emphasise is that we have started the programme of economic freedom. We took keen interest in this programme during the Sixth Five Year Plan. We formulated 20 Point Programme and are implementing it. During the Sixth Five Year Plan efforts were made to bring about one and a half crore families above the poverty line. For this a provision of Rs. 4500 crores was made and now our goal is to bring 2 crore families above the poverty line. During the Sixth Five Year Plan the percentage of the people living below the poverty line has been brought down to 37 per cent from 48 per cent. Now we are aiming that during the Seventh Five Year Plan this percentage should further come down to 22. For the success of this programme, co-operation of all the representatives of the people is a must. Co-operation by MLAs and MPs and contribution by the Heads of Panchayat Samitis and District Councils is also necessary. At the same time we also have to think of the changes which are necessary to bring in the programme.

I may also submit that the grants given under IRDP are being misutilised. We should think of some ways to stop misutilisation of the grants. We have to think as to how we can monitor all this. We have to try our best to make this programme a success. In addition to IRDP, there is another programme, NREP. It has made a good impact in the rural areas and several significant assets have been created under this programme there. School buildings have been constructed and in Rajasthan where earlier there used to be not even a single pucca house, presently pucca houses have been constructed

in village after village. Today the situation is such that office buildings of the village Panchayats have been constructed pucca ones. Even the office buildings of the head offices of the societies have been constructed pucca ones. It is indicative of our progress, development and with this, people have also got employment. RLEGp which was started by Shrimati Indira Gandhi on 15 August 1983 has also proved to be a big success. The roads are being constructed and minor dams are being constructed and these developmental activities are providing job opportunities to the people. We are making a lot of progress and we are marching forward, but one thing needs to be considered and Shri Rajiv Gandhi and our Government are thinking about that and that is about our Education Policy. We have to change it radically and it is a challenge before us. Tomorrow there is going to be a discussion on it in a seminar and many educationists will come with their suggestions and would suggest as to how the policy could be made job-oriented. This aspect will be considered in the seminar. We want that our education should be made job oriented. They should give their suggestions in this regard. In Lok Sabha also there will be discussion on it and we all Members should come prepared after doing our home work to take part in the discussion so that we are able to contribute in a better way and present constructive suggestions. We should try to provide employment to the maximum number of people by changing our Education Policy. It will be a very important contribution. We know that people in the absence of jobs become idle and in such a situation many people start indulging in violence. This is known to all of us and as such some concrete steps will have to be taken in this regard. We will have to take some constructive measures. Only then we will be able to stop this anarchic situation. This is what I have submitted about the Education Policy.

I would also like to suggest that during the Seventh Five Year Plan period we should provide employment to at least one member of each family. This will improve the situation. This will contribute a lot in alleviating poverty in our country. Presently, the children of the big officers only become big officers; the children of the

IRS officers only become IPS officers. On the other hand not even a single member of the family of the poor gets a job and in this way that family remains deprived of any means of livelihood.

You have decided to give pension to the aged and the handicapped, but this pension is absolutely inadequate in the present situation. Somewhere this pension is Rs. 40 per month and somewhere it is Rs. 50 per month. Keeping in view the high prices prevailing today, this pension should be at least Rs. 100 per month. Only then we will be able to provide the desired relief to them.

There are many widows who are unable to get any job. As a result, they divert to immoral activities. To prevent this, it is necessary that provision is made to give pension to the widows also. In this connection I have introduced one Bill also. When that Bill comes for discussion, I will express my views in details. The Government must provide for pension to the widows.

I want to submit in our Constitution, under the chapter of the 'Directive Principles' there is a direction to provide for 'Right to Work'. If this direction is implemented, then under Article 226 of the Constitution a large number of applications will be received and the Government will have to spend large sum of money on Employment Allowance. This will adversely affect the developmental activities of the country and the country will not make progress. I, therefore, vehemently oppose the Bill presented by Shri Banatwalla.

*[English]*

SHRI Y. S. MAHAJAN (Jalgaon) : Mr. Chairman, Sir, we have completed six Five Year Plans and in spite of herculean efforts to raise the standard of living of the millions of people in our country, we still have poverty and unemployment as a very serious problem in our society. We have a Constitution which is supposed to be the best in the world. It is an eclectic Constitution framed by bringing together the best parts of Constitutions of different countries in the whole world. Dr. Jennings described it as the best in the world, Jennings was a great Constitutional expert in

London University. In spite of the best Constitution and in spite of best efforts we have put in during the last 36 years, the spectre of poverty and unemployment stalks the land. Therefore, I have great sympathy for the sentiments behind the Bill brought forward by Mr. G M. Banatwalla. Our policies during the last 36 years have been directed towards abolition of poverty and reducing unemployment. Poverty is a result of unemployment. The dominant objective of the Plans, especially of the Sixth and Seventh Plans has been.....

MR. CHAIRMAN : Just a minute.

Do the House desire that the time should be extended for this Bill ?

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : You can extend it by two hours.

MR. CHAIRMAN : It is extended for two hours. I think, the House agree to it.

SHRI Y. S. MAHAJAN : In spite of our best efforts to reduce unemployment, the main object of our Five Year Plans, unemployment remains on a large scale in our country. During the Sixth Plan and the Seventh Plan, we made special efforts to reduce poverty and unemployment. We have a number of projects, plans and programmes. I need not detail them because the previous Members have already dilated upon them.

The IRDP, the Rural Employment Programme, the Rural Landless Employment Guarantee Programme, the Hill Area Development Programme, the Special Component Plan for Scheduled Castes and Scheduled Tribes, the 20-Point Programme, all these are different ways of dealing with poverty in its various forms in different parts of the country. Reducing unemployment is not a simple problem in our country. Unemployment assumes various forms. A man may be employed but still very poor. He may be employed but he is very poor because his employment does not pay him enough to maintain his family. Therefore, our problem, as properly conceived by our planners is, to remove

[Shri Y. S. Mahajan]

poverty and to remove poverty, removal of unemployment is one of the main objectives. But there are certain things which are militating against the achievement of this objective. Apart from traditional behaviour, many people have not got the ambition to get out of poverty. They have not been motivated to improve their standards of living. Apart from this, there are people who refuse to limit their family responsibilities. I wish Mr. Banatwalla had put his finger on the problems of poverty and unemployment. Everybody will agree that this nation has done its best during the last 35 years. We have completed our plans and achieved a rate of growth of 5% every year through planning which is not an easy thing. It is as difficult as lifting oneself with one's own bootstraps. That we have done for the last 30 years and still poverty remains in a very serious form in this country because we could not cope with the increasing population of our country. When we became free, our population was 350 million. Now it is 740 million. From 35 crores, we have gone to 74 crores and during this period, the land surface remained the same. We could not make many additions to housing property. Our skills and technical ability has improved slightly but not proportionately and, therefore, our resources per head are much lower, much smaller, as compared to resources per head in America, France and Germany.

This is the main cause. The fruits of economic growth have been neutralised, to a large extent, by the increasing number of our people and unless we get over our inhibitions which come in the way, it will be very difficult to achieve the objective which Shri Banatwalla has in view.

In the report for 1982-83 published by the United Nations, it is said the population of the world had increased by 85 million and India topped the list, with the addition of 15 million. Though we have succeeded in reducing the rate of growth of population slightly, the net addition to population every year is increasing.

AN HON. MEMBER : It is a thermometer of development.

SHRI Y.S. MAHAJAN : Yes. Exactly. 15 million in 1982-83 and it is still increasing in spite of fall in the rate of growth because the base has increased. The total addition is more than ever before. Unless we can reduce the net addition to population every year, we will not be able to solve our economic problem. The problems of poverty and unemployment are intimately related to the number of people whom we have to look after. I believe that we are up against an insurmountable wall of resistance because of traditional views, religious prejudices and superstitions of our people. I hope that the Members of Parliament and all public in this country will join us in seeing that the family welfare programme becomes a movement of the people and we achieve a zero rate of growth within five years because family planning has become very easy. In Japan, in 1951-61 decade, with the cruel method of abortion, they could reduce the rate of growth in one decade to 1 percent. So, unless we remove the causes of poverty and unemployment and unless we make our plans and economic programmes still more successful, it will not be possible to achieve the objective of removing poverty and unemployment from our country. Still I appreciate the sentiments behind Mr. Banatwalla's Bill. Those sentiments have already been enshrined in our Constitution. The framers of the Constitution have already included a directive principle that there should be opportunity for work for everybody. Then the aged and the old should be looked after. In this matter, may I point out that in Maharashtra we have taken a very great step forward. Three years ago our government said that there should be some financial help to those who have no means of livelihood or those who have nobody to look after and who are old under the *Niradhar Yojana*. We give them a pension every month. It is a great step forward and I hope other States also follow this example. It was done by Mr. Antulay when he was Chief Minister of Maharashtra. So I believe that unless we remove the causes, it will not be possible to achieve the objective's of Mr. Banatwalla's bill. Opportunity to work for everybody, is already enshrined in our constitution. But he wants to make the right to work a juridical right which

can be enforced by going to a court of law. What is the use of passing such a law? The law will remain on paper if you cannot implement it. So wishing him success, I believe Mr. Banatwalla's Bill is rather premature.

With these words, I thank you.

SHRI VIJAY N. PATIL (Erandol) : I appreciate the efforts of Mr. Banatwalla in bringing forward this Bill to get the right to work to every unemployed citizen of this country. But, as my friend, Mr. Mahajan has said, we must look at the root causes of unemployment and poverty in this country. If we look at the developed countries and the developing countries of the world, majority of the developed countries have the problem of less growth in population—it is a zero growth or even minus growth—whereas developing countries are growing faster whether in Africa or in Asia and whether it is India or Indonesia. But again, as my friend, Mr. Mahajan has said, the rate of increase in population in India is the fastest in the world. There we should have some curbs and some controls. We have all our rights and our constitution has provided us the right to freedom of speech, the right to assemble peacefully, so on and so forth. But there is one implicit right to the citizen, that is the right to multiply. Some citizens multiplies ten times, some multiplies 3 times and some 4 times and some 15 to 20 times. So here the right should be curbed and the Government should think of a family unit and to whom the assistance should be provided and whether a family of 5 is to be provided or a family of 35 is to be provided the same assistance.

I have seen the example of two brothers after their retirement. One is suffering in poverty. The other is a middle class man enjoying. When they started their lives, they started on an equal footing. One was serving in the Postal Department and the other was serving in the military. After retirement the man who served in the Postal Department has 32 persons in the family and the other man who served in the military has only 5 in the family—himself and his wife, his son and daughter-in-law and one child. The other man from

the Postal Department has six sons, two daughters all married and all six sons also married and with daughters-in-law, total is 12 and the children and the total strength of the family is 32.

So, the question is whether the State Government or the Central Government should give assistance to the 32 persons or 5 persons. That is the thing we have to decide now. We must think from this angle. In 1947, we started with 35 crores of people; now it is more than 74 crores and by the end of this century we will be, population-wise, more than that of China. China has contemplated a plan to reduce its population by 2020 A.D. to the figure of India's population of 1947 which was 35 crores. They can do it. In that case, India will be the largest populous country in the world and it will be called a country of beggars in the real sense. Hence I suggest that there should be some direct incentive than indirect curbs so that the population can be curbed. What we are doing in the form of givingg rants, subsidies, to the people that should be controlled by the efforts of people in regard to controlling the population and adopting the four-member family norm. My suggestion is that in view of the fast increase in the population, the Central Government and the State Governments can adopt indirect incentives and curbs so as to make all sections of people to resort to family planning measures. We can give a sum of Rs. 50/- per month to the Government servants who do not have any child or till the time they have only one issue. This will, no doubt be a drain on the revenue, but in course of time, it will benefit the nation. The Central and the State Governments can make rules so that not more than two sons may be given employment in Central or State Government Service. Providing essential commodities at controlled and subsidised rates is the duty of the Government. Rules can be framed so that not more than three children will be listed in the ration-card for providing essential commodities at controlled rates.

MR. CHAIRMAN : For the other children have they to purchase in black-market?

(*Interruptions*)

SHRI VIJAY N. PATIL : If they produce 12 children, we should not go on supporting all the 12 children at a time; whereas when the other person is producing only one child, what wrong has he done in this country? Providing for subsidies, grants or other incentives to small and marginal farmers and weaker-sections may also be guided by the concept of small family pattern. Age relaxation in recruitment for services may also be given to persons who are un-married at the time of recruitment. Similarly, other incentives can be thought of for controlling population. Unless we control the population to zero-level growth, any amount of guarantee given through the Constitution is not going to help. A law which cannot be enforced is not an effective law. There is no use in enacting it.

In the end, I would like to suggest that instead of asking for deleting the Article 41 of the Constitution, there should be some amendment in that and the States shall, within the limits of their economic capacity and development, make effective provision in this regard, and in the end we should add "for the people who adopt small family norm". Only then, whatever progress we made during the Sixth Five Year Plan and the progress we make through the dynamic leadership of our leaders, through the efforts of our farmers and workers, that development will be feasible. We need not look at the World Bank for loan and the Developed countries for the assistance.

With these words, I conclude.

[Translation]

DR. G.S. RAJHANS (Jhanjharpur) : Mr. Chairman, Sir, I have seriously gone through the Bill moved by Mr. Banatwalla and I feel that if it is implemented, then we will have to change the term "Right-to-Work" into the "Right-to-Not-Work". It has been our own experience that the people, who come to urban areas from rural areas, somehow manage to get a job in a company and join the organized labour force. As a result of it, the people, who used to work for 12-14 hours daily, do not want to work even for one

or two hours daily. Trade union protects them and it has been the general reaction that the company owner does not want to employ people. If he does, he tries to employ the least number of people. Due to this, there is no scope for further employment. It also reduces the potentiality of employment to a great extent.

[English]

SHRI AJAY BISWAS (Tripura West) : Sir, there is no quorum in the House. A very important subject is being discussed.

MR. CHAIRMAN : The bell is being rung...Now there is quorum. The hon. Member will continue.

[Translation]

DR. G. S. RAJHANS : Sir, I was saying that instead of "Right to Work" Bill, had Mr. Banatwalla moved a Bill for "Right to Family Planning", on behalf of crores of women of this country, then it would have been very good. The women say that they cannot be made child producing machines and they should have this right.

(Interruptions)

[English]

MR. CHAIRMAN : Right to family planning or duty to family welfare ? What do you want ?

DR. G. S. RAJHANS : It comes to the same thing.

[Translation]

Mr. Chairman, I mean to say that the women should have the right of family planning. While talking about the "Right to-Work", I shall let you know about my experience, which tells that the people, who are getting unemployment allowances in America, Canada and England, have become idle and lethargic. They don't want to do any work. The foreigners, about whom we say that they have the 'sense of work', I have seen, are found sleeping after taking drugs and they even do not bother to inform the Employment Bureau, whether they have got a job or

not. In fact, they don't make any efforts to get a job, because they are getting unemployment allowance, which is sufficient to run their lives. Although, they can't lead a decent life, but somehow they pull on their lives.

Even in our country, some of the states are giving allowance to the unemployed graduates. But it is very nominal. I have observed that it makes one idle and one does not want to work at all. He lends a helping hand to his elders in agricultural work some times, but he does not want to leave his house in search of a job. Therefore, I fully agree with the sentiments of Shri Banatwalla that the problem of unemployment is a very serious problem in this country. But I am not in favour of payment of some unemployment allowance to them, but I would like to submit that instead of maximum job opportunities should be made available to the people.

The opportunities for employment provided under the 20 Point programme, are not being made available properly, there is a great bungling in it. The middle men pocket the money and the people are feeling frustrated and disappointed. I had raised this point in the House earlier also and I would like to submit most humbly once again that Central Government should form a separate monitoring-cell for each state. Such a cell should monitor if people really get the opportunities which are provided to them under R.L.E.G.P., N.R.E P. and I.R.D.P. I claim that even 10 to 15 per cent of people are not being benefitted by it.

There is large scale bungling in the self employment scheme under which employment opportunities are provided to the people through Banks. This issue has been raised a hundred of times in the House, but it has been put off on the one pretext or the other. You should go and see the problem of unemployment in Bihar and Eastern Uttar Pradesh. You would find that a large number of people are unemployed there. People repeatedly ask me as to why the youth of that region commit crime? I usually say that they have no other option except committing crime. Do they have any, tell me?

*(English)*

Idle mind is devil's workshop.

*(Translation)*

I would request you to deal the problem of unemployment seriously, but I do not even agree with the idea of Shri Banatwalla regarding payment of any allowance for unemployment.

\*SHRI SATYAGOPAL MISRA (Tamluk) : Mr Chairman, Sir, the mover has brought forth this Bill and although I have differences with him on several other issues, I support this Bill fully and whole-heartedly. I also thank him because by bringing forth this Bill he has afforded us an opportunity to discuss and focus attention on the serious problem of unemployment which is plagueing practically every household in the country. India is deeply entangled in this problem today and naturally a little more time will be needed to speak on it. I request the hon. Chairman to give me a little extra time.

In the first part of the Bill, a new provision is sought to be included in Article 16 of the Constitution, which was previously included in Article 41 dealing with directive principles. That means that the provision which was previously included in the 'directive principles', is now being brought under the 'Fundamental Rights.' Since the subject concerns employment opportunities and guarantee of employment, it should naturally get the approval and support of all. The Bill provides for pension to the aged persons and to those who are sick etc. This provision also does not call for much debate or discussion. About education also it provides that education must be provided upto a certain level. Therefore Sir, the area of the Bill is quite extensive and more time will be needed to discuss it thoroughly. Sir, our Constitution speaks of 'Socialistic Goal' and contains high sounding words like 'equality' etc. To make those words really meaningful, to make 'equal rights' really meaningful to all the people, the guarantee of employment for all must be included in the 'fundamental rights of the Constitution. The State

\* The speech was originally delivered in Bengali.

[Shri Satyagopal Misra]

shall have to undertake that responsibility. This provision has been made in this Bill very beautifully and capably. We have got a large population. If we can utilise that huge manpower for production in agriculture and in industry, in a planned manner, then there should not be any want or scarcity in our country. There should not be any unemployment either if we can fully utilise our manpower wealth in a properly planned manner.

But Sir, it is a matter of regret that even after 37 or 38 years of independence today every household in the country is feeling the misery and pangs of unemployment. On the other hand, if we look towards the socialist world, we find that they have included this subject in their Constitutions. There is no unemployment in those countries today. You go to any country in the Socialist camp, you will not find any unemployed person. This is the result of the planning and economic policies adopted by them. But Sir our Government, far from thinking or worrying about that problem is actually going in the reverse direction. For some years now they have imposed a ban on recruitment, in the name of establishing 'financial discipline.' That means, the Government has taken a decision not to offer employment opportunities and is working accordingly at all places. As a result of this policy of the Government not only the young people are losing employment opportunities, not only avenues of employment are shrinking but the work in various Government establishments like the Banking sector, the Railways etc. are also suffering. Public work is being affected adversely. Here Sir, I want to mention about a letter written to me by the Post Master General, West Bengal Circle. He has written that he thinks it necessary to open a Post Office in a certain village. But the required Post Office cannot be opened at present because of the ban on recruitment. When the ban is lifted, he will be able to open that post Office. In this way in various places all over the country work is suffering due to the ban on recruitment. The directive principles of the Constitution speaks of a 'Socialist Goal'. But the Government, far from abiding by that, is actually going in the opposite direction. The Government

has taken another fresh decision which is that in the name of modernisation they have resorted to extensive mechanisation & computerisation which in turn will inevitably result in mass retrenchment and further shrinking of job opportunities. Computers are being introduced and such an atmosphere is being created in various industries and other establishments in the name of modernisation that employment opportunities for the youth are shrinking rapidly.

Moreover Sir, we find that all over the country various anti-national and anti-social activities are increasing. Terrorist and secessionist activities are increasing, communal troubles are taking place. Unemployment is one important cause among others which is giving rise to these anti-national activities and agitations. The frustrated unemployed youth are gradually being led in undesirable and wrong path, as they do not find any other way of survival. Sometimes they are falling a prey to communism, sometimes they are going for secessionist movements and indulging in anti-social activities just due to the urge of survival. This is a very alarming situation and we must be vigilant about it. Sir, those who are running the Government of the country viz., the Congress(I) party, had said in their 1980 election manifesto that they will provide job to one person in each family. The trouble is that the Congress Party makes such false promises at election times to mislead the youth. We have one Congress Minister in West Bengal viz. Shri Ghani Khan Chowdhury who promises to provide 10,000 jobs, wherever he goes. But after the voting is over, trouble starts everywhere as no jobs are provided and there are no schemes also. We know all that. I want to ask clearly that the Congress promised job to one person in each family in their election manifesto in 1980. What has happened to that promise today? The Congress makes such false promises and raises such false slogans at the time of elections to lure the youth of the country and to mislead them. But once they come to power they forget all the promises and far from creating job opportunities, they narrow down the avenues of employment.

I will raise one more point before I conclude. Sir, how can the employment opportunities increase in our country? More than 50% of our people live below the poverty line, they have no purchasing power. The market of our country is confined to a very limited persons. If the economic condition of those 50% people living below the poverty line can be improved, if their purchasing power can be increased, then only they will be able to purchase goods from the market and the industries will be encouraged thereby. There will be a buoyancy in industries and trade and that will create more employment. We will have to follow that path. How the purchasing capacity of people living below the poverty line can be increased? This can be done by radical land reforms only. Radical land reform is the only way to solve the unemployment problem of the country. By keeping over 50% people below the poverty line, it is never possible to solve the unemployment problem. Our Prime Minister is saying that he will lead the country in the 21st century. We will of course go in the 21st century following the rule of history, whether he likes it or not. But does the Prime Minister want to take the country in the 21st century along with lakhs and lakhs of unemployed youth? What is the Government's plan in this regard.

I do not want to prolong my speech. I wanted to say many more things. I could not touch the issue of education at all. Education opportunities, far from increasing is actually shrinking as a result of Government's new education policy. Education opportunities are being actually curtailed by opening model schools in every district. Instead of spreading primary education, instead of taking education to the common people, the scheme of model schools in each district has been drawn up in the interest of a Group of well to do people. How can general education for the masses expand? How can the unemployed get work? Those who are running the Government of the country have no policy, plan or perspective. They do not understand the problems, they do not know anything. They only indulge in tall talks at the time of elections. I know that the Minister will reply to this Bill of Shri Banatwalla in the usual casual manner.

Then he will request Shri Banatwalla to withdraw the Bill. Shri Banatwalla will ultimately withdraw it. This will be the fate of such an important Bill, and this is our role in it. Since I consider it to be a very important Bill, before the House and I will request all hon. Members to adopt and pass this Bill. With that Sir, I conclude.

**SHRI KEYUR BHUSHAN (Raipur) :** Mr. Chairman, Sir, first of all, I am happy to know that this proposal has come from Shri Banatwalla. I take it as a great change. Everybody should get a right to work and everybody should get a job. In case, if one is not able to get a job, one should be given something in the form of allowance. If this part of the bill is ignored for a moment even then I thought that some communist friend might have brought forward this proposal.....

**SHRI SOMNATH CHATTERJEE (Bolpur) :** We had given a notice for it, but it was not successful in the Ballot.

**SHRI KEYUR BHUSHAN :** There is a general impression about Shri Banatwalla that he belongs to the conservative category of Maulavis and Pandits, but I am thankful to him that despite his being a conservative, he has brought forward the feelings of the youth.

Something more should have been added to this bill, without which this discussion on this Bill be a futile exercise.

This Bill will be of no importance unless we change the feudal mentality. If we want to provide work to each hand, then first of all we will have to change feudal mind. If it is there, then the whole system will be feudal system. Therefore, first of all we should change the feudal mind. Will you be able to change the social-system when feudal mentality is there. You cannot do it. If you want to change the social-system, then you also will have to change the entire economy.

If Mr. Banatwalla agrees to it then everybody should get equal rights, then at the women who comprise one half of the society should also enjoy all those rights.

## [Shri Keyur Bhushan]

which are available to men. I hope that he will also support this idea. It is my firm belief that if he does not support this idea today, he will do so in future. It seems that a great revolution is going to take place. A revolutionary social change will come and we will march ahead to that extent, which seems incredible to us. Be it 'Purda' system in Mr. Daga's area or someone else's area or in any society, it is going to be vanished. You will experience this change. (*Interruptions*)

So far as education is concerned, we will have to change this system, without that we cannot bring about the desired change in the social-system. Probably only job oriented education would be effective in this country. We will have to see whether this system is capable of providing work to each hand and whether everybody is able to contribute to the progress of the nation. On the basis of such norms we will have to change the entire system. On the other hand we will have to remove the feudal system from our economy.

There are only few means through which we can provide work to each and every one. Industrial development should take place in which everybody should be involved. When more and more people participate in the production process and the products of industries, factories and mines are mass oriented, only then we will be able to provide employment to all. Today we see that in the name of religion, religious establishments like temples have acquired huge areas of land which even the big jagirdars do not have. In the similar way, enormous capital and wealth has been accumulated in the name of religion by the Masjids and Gurudwaras. Without changing this system, can we provide employment to all? It is in fact impossible to do so. Today, we see in Punjab, that the agricultural labour wants to cultivate its own land, but how can he do so when some individuals under different names have acquired farms measuring five hundred to seven hundred acres or one thousand acres of land. Agricultural production is increasing and our country has become self sufficient in foodgrains

production, but who are the beneficiaries? Are the actual tillers of the soil deriving any benefit? No, they are not getting any benefit. These people are still starving because they do not till their own land. That is why you must enforce the land ceiling laws once again and the landless peasants must be allotted land. Only then the change that you want to bring about could be brought about fully.

17.00 hrs.

Along with this, the family planning programme is also essential. If this is looked at from the religious angle, we will see that prophet Mohammed had only one daughter, and Lord Ram Chandra, who is an ideal character for all of us had only two sons. In this way, religious thinking is oriented towards spiritual thinking, which also supplies family planning.

According to Islam, if we have earned our bread for today we should not try to accumulate for tomorrow. This in fact is the great aim of socialism. On this basis the earnings must be equally distributed among families. Raja Harish Chandra was told in his dream about the principle of charity and after that he had given away his entire kingdom in charity, only to those who were landless and the needy and this is our great tradition. We should go into the fundamentals and not dwell merely on the Superficiality and the outer covering, because if we merely believe in the Superficiality we will not be able to provide employment to all as we want and as Shri Banatwallaji also wants. If they bring about an amended Bill in its place, and in that they say that they are not prepared to grant equal rights to women because it does not fall within the scope of feudal thinkings and social system of today. If we are not prepared to grant a share of our capital to the women with whom we have spent our lives; if we are not prepared to bear the responsibilities of her life, how would we be able to provide employment opportunities to people in such a situation. In spite of these circumstances, I am confident that your thoughts are moving towards the direction that the nation desires. Everyone must contribute to the development of the nation, and people of all the religions must cooperate with each other to help in the

process of development. Social ends and individual ends must complement each other. Also, entire life of all the individuals should be devoted to the development of the nation and this is what Mahatma Gandhi had advocated. You will be surprised to know, and even our communist friends may or may not believe, but it is true, that if the feudal trends continue to persist and land does not go to landless, then a time may come when land will be taken away without paying any compensation to the owners, and distributed among the landless. If this change does not come peacefully it may come through a bloody revolution. The time is fast changing. This is what our country and the world demands today. The people of all religions are residing at the same place which is breaking the barriers of religions in our lives. When we put up a new colony, people from different religions and sects begin to live there together. And when the Hindus, Muslims, Christians and Sikhs live at the same place, then the temple, the Gurudwara and the Church will all be built on the same locations. Then the question of a temple or a mosque would not arise. This is the demand of the nation and I am happy to note that Mr. Banatwalla has associated himself with this trend. A change will soon come and the change is absolutely essential. But, I will support the Bill if a modified resolution is brought forward in which all people get equal opportunities. Otherwise the Bill lacks meaning, it is a mere idea and I am, therefore, unable to extend my support to it.

**SHRI SATYENDRA NARAYAN SINHA** (Aurangabad) : Mr. Chairman, Sir, it seems somewhat impossible to disagree with Shri Banatwalla's views. There cannot be two opinions on this subject. Every one wants the eradication of poverty and unemployment from the country. Poverty and unemployment are closely related. When the constitution was being drafted, the founding fathers had included Article 41 under the Directive Principles after looking at it from the economic point of view of those times and not under fundamental rights. They had expected that as the nation developed, it would be the endeavour of the Central Government and the State Governments that every one especia-

lly the old people get the needed help.

Those who are ill or are in any kind of difficulty must get help. Those who are unemployed must get employment and we have to work to create such a situation. Just now our friend Shri Jain has said that even after 37 years of independence there are a large number of people amongst us who are poor and unemployed. The Seventh Five Year Plan is about to begin. Inspite of this, there are 90,70,000 people who are unemployed. This fact, I am saying on the basis of statistics that was presented in the house. If such statistics are presented, there would be no two opinions about the fact that unemployment and poverty are in great measure in this country. No one would disagree also on the point that tension and strife are found in large measure in several areas. Our Government is not unaware of it. When we began the First Five Year Plan under the leadership of Pt. Jawaharlal Nehru, our main aim was to remove inequality and unemployment and all our plans and projects were started with this end in view. The period of Sixth Five Year Plan has ended and the Seventh Plan has been launched, yet we have not been able to solve the problem of unemployment. But the schemes which have been started for the eradication of poverty are functioning smoothly. This is a matter of pleasure that the amount allocated in the Seventh Plan for this purpose is 65 percent more than that of the Sixth Plan. Now we have to focus our attention on the particular limitations for which the poor people are not able to get the benefits. We have to see whether the schemes of the Government particularly those which are meant to cater to the poorest sections of society, are beneficial to them or not. Our Hon. Prime Minister is aware of this fact and because of this reason as you are aware, he is touring those area. He is going to the adivasis, the Harijans and the poorest strata of the society to ascertain whether they have been deriving benefits from the schemes; and if not, why not and measures to remedy the situation are being considered. So Shri Banatwalla will agree that the Government is greatly concerned about it and it wants that poverty and unemployment should be removed from this country.

Shri Satyendra Narayan]

Just now our friend Shri Ayyar has said that Article 41 regarding the Directive Principles has not been acted upon. I was surprised to hear this, because work has been done in this direction in several States. In Karnataka old age pension is given. In Maharashtra and Tamil Nadu Employment Guarantee Schemes are functioning. The post graduates, graduates and matriculates are getting unemployment allowance. In every state and in West Bengal also this is being done. I want to inform Shri Som Nath Chatterjee, that in almost all the States unemployment allowance is being given. We have fulfilled the requirements of Article 41 to a certain extent. I will now wish to read out Article 41 :—

[English]

“The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement and in other cases of undeserved want”.

[Translation]

Now I would like to refer to education. Just now one hon. Member was saying that we have not made arrangements for provision of free education to all and instead we are talking of opening model schools. I want to submit that under our new Education Policy, in the model schools that are going to be opened, talented and brilliant children will be admitted. Children of all sections will be admitted in those schools so that children belonging to all sections of the society may get equal opportunities to make progress. In these model schools, children will be admitted through tests. Which ever child qualifies the test, will be admitted in the model schools.

In 1955 we had opened Netrahat school in Bihar. The children are admitted there on the basis of competitive examination. The children of the poor families are given

scholarship and children belonging to well-to-do families are not provided any stipend, but admission is made on the basis of merit only. Percentage of marks is not the criterion there. Children in the model schools will be admitted in the same manner.

In several States education upto the level of secondary level has been taken over by the Government. I do not know about Bengal, but in Bihar, this has already been done. All the schools are Government schools now. Our model schools will be at the district level and children will not have to spend much in them. These schools will be run on modern lines.

It has been emphasised in the new Education Policy that all the schools should be run efficiently. Under this Policy vocational education is also going to have an important place so that students are trained upto such level that they are able to work in any trade or industry afterwards. Education is going to be integrated with vocation.

Shri Mool Chand Daga was saying that we have made it compulsory to provide 2 per cent jobs to the handicapped. If you put a broad glance, you will find that it has been the endeavour of the Government that in more and more areas such works should be done which could provide employment to the maximum number of people. If we open more industries, then also more people get employment. We have created a special fund in the handloom sector so that more people are able to get jobs.

Similar is the case with the Self Employment Scheme. The people who want to start a business of their own by taking loans, the policy of the Government is that such people should be provided with loans. My experience is that majority of the youths want to join service. A tendency has grown among them that unless they join some service, they do not feel satisfied. Under this scheme the Government wants that maximum number of young men and women should start their own business. But in every field it is not possible.

Old age scheme is already in vogue in our country. Under the Self Employment Scheme we are providing employment to the people. In Maharashtra and Tamil Nadu, there is one Minimum Employment Guarantee Scheme in vogue. In other States also it will be started. This Scheme is being implemented in the rural areas also. Majority of the population in our country resides in villages. Therefore, the attention is being paid by the Government to the villages. The Government has started anti-poverty programmes in the rural areas. But these programmes should be run honestly and sincerely and there should not be any malpractices and corruption in them, so that the people are able to take full benefits of these programmes. It becomes our duty to extend our co-operation in this mission so that it may succeed. We can persuade those people who are facing poverty and unemployment and bring them on the right path. We all can meet the tense situation prevailing in the country due to these reasons. But certain people are misleading them. Presently we are seeing that many parties like IPLF and DS-4 have emerged and Naxalites too have been divided into many groups and all these are propagating violence and are asking the people to take their rights by the barrel of the guns. Violence should have no place in Gandhi's country; we have to march forward by adopting the path of non-violence and we have to get our rights by cooperating with the Government and we will get our rights. When the Government has decided that we have to make our country a Socialist Republic—and to this extent necessary amendment was made in the Constitution under the leadership of Shrimati Indira Gandhi—then it means that the Government is answerable and the Government will fulfill its responsibility.

I want to request humbly to Shri Banatwalla that when he brings a Bill it creates a turmoil, but it is an issue to which everyone agrees and it is the decision of the Government that it cannot exhaust its resources on payment of allowances and doles and such other unproductive expenses. We want that the resources should be utilised in a productive manner so that the people may get employment, country may develop, the economic system may become stable and we may become

self-reliant. This is our target, this is our aim and with this goal in mind we have to march forward.

Keeping in view all these things I would humbly urge upon Shri Banatwalla that the purpose of presenting the Bill has been achieved, all the hon. Members have discussed the issue and have drawn the attention of the Government and everyone will think about this. Kindly withdraw the Bill as the Government is doing its job. With these words I conclude.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : Mr. Chairman, Sir, I congratulate the hon. Member Shri Banatwalla for bringing forward such a significant Bill here. It was very necessary. We are today discussing the subject, 'Right to Work'. Every country in the world who claims to be treading the path of socialism, should have the 'Right to Work' as a Fundamental Right and it is necessary that it should be incorporated in our constitution. Alongwith providing the Fundamental Right to Work, it should also be provided that one person should get one work only so that we are able to take our country forward. Mr. Chairman, Sir, I want to submit that we have observed that in our country there are persons who are handling ten-to-twenty works each. In such a situation how can we talk of removing unemployment from our country. One person is working for ten persons. The same person in MP, doing farming, running Samrat hotel or any other Five Star Hotel, running cinema hall etc. All these works are being done by one person only. Then, how can unemployment be removed? Our resources are not that flexible that you can stretch them to any extent. Therefore, the most important thing is that one man should do only one work. There is a saying that land belongs to the tiller. That person only should be taken as farmer, but presently we are sitting here and our 200 acre farm is being tilled. Therefore, people should not be misled in this way. What is the problem of unemployment? According to the register of the Employment Exchanges, there are 170 lakh unemployed people in 1981 the number of unemployed registered with the employment exchanges was 170 lakhs which has now increased to 250 lakhs. Similarly in the villages where no such register is maintained the number of such persons is about 750 lakh,

[Shri Ramashray Prasad Singh]

Their names have nowhere been registered. There are more than 90 lakh unemployed post matriculates. This increasing unemployment has thrown the country in a quagmire. What will these idle people do? As one hon. Member has stated just now that many developments have taken place in our villages. There are groups of youths who remain equipped with arms and ammunition. There are divisive forces who want to weaken the country. These forces teach the youth that this country does not belong to them. They tell the youth that they had no 'Right to Work' in this country. Unless they follow the path of violence they will not get work. They are told that they will get work only when they throw those people out of the State who do not belong to that particular State. It is because of this regional parties are emerging. Have they any principle? In spite of this, regional parties are becoming stronger. Such type of things are being said. Unemployment has been increasing for years together because of the wrong economic policies of the Government. In our State two thousand people have been killed during the last two years. They have been killed by youths and dacoities are also being committed. Unemployment has reached the climax and the Government says that unemployment allowance should be given. It must be incorporated in the Constitution that which ever Government rules, it should be its moral duty to provide work to each and everyone. Unless it provides work, how can one survive? Therefore, such provision must be made in the Constitution. At present youths and students are being influenced by the slogans of regionalism and casteism and their minds are diverting to fissiporous tendencies. All these things are the result of unemployment. You should pay your attention to this also. In 1981, 5,50,00,000 agricultural labourers were jobless and the number of agricultural labourers is increasing by about 10 lakh every year. The hon. Members have said this also that the unemployed persons do not go in search of work. It is incorrect. Today people are going to far off places from the villages in search of work. In Haryana, Punjab and Delhi there are lakhs of people who are living on a monthly salary of Rs. 200

or Rs. 300/. How can they survive? If you conduct a survey, you will come to know as to who are the beneficiaries. The small industrialists get labourers on very low wages and in this way they become big industrialists. These unemployed people are not getting fair wages. They are being exploited. The reason is that they are idle and they do not have any work. On the one hand, it is being said that work is being provided and on the other hand, schools are being opened. Just now the hon. Member said that admission in the schools will be on the basis of tests. A child who has the facility of air-conditioning, best meals and the like and has a sharp mind, only he will appear in such a test.

(Interruptions)

SHRI SATYENDRA NARAYAN SINHA : The hon. Member belong to Bihar. Therefore, I would like to ask him a question. Do the children studying in Netrahat school belong to the families who have the facility of air-conditioning or the children belonging to the poor families are also studying there ?

SHRI RAMASHRAY PRASAD SINGH : It seems the hon. Member has not been able to digest what I have said. Only that child who has been brought up in good atmosphere and environment and whose living standard is good can pass such tests. Of course, there can be certain exceptions and the children belonging to the poor families may also pass. They can be called as god-gifted children. Otherwise you have been seeing that only those children get admitted who belong to affluent families. In such schools, only those children can get admission whose parents are well off, having good standard of living and who are leading a very comfortable life. Therefore, in such schools which have been opened by the Government, children of the poor are not able to get admission and every where condition is the same. In the rural schools, the children of the poor do not get good education and they remain as they are. For them neither you have thought any measure nor you have done anything. And as a result of it, unrest is prevailing in every part of the country. Therefore you have to think as to where is the lacuna. You merely think that your

party is in majority and in a strong position with overwhelming strength and that is why you do not pay attention towards the poor. As a result, the unemployed are indulging in unlawful activities. If you wish to save the country and want to make it strong, then you have to prepare yourself to face the situation, you have to provide work to the unemployed and you would have to give them the right to work.

In addition to it, I would like to say that if the population of a country grows rapidly the country becomes poor. Therefore you would have to control the population growth with courage and boldness. You should put a check on both the things and derive power on both the fronts. But you are afraid that if you enacted any such law regarding family planning, you may fail. But to save the country and in national interest, you would have to take such steps, so that population growth might be checked and the poor might get some relief. But I know, you cannot do that and cannot enact such a law. This Bill has been moved by Shri Banatwalla. Another Bill was presented by him in this House which also had a good aim. You presented another Bill for the women in this House which shows your cowardice. You lack courage and want yourself to shield under the name of religion and you are doing such things only for momentary gains. But what is happening all over the country over this Bill? If our country is a secular state, then there should be uniformity of law for all the women irrespective to their religion. They may be Hindu women, Muslim or Christian women, but there should be one law for all religions. But you do not understand it and as a consequence of it, you alongwith the people of the country are undergoing its ill affects.

I do not want to take your much time, but I will definitely ask you to support the Bill presented by Shri Banatwalla which is in the interest of all. Our Minister is a most experienced, intelligent and competent person, I request him to accept the Bill. Government generally claims to have alleviated the poverty to this extent and to that extent and it claims to have brought so many people above the poverty line, but you tell me one thing that if people have been brought above poverty line, their

purchasing power should also have been increased. You have very huge stock of foodgrains. In your stock, there is nearly 300 lakh tonnes of foodgrains, but as per the statistics of public-distribution-system your consumption has reduced to 11 lakh tonnes as against earlier consumption of 14 lakh tonnes. Have you ever thought about this reduction of 3 lakh tonnes in consumption of foodgrains? By this you can imagine as to what level the purchasing power of the poor has declined. They are not able to purchase foodgrains. Therefore, your claim to have brought so many people above poverty line, is not correct.

Thirdly, I would like to say that Rs. 400 crores was provided for Rural Landless Employment Guarantee Programme, but only a sum of Rs. 132.2 crores was actually spent. When a provision of Rs. 400 crores was made in the Budget, then what are the reasons for not spending the entire amount? How would you bring the people above the poverty line then? Similarly an amount of Rs. 30 crores was provided for nutrition programme during the year 1984-85, but only a sum of Rs. 10 crores could be spent. Therefore, you have to tell the people as to why allotted amount could not be spent by you? Who is responsible for it and what action has been taken against him? Who has played the trick with the poor by not spending the allocated amount and has cheated the poor? This allocation was made to provide relief to the poor and to uplift the rural poor. But you could not even spend that. Secondly, I would like to mention a very ordinary thing. You are paying social security pension, but have you ever asked the State Governments to check its misuse and bungling. Last time when I was on tour to my constituency, I came to know that a Panchyat official of Chhatta in Masoudi Block had misappropriated a sum of Rs. 90 thousand of this pension amount. I lodged a complaint about this matter to the Collector and B.D.O. and I can say it with challenge, you may get this matter enquired into. That official has misappropriated Rs. 90 thousand of social security pension by submitting fake documents. Is it the way you keep a check on the State Governments? I want that whatever allocations you make to the State Governments, you must ensure that the amount is

[**Shri Ramashray Prasad Singh]**  
being spent properly.

You should accept it gladly so that the unemployed people may get work and whatever you say about the socialism and the creation of a socialist society may also be appreciated by the people and they may also feel that their Government has adopted socialistic path and constitution has guaranteed them the right to work.

**SHRI BALASAHEB VIKHE PATIL** (Kopargaon) : Mr. Chairman, Sir, I am grateful to you for allotting me the time. With a view to eradicate unemployment and to provide work to all, our friend Shri Banatwalla has introduced this Constitution Amendment Bill. But he knows that mere amendment in constitution does not serve any purpose. Irrespective of any amendment to the constitution Government has certain responsibilities to provide work to the people, to eliminate unemployment and to make Education System job oriented.

Mr. Chairman, Sir, during Sixth Five Year Plan, an amount of more than Rs. 7000 crores was spent on Twenty Point Programme and other programmes with the help of the funds provided by the Centre and after obtaining loan from the Banks and during Seventh Five Year Plan also, we have proposed to do the same, but we have to take steps to check our fast growing population and unless we check it, whatever number of amendments might be made in the constitution nothing fruitful can be achieved. Our programmes cannot succeed till our population is growing. All over the world, attention is being paid to check the population, but in India due attention is not being paid towards this problem. Although our Government is paying a lot of attention towards it, but our people are not paying any special attention towards it. Therefore, I would like to say that every citizen of our country, whether he is a villager, legislator or worker, all should courageously extend cooperation for this work.

Mr. Chairman, Sir, if this trend of population growth continues, we may provide food to all with our surplus foodgrain

stock, but we would not be able to provide employment to all. When a person fails to get employment, he would face starvation also. I don't know whether we can make any amendment in the constitution for this purpose or not, but in Maharashtra we have started Employment Guarantee Scheme and R.L.E.G.P. Schemes. More and more incentives and facilities should be given to those who adopt methods of family planning, so that people may be attracted towards it and help to solve the problem of unemployment by planning their families. We can assist such persons by giving employment to his one or two children and we can also provide them some facilities in educational field. We have to see as to whom we are imparting vocational and job-oriented education. We should delink degrees from the employment. For this purpose also we should give priority to those families who have adopted small family norms under family planning programme. We should also abolish merit and demerit system from it. Similarly, such families should be given priority in getting admission in Model Schools. They should be given priority in sanctioning LPG connection, land distribution, Government service, and promotions. Unless we give top priority to the person who goes for family planning, the people will not come forward to adopt small family norms and unless they do so the promotion of family planning scheme will not work. I dare say that with a view to remove unemployment and to provide employment to all, the Government will have to implement Family Planning Programme vigorously. If the Government believes in changing thinking of the people in this respect and then implement family planning programme, it will not work.

Family Planning Programme is being implemented all over the world, in all countries having different religions. China is going much ahead of others in this field and there too people belonging to various religious and political ideologies are courageously implementing the family planning programme. I would like to refer to the rural area, and not speak about employment exchanges. Our rural and urban areas are threatened by a peculiar problem. On the one hand we do not have

enough employment opportunities for man, whereas on the other hand we are not able to find suitable men to do a particular job. We are not able to find men with desired technical knowledge and specialisation. When a person appears in an interview, he is told that he is not suitable for the job. You do not know much about banking system, computerization, vocational work and horticulture. Therefore, there is an urgent need to make improvements in manpower planning. Mere amendments in the Constitution will not serve the purpose. Unless we provide employment judiciously and improve the situation, employment opportunities would not be available.

The nationalised banks and Public Sector Undertakings have done a commendable job in this regard, but the private sector is not participating in the programme well. In providing employment to scheduled castes and scheduled tribes people, the private sector should also come forward. The House has discussed this matter many a times. The Government should also take effective steps in this regard. Unless the Private Sector provides employment to the poor, to the scheduled castes and scheduled tribes or fulfils the reserved quota for them, they should not be given any central assistance. This may result in loss of production, but if we march forward with discipline, the private sector will also come forward and participate in this programme.

Poverty is a curse for India. Increasing population and non-implementation of family planning programme are related to poverty. As a result of this, many young men do not get employment and they become victims of various diseases. This leads to frustration among them and they become lethargic and after some years become incapable of doing any work. Our Health Minister has rightly pointed out that because of unemployment, many people become victim of various diseases.

The Maharashtra Government has introduced employment guarantee scheme. Some other States like Tamil Nadu and Karnataka have also made announcements to introduce such a scheme. The Central Government itself should imple-

ment Employment Guarantee Scheme throughout the country and it is necessary to provide employment after initiating some sort of industry and undertaking some sort of production. It should also introduce a scheme of giving priority in providing employment to those families who adopt family planning. The Government need not take the responsibility of those who do not go in for family planning.

I am entirely in favour of Socialism and have also widely travelled in some socialist countries where I have myself seen it. Family Planning is being adopted in capitalist as well as socialist countries. There is minus growth rate in many countries. As against it population is continuously rising in our country. Employment Guarantee Scheme is doing well in Maharashtra. About Rs. 180 crores has been earmarked in plan outlay for this purpose. But it is sad that the States which guarantee employment have to pay penalty for this as they get lesser amount to meet their Plan requirements. When a State is stricken by drought it gets little assistance from the Central Government. The State Government has to think whether it would be able to continue the scheme further or not. The Constitution enjoins upon the State to guarantee employment. Some of the State Governments thought it appropriate and therefore implemented it for providing employment.

If the farmer and workers join together and work in the agro based industries launched through cooperative movement, then in my view a development instrument would be created, which would add to employment opportunities in the rural areas. This would also help in solving the problems of increasing population and environmental pollution in urban areas. Today, we merely talk of welfare in rural areas, but serious attention is not paid to it. I strongly feel that the development of rural areas can be done through cooperative movement alone. Scheduled Caste and Scheduled Tribe people have been provided employment under the cooperative movement in Maharashtra. Recently a new Chief Minister has been appointed in the State. He has been the Chief Minister of the State earlier as well. He

[Shri Balasaheb Vikhe Patil]

had issued order that unless the scheduled castes, scheduled tribes and the weaker sections of society get their due percentage of reservations in cooperative and private sector, no bank guarantee, Government Guarantee or assistance will be given to these sectors. As a result of this the cooperatives are working efficiently in rural areas. But besides this voluntary participation of people is highly essential for the success of these schemes. Unless we come forward, the Government will not be successful in removing unemployment. No doubt, Government has been successful to a great extent in creating employment opportunities in rural areas.

Today we talk of right to work and we talk about rehabilitation of bonded labour. We are not able to rehabilitate bonded labour, the way we desire. I would like to suggest that, as education policy, unemployment and employment opportunities are closely interrelated, the weaker sections should be given priority in all the areas.

There are large scale irregularities in the working of Universities and the University Grants Commission. We often come across such reports through the newspapers. As a result of this, the poor do not come in the merit. At the outset, employment opportunities should be provided to the unemployed and priority should be given to children of bonded labour in getting admission to model schools. They should be given job oriented education so that they are able to get job after completion of studies.

AN HON. MEMBER : How is it possible ? How will they be able to go to model schools ?

SHRI BALASAHEB VIKHE PATIL : This is possible. I am myself running educational institutions and that is why, I am aware of it.

(*Interruptions*)

Model schools and Public schools are two different things. You may go there and see the difference for yourself.

SHRI SOMNATH CHATTERJEE : You take us along with you.

SHRI BALASAHEB VIKHE PATIL : You are always welcome to accompany us and we shall be glad to have you with us. This would help in creating in you love for cooperative movement. The job oriented education should be provided in rural areas only after surveying the natural resources and employment potential in a particular area. This would help in providing suitable employment to them after completion of vocational education. Today, all the youths do not have the necessary confidence to start their own business. Our present education system has deprived us of self-confidence and forced us to depend on others. The Government should provide them with livelihood so that they could survive.

I would like to suggest that if education is associated to the natural resources in a state, it would help in resolving the unemployment problem to a great extent. There is no need to amend the constitution for this. I feel that even if education and employment are co-ordinated, it would help in solving unemployment problem.

In the end, I would once again emphasize the need for family planning without which inspite of our herculean efforts and colossal plan outlay, we cannot make progress in solving the problem of unemployment. With these words, I express my thanks to you.

(*English*)

SHRI SOMNATH CHATTERJEE (Bolpur) : I should have thought that this Bill would be treated with the utmost seriousness by members on the other side because it is their obligation, it is the ruling party's obligation where my very esteemed friend, Mr Satyendra Narayan Sinha temporarily finds himself in. I have no doubt that he will come back to our side. I should have thought that the Government would not treat this Bill merely as a matter of constitutional amendment and the Law Minister has come here to intervene. This is a matter, this is a Bill which should have been dealt with by the Treasury Benches, by the

Finance Minister, by the Industry Minister, the Labour Minister, the Agriculture Minister, the Planning Minister, if not the Prime Minister himself. No. I am not minimising the importance of my good friend because he finds himself in a company which treats such matters as mere matters of form and routine. That is not to be treated as a matter of form and routine. This Bill should be treated as a national testament expressing the people's commitment to the millions of unemployed youth in this country who want to work and live a decent life, to those who do not want to remain as objects of mercy or sarcasm in society and who want to contribute their mite to the development of this country, live a decent life and contribute to their family expenses but to-day for no fault of theirs they are mostly objects of ridicule and mercy. Can we not redeem ourselves? This House is the highest forum in this country. This House has amended the Constitution to introduce socialism in its Preamble. This is the House which approves the Plan. This is the House which has its accountability to the people. Therefore, should not this House treat it in a totally non-partisan manner? But, unfortunately, that is not the attitude, that is not the approach here.

This is a very important subject we are dealing with. Can we forget that even nearly four decades after independence, the educated unemployment figure is nearly 3 crores? They are educated. Engineers are unemployed. Doctors are unemployed. Accountants are unemployed. Post-graduates, graduates and matriculates—all are educated people and they are unemployed. Many of them have registered themselves at the employment exchanges hoping to get some sort of notices through the Post Office so that they can at least appear in some interviews.

I agree with my friend Mr. Sinha that job opportunities necessarily have to be large in a vast country like ours and people should take to different trades and businesses. But is it so easy? Personally I have had the privilege of being associated with certain Government agencies—Small Industries Corporation of West Bengal and I know how difficult it is, the

facilities that should be available are not available and with the constraints that are there how difficult it is for the young people with no connection, with no capital to fall back on, to start with even a modest small scale or a cottage industry. Whose fault is that? We have not even the statistical figures about the rural unemployed. You must be facing the same problem, Sir. You. I also come from the rural constituency, I do not know. I also do not know whether you come from urban area or rural area. No statistics, no figures are even available. After four decades of independence, the young people of this country are clamouring for a right to survive as decent human-being. Apart from that, the people are clamouring for drinking-water. They are asking for the little civilised facilities to live in this country; better facilities for health treatment; better facilities for education. They are denied of that. They are not getting it. One thing need to be emphasised. Every hon. Member to whichever State he belongs, has admitted in no uncertain terms, that the problem of unemployment is a very very acute problem. The question is how to solve this? Even after four decades, we are talking of how to solve it. Where are the jobs? Where will the jobs be available? The Railways were, at a time, the biggest job-providers in the public sector. Now there are nearly three-and-a half lakhs of vacancies in the Railways in the last three years. New vacancies are being created. But jobs are not being given. In no Government Service and in the Central Sectors jobs are being given because there is a ban on recruitment. Today itself, in this House it was said just by an hon. Member that a post-office has been sanctioned and it cannot be opened because there is a ban on recruitment. Now, the Railways will not provide jobs. New jobs are not being created; old vacancies are not being filled up; natural wastages are not being filled up. There is total ban on recruitment. You please find out from every factory in this country specially of the big industrial houses and monopoly houses you will find every where, the total number of workers has gone down. Please ascertain. I have occasion to be associated with the various trade unions connected with this. Many of the big

[Shri Somnath Chatterji]

industrial undertakings like the ITC—formerly it was named as Imperial Tobacco and again it was re-named as Indian tobacco and now they have abbreviated it as ITC—the number of jobs are going down. They are clamouring for more and more sophistication. We are resisting; the workers cannot but resist. They are introducing sophistication resulting in reduction in job potential. In the modern factories or industrial undertakings which are coming up, can we say that the number of jobs is commensurate with the investment? No, Because these days modern factories and modern workshops are being set up and they are highly expensive. But highly capital-intensive; not labour-intensive. Jobs are not being created. It is not only in the private sector, but everywhere. It is a serious matter. I can give you the names. We have been protesting against that. We have raised it on the floor of this House—not only now but I mean in the 7th Lok Sabha and the 6th Lok Sabha. Particularly, in the Seventh Lok Sabha, it became very acute. Central Government Undertakings have been closed down. Now people are thrown out of jobs. No alternative employment or no compensation was given. There was the Carter Pooler Company Ltd. Has the hon. Minister got the interest to ascertain? There was the Containers-Closures Co. Limited and the Indian Rubber Industries Limited. These were run by the IRCL under the Central Govt management. All the three have been closed down. Apart from the fact that no alternative employment has been provided to them, twelve of the employees have committed suicide because they could not bear the agony of the cries of their children for a little food, for a little milk. They say that it is better to die than to face that situation where a father cannot provide a little milk or food to his children, for no fault of his. It is not a crime that he is born in India. With all the natural resources that we have, we have sufficient land, we have a dedicated work-force in our country, people who are working in the agricultural fields with hardly adequate irrigational facilities, with hardly adequate

inputs; by their sheer toil and dedication, they are producing crops; they are producing cash crops for you to earn foreign exchange. Now, do their families get two square meals a day?

It is very nice, Mr. Patil, to talk about family planning as if the curse of this country is the family planning. The curse of this country is the system that you have adopted, the economy that you have introduced in this country. Can you possibly think of providing jobs? We are not talking of whitecollar jobs only. Without land reforms can you possibly achieve a greater degree of employment for the people? It is not white-collar jobs in the offices or in the factories. It is giving work to the people so that they can earn their own living. They do not want to live on doles. Do people want to live on doles or unemployment allowances?...

MR. CHAIRMAN : The time allotted for this Bill has expired. There are still many Members who want to speak. I think, the time may be extended.

AN HON. MEMBER : By two hours.

SHRI GHULAM NABI AZAD : The time may be extended by one hour. If need be, we can extend again.

MR. CHAIRMAN : If the House agrees, the time will be extended by one hour....Yes, the time is extended by one hour.

Mr. Somnath Chatterjee, if you can finish in three minutes, then you may continue.

SHRI SOMNATH CHATTERJEE : No, Sir. In three minutes I will not be able to do justice. I would like to continue afterwards.

MR. CHAIRMAN : The hon. Member will continue on the next occasion.

17 59 1/2 hrs.

**BUSINESS ADVISORY COMMITTEE**

**Twenty-second Report**

*[English]*

**THE MINISTER OF STATE IN THE  
DEPARTMENT OF PARLIAMENTARY  
AFFAIRS (SHRI GHULAM NABI  
AZAD) :** Sir, I beg to present the Twenty-

second Report of the Business Advisory Committee.

**MR. CHAIRMAN :** The House stands adjourned to reassemble on Monday, March 24, 1986, at 11.00 a.m.

**18 hrs.**

*The Lok Sabha then adjourned till Eleven  
of the Clock on Monday, March 24, 1986/  
Chaitra 3, 1908 (Saka).*