

Friday, March, 14 1980
Falguna 24, 1901(Saka)

**Second Session
(Seventh Lok Sabha)**



सत्यमेव जयते

(Vol. II Contains No. 14 to 20)

**LOK SABHA SECRETARIAT
NEW DELHI**

Price: Rs., 06.00

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LOK SABHA

Friday, March 14, 1980/Phalguna 24,
1901 (Saka)

*The Lok Sabha met at Eleven of the
Clock*

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

Introduction of Public Distribution System in Orissa

*62. SHRI CHINTAMANI PANIGRAHI: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether Government are aware of the fact that now sugar is selling at Rs. 6 to Rs. 7 per kilo in Orissa and mustard oil is selling at Rs. 15 per kilo;

(b) if so, what immediate measures have been taken to introduce public distribution system in Orissa and to distribute levy sugar to the vast masses of poor consumers in the villages; and

(c) whether levy sugar has been allotted to Orissa in January and February, 1980; and if so, the quantity reached and distributed so far?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). The prices are reported to be prevailing at about that level.

Levy sugar is being distributed through Fair Price Shops under the Public Distribution System at uniform prices. 10,723 tonnes of levy
2741 LS—1

sugar has been allotted to Orissa for the month of January, 1980 and 10724 tonnes for the month of February, 1980. Food Corporation of India has despatched nearly 6,700 tonnes of sugar till the end of January, 1980 and 15,592 tonnes during February, 1980. Government of Orissa have so far distributed 8,000 tonnes of levy sugar through Public Distribution System.

The Public Distribution System in Orissa has, at present, 11,660 outlets. The State Government is taking steps to further expand it to cover all the villages.

SHRI CHINTAMANI PANIGRAHI: From the statement it is quite clear that during January and February, 22,292 tonnes have been allotted to Orissa, but why so far only 8,000 tonnes of levy sugar have been despatched to the State to be distributed through 11,000 outlets. Therefore I would like to know from the hon. Minister as to what was the actual despatch in the previous year for the same period? Whether this despatch is more than the previous despatch to Orissa and if so, what is the criterion on which the levy sugar is being despatched to different States?

SHRI PRANAB MUKHERJEE: So far as the despatches are concerned, the figures are already there. In fact, the new distribution system for sugar has been started from December, 1979. Therefore the despatch from the sugar producing areas to consuming areas in December was practically negligible. January and February figures I have already given. These figures are related to the time when the sugar was being despatched from the producing point. But it takes some time to reach them. After that the FCI distributes it to various outlets.

So far as the allocation is concerned, it is between 400 and 500 gram per head.

SHRI CHINTAMANI PANIGRAHI:

Although the allotment of sugar to Orissa was 22,292 tonnes, what is the actual quota which has reached Orissa so far? Has it come to the notice of the hon. Minister that in FCI godowns in Orissa every dealer who goes to have one bag of levy sugar, is forced to pay Rs. 15/- as bribe? Has the Government decided to streamline the distribution system? What effective measures are being taken to see that these things do not occur, the dealers get sugar in time, they do not require to wait for days together and again pay Rs. 15/- as bribe? What measures are being taken by the Government to see that the quota would reach every block headquarter from the FCI?

SHRI PRANAB MUKHERJEE: So far as the quota for January and February is concerned, it is 10,723 and 10,724 respectively. So far as the suggestion that FCI is charging something extra is concerned....

SHRI CHINTAMANI PANIGRAHI: The FCI Inspectors are charging from the dealers.

SHRI PRANAB MUKHERJEE: I shall have to look into that point. I shall request my colleague in the Agriculture Ministry to look into it. The State Governments are authorised to add some costs towards transportation and handling charges. But, certainly it should not be Rs. 10 to 15 per bag. That specific allegation will be looked into.

Another problem which the FCI in particular is facing in Orissa is that they do not have sub-depots. Therefore, we have to take up with the FCI for opening up sub-depots at various block headquarters to ensure supply of sugar to villages.

श्री जैनुल बख्श : उत्तर प्रदेश में, और खासकर पूर्वी उत्तर प्रदेश में

MR. SPEAKER: No relevance.

SHRI HARIKESH BAHADUR: In view of the fact that sugar is selling at Rs. 7/- per kg. I would like to know from the hon. Minister the steps which he is proposing to take to lower down the price of sugar?

SHRI PRANAB MUKHERJEE: So far as the general propositions are concerned, they have already been explained. We are trying to streamline the supply through public distribution system and more sugar will be channelised through public distribution system. Naturally, it will have some effect on the market. But it is yet to be seen to what extent it effects the normal market conditions.

I would like to give one information to the hon. Members which I had been told when I had the meeting of the Ministers of Civil Supply and Advisers to the Governors that in Orissa soon after a few people who were indulging in hoarding and other type of anti-social activities, were detained under the Preventive Detention Act, there had been some effect on the market and sugar price at that time was between 5.6 to 5.8. I have received figures of wholesale price of sugar per quintal. In Bombay it is Rs. 618 to 622, in Calcutta it is Rs. 480 to 485, in Delhi it is Rs. 535 to Rs. 580. So, it is having some effect. But I would admit that it is not having effect to that extent which you wanted to have.

SHRI JAGANNATH RAO: Apart from the gram panchayats, which are going to be the outlets in rural areas, would the Government consider the advisability of giving these dealerships to the retail associations of the registered unemployed educated youths in the country, which was tried as an experimental measure in my area?

SHRI PRANAB MUKHERJEE: We have told the State Governments that they can have fair-price shops, co-operatives, associations or panchayats. The main idea is to cover as much area as possible. Therefore, that can also be considered.

SHRI K. P. SINGH DEO: In view of the fact that the distribution of essential commodities in Orissa is being handled by a few hand-picked men of the last regime, who are putting enough bottlenecks to see that the essential commodities do not reach the common man, what are the steps taken to streamline such distribution as well as to set up the Citizenship Committees to monitor the position?

SHRI PRANAB MUKHERJEE: So far as the watch on the distribution system is concerned, it was agreed in the meeting of the State Civil Supplies Ministers that we will have advisory committees at the district and state level.

Rise in prices of Consumer Goods

*63 **SHRIMATI GEETA MUKHERJEE:** Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the continued rise in the prices of consumer goods all over the country;

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

(c) what effective and stringent measures are being taken to bring down the prices?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) to (c). A statement is placed on the Table of the House.

Statement

The prices of consumer goods have registered a sharp increase during 1979-80. The All-India Industrial Workers' Consumer Price Index (1960=100) moved up continuously from 332 in March 1979 to 374 in December, 1979 showing an increase of 12.7 per cent. The index for January 1980 (the latest available) has, however, declined to 371. The group-wise details are enclosed.

2. The main factors behind the price rise are: wide-spread drought, upward adjustments in administered prices of certain commodities, sharp rise in the prices of petroleum and its products, short-fall in the supply of essential inputs like coal and power, transport bottlenecks, stagnation in industrial production and presence of speculative forces.

3. Government is determined to tackle the price situation by:

(i) increasing production and supplies;

(ii) better supply and demand management;

(iii) removing power and transport bottlenecks;

(iv) streamlining of distribution arrangements;

(v) enforcement of existing legislation to check hoarding and black-marketeering.

All India Industrial Workers' Consumer Price Index (1960=100)

	March 1979	December 1979	Percent- age- change in De- cember 1979 over March 1979 +
General Index	332	374	12.7
I. Food	341	391	+14.7

1	2	3	4
II. Par, Supari, Tobacco & Intoxicants	348	367	+5.5
III. Fuel & Light	400	457	+14.2
IV. Housing	197	200	+1.5
V. Clothing, bedding & Footwear	385	416	+3.1
VI. Miscellaneous	290	319	+10.0

Note : Though the General Index is available upto January, 1980 the groupwise details are available only upto December 1979.

SHRIMATI GEETA MUKHERJEE:

In the statement laid on the table in answer to my question, the Minister has stated:

"The prices of consumer goods have registered a sharp increase during 1979-80. The All-India Industrial Workers' Consumer Price Index (1960-100) moved up continuously from 332 in March 1979 to 374 in December 1979 showing an increase of 12.7 per cent. The index for January 1980 (the latest available) has, however, declined to 371."

The Minister has thereby given the impression that the prices are coming down with the installation of the present Government. But is it not a fact that the wholesale price index for all commodities base 1970-71, rose for the sixth week and touched yet another peak at 231.4 during the week ended 1st March 1980?

MR. SPEAKER: You come to the point and ask a pointed question.

SHRIMATI GEETA MUKHERJEE:

It is a pointed question. Why does the Minister conceal the realities of life?

SHRI R. VENKATARAMAN: I have only stated facts. The facts were that in December the consumer price index stood at 374 and in January it came down to 371. I did not imply, nor did I state in my answer, that the prices are coming down. On

the contrary, I am well aware of the tendency for the prices to go on rising persistently. I am very conscious of this fact and I am trying my best to see how to combat it. Therefore, the impression which the hon. Member says I gave may be an impression which the hon. Member has got, but it is not created by me.

So far as the second part of the question is concerned, if the hon. Member looks at the wholesale price index, she will find that for the period which she mentioned, there was an increase of 1.1 per cent. But, then, for the next week, from 23rd February 1980 to 1st March 1980 there has been an increase of only 0.3 per cent. Therefore, both figures tally.

SHRIMATI GEETA MUKHERJEE:

Now it has come to the same thing which he has referred to. In that case, let me also state that the statement which the Minister has made is contradicted in today's news. I would like him to state which is correct. The *Patriot* of today says that the level of wholesale price index this year was higher by 23.8 per cent, when compared to the index of the like week last year. Of course, this does not deal particularly with the workers consumer index but deals with the general price rise. I want to know whether this is true.

SHRI R. VENKATARAMAN: Statistics have to be compared with like statistics. The figure which the hon. Member stated was a comparison with

the index figures of the corresponding week last year. What I am giving now is in relation to the figures quoted by the hon. Member. She quoted the figures to show that for the period from 16th February to 23rd February there has been an increase of 1.1 per cent. I have said for the next week, from 23rd February to 1st March, it has been only 0.3 per cent. Therefore, there is no conflict in figures. The only thing is that you may compare like figures and not compare different figures.

श्री छागुर राम : अध्यक्ष महोदय, कीमतों पर नियन्त्रण के सम्बन्ध में मंत्री जी ने तीन चार सुझाव दिए हैं जैसे मांग और पूर्ति का बेहतर प्रबंध, वितरण सम्बन्धी प्रबन्धों को सरल और कारगर बनाना—मैं मंत्री महोदय से जानना चाहता हूँ कि आज जो वर्तमान व्यवस्था है वितरण और मांग पूर्ति के सम्बन्ध में, इस व्यवस्था के प्रतिरिक्त और कौन सी व्यवस्था है जिसको वे बेहतर बनायेंगे ? मंत्री जी बतायेंगे कि वर्तमान व्यवस्था के अलावा और कौन सी व्यवस्था बनाने का उनका विचार है ?

SHRI R. VENKATARAMAN: When you talk of demand-supply management, the demand management consists of one series of acts like control of money supply and so on. So far as the supply management is concerned, about which the hon. Member referred, we want to utilize fully the co-operatives, the super-markets, the fair price shops and, to the extent possible, create new agencies which will honestly distribute these scarce commodities. It is an endeavour in which all of us have to see that the available commodity is equitably distributed. The difficulty today is that even the available commodity is cornered and hoarded. If we have proper channels of distribution, then it would be possible to distribute the scarce commodities equitably.

श्री छागुर राम : मेरा क्वेश्चन यह था कि मंत्री जी जो बता रहे हैं वह तो वर्तमान व्यवस्था है तो इस व्यवस्था के प्रतिरिक्त मांग और पूर्ति को बेहतर बनाने के लिए और कौन से उपाय हैं ? अभी तो जो आज है वही वे बता रहे हैं ।
(व्यवधान) ..

अध्यक्ष महोदय : आज बैठिये ।

DR. FAROOQ ABDULLAH: If the shop-keepers are required to keep price lists for the commodities they sell then the housewives and the poor people would not be robbed by them. I want to know from the hon. Minister whether they are going to introduce such measures whereby these price-lists would become important so that the people would not be robbed by the shop-keepers.

SHRI R. VENKATARAMAN: This question may be answered by my colleague, the Minister in charge of Civil Supplies. He is actually in charge of distribution and the arrangement for distribution.

DR. FAROOQ ABDULLAH. I am sorry, I did not get the answer to the question.

MR. SPEAKER: You give a fresh notice.

DR. FAROOQ ABDULLAH: It is an important question.

SHRI K. MALLANNA: Sir, it is admitted in the statement that prices have already gone up and he has also given some reasons. The main factors behind the price rise are widespread drought and shortage in certain commodities. Apart from these things I would like to know whether it is a fact that some hoarders, black-marketeers and smugglers are responsible for the rise in prices. If so, what steps Government has proposed to take?

MR. SPEAKER: That is already known. Why to repeat this question all the time? It is all right.

SHRI K. LAKKAPPA: Mr. Speaker, Sir, assuming that the previous government could not do anything, the accumulated legacy of the previous government....

MR. SPEAKER: Please put the question. I want the question.

SHRI K. LAKKAPPA: Please listen to me. (Interruptions). The previous government let loose the hoarders and blackmarketeers and thereby

created a situation of price rise at that time.

MR. SPEAKER: That has already been discussed.

SHRI K. LAKKAPPA: What has happened is....

MR. SPEAKER: I want the question.

SHRI K. LAKKAPPA: I am putting the question. The same people regroup and further worsen the situation.

MR. SPEAKER: This is not a question.

SHRI K. LAKKAPPA: I am asking whether he has got any scheme....

MR. SPEAKER: He has already stated that they are trying to bring hoarders and blackmarketeers....

SHRI K. LAKKAPPA: I have not completed my question.

MR. SPEAKER: What is the question?

SHRI K. LAKKAPPA: For the proper distribution of essential commodities, in view of the rising prices, will this hon. Finance Ministry and the Supply Ministry put themselves together and set up a special cell to create a situation of confidence in bringing the prices down and ensuring fair distribution of all consumer goods and other essential commodities in this country? I would also like to know as to how soon they will do it.

SHRI R. VENKATARAMAN: Sir, this is exactly what I said that we are trying to do it and we are trying to see that there is no blackmarketing and hoarding. We are using now the Preventive Detention Law.

MR. SPEAKER: He wants to know whether you have cooperation from the Minister for Supply or not.

SHRI R. VENKATARAMAN: Yes.

SHRI INDRAJIT GUPTA: Sir, in the statement laid on the Table of the House he said that one of the measures which the Government is determined to take is the streamlining of distribution arrangements. I would like to say that the scheme of a comprehensive public distribution system which was given a lot of publicity during the last Government's regime was supposed to have been prepared by Mr. Mohan Dharja when he was Minister of Commerce and Civil Supplies, which was never implemented by that Government. I would like to know what is the attitude of the present Government towards that scheme, whether they have decided to discard it or intend to implement it and what is the meaning of streamlining. Is it possible to have an effective public distribution system without obtaining physical stocks in the hands of the Government of all these essential commodities? If not, what is the meaning of streamlining the distribution system?

SHRI R. VENKATARAMAN: I will answer that part of the question relating to what we mean by streamlining. The actual distribution system is, as I said, with the Minister of Civil Supplies. When we say streamlining, we want to see that the commodities which are in short supply reach the consumer through the recognised channels like the co-operatives, fair price shops, super markets and other recognised agencies. These are the channels through which we want to distribute. The question which the hon. Member has put is: are you going to have complete control over the stocks because without complete control over the stocks, it will not be possible to have control over distribution? Total control over stocks is not contemplated at the moment, and therefore streamlining, as I said, will only relate to the distribution part of it.

SHRI INDRAJIT GUPTA: Would the Commerce Minister inform us

what has happened to the scheme of Mr. Mohan Dharia? Are they preparing a new scheme?

SHRI R. VENKATARAMAN: The difficulty is that two Ministries are concerned. I do not want to step into the jurisdiction of my colleague, and therefore if he puts a separate question, it will be answered.

THE MINISTER OF COMMERCE AND STEEL AND MINES AND CIVIL SUPPLIES (SHRI PRANAB MUKHERJEE): I can add that the scheme is continuing. In fact, we had a meeting, and this scheme has not been abandoned.

SHRI EDUARDO FALEIRO: I would like to know through you whether the Government is aware that there is large-scale smuggling of essential commodities, particularly edible oils, sugar, onions and spices on the western border with Pakistan, and if so, how Government is going to step up punitive measures, detention and raids?

MR. SPEAKER: That has all been done.

SHRI EDUARDO FALEIRO: That is the crux of the question.

MR. SPEAKER: They are taking action against them. They have said so many times.

SHRI EDUARDO FALEIRO: Let the Minister reply.

MR. SPEAKER: He has already replied. Have you anything to say further?

SHRI R. VENKATARAMAN: A complaint has been received in the Government that some of the stocks are being smuggled along the west-

ern borders. We have looked into this matter, and we find that it does not have much substance. We find that it is not possible to carry sugar except through camel loads, and a camel carried only two quintals of sugar. We have examined all these things, but at the same time, we are trying to see that there is no smuggling.

Self-sufficiency in Steel

*64. **SHRI BALASAHEB VIKHE PATIL:**

SHRI MOOL CHAND DAGA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether India is self-sufficient in regard to its needs of all types of steel;

(b) if not, what has been the requirement of the country for various types of steel and their availability from indigenous sources during each of the last 4 years and how much quantity has been imported from abroad each year indicating the value thereof; and

(c) what steps are being taken by Government to make the country self-sufficient in this behalf?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). A Statement is laid on the Table of the House.

Statement

(a) No, Sir.

(b) The requirement of steel as compared to actual production of all types of steel in the country and quantity imported yearwise in the last four years is given below:—

('000 tonnes)

Years	Requirement	Actual Production	Imports Quantity	Value in Rs. Crores
(1)	(2)	(3)	(4)	(5)
1975-76	6,170	6,376	479.2	201.88
1976-77	6,340	7,857	320.6	132.39

1	2	3	4	5
1977-78	7,360	8,109	431.6	175.40
*1978-79	8,220	8,513	*182.2	*273.60

*Only items canalised through SAIL.

(c) Attainment of self-sufficiency in meeting the needs of the country for all types of steel may not, per se, be considered a necessary, or even a desirable, objective. The order of requirement and the economics of production may make it advisable to import certain items, wholly or partly, depending on the economics of scale in the production of these items. Thus, even some of the most developed and industrially advanced countries depend on import of certain types of steel, while exporting some others.

Subject to this general observation, Government agree that the planning and development of steel production within the country must aim at achieving self-sufficiency in regard to those items where the need is well established and the economics of production is favourable. Some of the major steps taken or proposed to be taken, by Government in this direction are indicated below:—

(i) Expeditious completion of on-going expansion of Bhilai Steel Plant and Bokaro Steel Plant to a capacity of 4.0 million ingot tonnes each. Further expansion of Bokaro Steel Plant to a capacity of 4.75 million ingot tonnes is under consideration.

(ii) Completion of first phase of Salem Steel Plant to produce 32,000 tonnes of cold-rolled stainless sheets/strips. The project is expected to be completed in the latter half of 1981.

(iii) Establishment of a plant at Rourkela to produce 37,500 tonnes of cold-rolled grain-oriented and 36,000 tonnes of cold-rolled non-grain-oriented sheets to meet the

requirements of the electrical industry. It is expected to be commissioned in 1981.

(iv) Provision of additional melting facilities at Alloy Steels Plant, Durgapur, so as to increase its capacity from 1.0 to 1.6 lakh tonnes of ingots.

(v) Establishment of the Visakhapatnam Steel Plant with an installed capacity of about 3.4 million tonnes of liquid steel in two overlapping stages to be completed in a period of about six years.

(vi) Build-up of production in the existing steel plants to attain maximum capacity utilisation and modernisation and replacement of equipment to maintain their technical and physical health.

(vii) Incorporation of technological improvements/innovations so as to increase the productivity of Bhilai and Bokaro Steel Plants.

(viii) Higher capacity utilisation of mini steel plants through improved supply of raw materials and power.

(iv) The possibilities of setting up new steel plants with technical and financial assistance from some of the developed countries are being explored and some concrete proposals received in this behalf are presently under consideration.

श्री मूल सवाल : क्या सरकार ने कोई ऐसी योजना बना ली है या बनाने जा रही है जिस से देश में हम आत्म-निर्भर हो सकें? अगर बना ली है तो क्या उस योजना के अनुसार आज तक प्रगति हो रही है या नहीं हो रही है? यदि नहीं हो रही है तो उसके कार्यान्वित न होने के क्या कारण हैं?

क्या यह सही है कि 1977-78 और 1978-79 के अन्दर हमारी बूटिलाइजेशन कैपेसिटी 90 प्रतिशत और 84 प्रतिशत कम हुई ? यदि हुई है तो उस के क्या कारण हैं तथा क्या सरकार वह समय बतला सकती है जब कि हम भारत-निर्भर हो जायेंगे ?

SHRI PRANAB MUKHERJEE:

It is very difficult to use the word self-sufficiency so far as the steel industry is concerned, but so far as the projected demand and the extent we are going to meet it are concerned, I can give certain figures. It is desired to have production of steel in the order of 24 to 25 million tonnes by the end of this decade, 1981-1991. So far as the present installed capacity is concerned, it is a little over 11 million tonnes in the integrated steel plants and 3 million tonnes in the mini steel plants. I have given the production figures in detail and therefore I would not like to repeat them, but the actual state of affairs is that our production for the last three years has gone down. We have not been able to maintain the level which we had attained in 1976, so far as the integrated steel plants are concerned. So far as the expansion programme is concerned, the total projected figure, I have given. But in more detail, I can told the hon. House, through you, that expansion of Bokaro and Bhilai is on hand. The modernisation of Durgapur is also being considered. As regards the expansion of Rourkela, particularly with the variety of steel which is known as the electric steel that scheme is being implemented in Rourkela. We have received offers from various other countries also for establishing new steel plants and one such plant, as the hon. Member is aware, is in Vizag, with the Soviet collaboration.

SHRI MOOL CHAND DAGA: He has not answered my specific question.

SHRI NIREN GHOSH: The Minister was saying that we would require about 222 million tonnes of steel in a decade. There are press reports

which say that they are going to set up two new steel plants with foreign collaboration, where they will provide the entire credit and all that. I would like to know whether there is truth in it, what is the agency and what is the country. The Minister has also talked about the expansion of various steel plants. But Durgapur Steel plants is the oldest and it was originally planned to produce 3.5 million Plant is the oldest and it was originally because of any political motive that expansion is not being undertaken? Crores and crores of rupees are being spent in the import of tin sheets, which the Alloy Steel Plant was originally planned to produce. But it has been put in the cold storage and the country is incurring huge losses because of the dumping of the Alloy Steel Plant. Will the Minister enlighten the House and the country on this?

SHRI PRANAB MUKHERJEE:

The first part of the statement of the hon. Member in the form of a question is true, i.e., the technology applied in the Durgapur plant is one of the oldest technology; as it is the oldest plant, the technology applied is also almost obsolete and one of the oldest. That is why we are trying to modernise the steel plant and it is not true that any political consideration stands in the way. So far as the Alloy Steel Plant is concerned, I have already indicated in reply to an earlier question that the expansion and modernisation of the alloy steel plant of Durgapur is also being contemplated. In regard to the establishment of new steel plants, certain offers have been received. But it is yet to be decided which of the offers will be acceptable to the Government. It is already known that we have some arrangements with the Soviet Union so far as the Vizag plants are concerned. We have received offers from West Germany and Britain also in regard to establishment of another steel plant. But these are only in the formative stage and therefore, it would not be possible to say anything more.

SHRI A. K. ROY: The figures supplied to us have been baffling. If the actual production is more than the requirements, what was the need for importing steel? Are we importing some special types of steel, which are not being produced in our country? That has not been made clear.

MR. SPEAKER: That is very clear if you read the answer. Put another question if you like.

SHRI A. K. ROY: The second point is, sometime back there was a resolution in Bihar Assembly on the expansion of Bokaro steel plant. The original plan of expansion of Bokaro steel plant was for 10 million tonnes. But later on, there was an apprehension that the Government is going to curtail this and so Bihar Assembly moved a non-official resolution, against any scheme or plan for curtailment of that expansion target. I would like to ask the hon. Minister to throw some light on that and remove the apprehension in the minds of people of Bihar.

SHRI PRANAB MUKHERJEE: So far as the import is concerned, I have already given in part (c) of the statement which has been laid on the Table of the House what particular types of steels we import which are not produced in the country. Those are special types of steels. I have already mentioned, for instance, electric steels.

So far as the expansion of Bokaro is concerned, it is already on hand and certain expansion work has already taken place and some work is being implemented. But it would not be possible for me to indicate to what extent we will be in a position to do it because resources is one of the important factors which we have to take into account.

SHRI RASA BEHARI BEHERA: I would like to know from the hon. Minister what is the potentiality of employment in the Rourkela Steel

Plant and, about the proposal for a second steel plant in Orissa, when it will be decided.

SHRI PRANAB MUKHERJEE: I have already mentioned that regarding new steel plants, the matter is absolutely at the formative stage and it will not be possible for me to say anything now.

SHRI M. S. SANJEEVI RAO: The hon. Minister has clearly stated that India needs a lot of steel in the coming years. Like power generation, steel plants also require a lot of gestation time. Since we have lost a lot of time, at least, the Government should see that the existing plants are used to the optimum capacity. As you are well aware, we are fortunate to have quality from ore. But, unfortunately, we are acutely short of metallurgical coal. A long time back, the Janata Government had planned to import metallurgical coal from Australia. I do not know what steps the present Government is taking to import metallurgical coal. May I know the exact position in this regard?

SHRI PRANAB MUKHERJEE: So far as the optimum utilisation is concerned, it is our policy and already we have taken steps to utilise the capacity to the fullest extent possible. So far as the expansion of the existing units is concerned, that too we have taken up. About the particular type of steel import which the hon. Member has mentioned, I would require separate notice for that to give the exact position.

श्री मोती लाल भारद्वाज : मंत्री महोदय, ने इस्पात का उत्पादन बढ़ाने के लिए भिलाई बोकारो आदि कारखानों के एक्सपेंशन की बात कही है। कम मूल्य में ज्यादा इस्पात कारखाने देश में लग सकें और ज्यादा लोगों को काम मिल सकें और साथ ही जल्दी से जल्दी इस्पात का उत्पादन शुरू हो सके इस के वास्ते मिनी स्टील प्लांट्स जैसे चीन में है स्थापित करने का विचार सरकार रखती है और लघु उद्योगों के द्वारा इस्पात का उत्पादन ज्यादा हो, इसके बारे में भी सरकार कुछ सोचती है या नहीं ?

SHRI PRANAB MUKHERJEE:

The question is about the expansion of steel plants.

SHRI DIGVIJAY SINGH: All our mini steel plants have been running in the red. There are special incentives to be given to make them viable units. Is there any scheme of the Government to give them further incentives and tax concessions to make mini steel plants to be economically viable so that they supplement the production of steel?

SHRI PRANAB MUKHERJEE: So far as tax concessions are concerned, I am not competent to speak of them here. But a series of concessions have been given to mini steel plants. That is why their performance in the last two years is quite satisfactory.

श्री शिव कुमार सिंह ठाकुर : अध्यक्ष महोदय, मैं एक बहुत ही महत्वपूर्ण सुझाव देना चाहता हूँ। महाराष्ट्र और मध्य प्रदेश की प्रत्येक जगहों में स्टील प्लांट्स के रिप्लाइंग सदस्यों को लिखित में मिल जाते हैं। यहाँ पर ये नहीं दिए जाते हैं। हम 540 सदस्य हैं और एक दिन में तीन चार सवाल ही आ जाते हैं। मेरा सुझाव है कि यहाँ भी लिखित उत्तर सदस्यों के पास आ जाने चाहिए

अध्यक्ष महोदय : सुझाव नहीं आप प्रश्न करें। नेक्स्ट क्वेश्चन।

श्री शिव कुमार सिंह ठाकुर : अध्यक्ष जी, मैं मंत्री महोदय से जानना चाहता हूँ कि मध्य प्रदेश में भी कोई स्टील या मिनि स्टील प्लांट बनाने का विचार है ?

अध्यक्ष महोदय : यह कोई सवाल नहीं है। है कोई तो बता दीजिए।

SHRI PRANAB MUKHERJEE: Already the expansion of Bhilai is taking place in a big way.

पटना और दिल्ली के बीच विमान सेवा

* 66 श्री प्रो० लक्ष्मण सिंह : क्या पर्यटन और वाणिज्य विभाग मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पटना से दिल्ली के लिए सुबह की एक उड़ान और दिल्ली से पटना के लिए शाम की एक उड़ान प्रारम्भ करने के किसी प्रस्ताव पर विचार किया जा रहा है ;

(ख) यदि हाँ, तो ये विमान सेवाएँ कब तक प्रारम्भ हो जायेंगी, और

(ग) यदि नहीं, तो इसके क्या कारण हैं ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI J. B. PATNAIK): (a) to (c). No, Sir. Indian Airlines is not in a position to introduce any additional service to Patna because of fleet constraint.

SHRI BHAGWAT JHA AZAD: May I know, if the new service is not being introduced, whether it is possible for the Ministry to re-schedule the present flight from Calcutta to Delhi passing via Patna in such a way that there can be a morning flight as well?

SHRI J. B. PATNAIK: Because of the constraint at present, it is not possible to re-schedule it, but with the introduction of new aircraft in the middle of this year, it is possible to have a morning flight between Patna and Delhi, and that will be done by the Indian Airlines.

श्री रामाचतार शास्त्री : अध्यक्ष जी, अभी मंत्री महोदय ने कहा कि कोई इस तरह का विचार नहीं है। प्रसल में मैंने प्रश्न पूछा था कि पटना से दिल्ली के लिए विमान सेवा शुरू की जायेगी। मैंने यह पढ़ा प्रश्न पूछा कि आपने राज मंत्री महोदय ने पटना में इस बात की खबर दी कि पटना में शाम की विमान सेवा अभी शुरू की जाये वाली है। तो उन्होंने यह किस आधार पर कहा, यह तो बताइये ? बाहर कुछ कहते हैं, और यहाँ कुछ कहते हैं। मैं ईशान्वर प्लांट के बारे में सोच रहा हूँ जो कि आज या कल के प्रश्न में निकला है। The Hon. Minister had said like this and it has appeared in the Press. Is it correct or not?

SHRI J. B. PATNAIK: I have not seen that statement, but I have already promised the House that with the introduction of new aircraft in the middle of the year we will have a flight between Patna and Delhi in the morning.

**Knew-how from Japan to produce
Edible Oil from Rice Bran**

*67. SHRI G. Y. KRISHNAN: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether the Indian Government have approached the Government of Japan to donate know-how to produce excellent edible oil from rice bran;

(b) if so, the details regarding the agreements, if any; and

(c) what are the details regarding the import of edible oils at present from foreign countries alongwith the names of those countries?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No, Sir.

(b) Does not arise.

(c) Edible oils like soyabean oil, rapeseed oil, crude palm oil, RBD palm oil and palmolein are being imported to meet the gap between demand and supply of edible oils. The countries from which edible oils are mainly being imported are USA, Brazil, Canada, Malaysia, Indonesia, and Singapore.

SHRI G. Y. KRISHNAN: We know that excellent edible oil can be made available from rice bran, as has been investigated by our Research Institute. So, what steps is the Government taking to see that such oil is extracted.

Secondly, if edible oil can be produced from the bran available with the rice plants, why should not the know-how be imported from Japan?

SHRI PRANAB MUKHERJEE: So far as the knowhow is concerned, it is not necessary to have it from Japan: we ourselves have the knowhow and we ourselves have the technology. But the major problem in regard to producing oil from rice bran in a big way is the peculiar nature of the rice milling industry in this country. As a result,

when we want to make it a commercial proposition, it becomes difficult. Unless the rice mills are modernised and the collection of rice bran is done on a commercial scale, it will not be possible to make it a commercially viable proposition, though efforts are being made.

I can give some figures to the Hon. Member from which he will find that production is going on. In 1976-77 it was just 70,000 tons but in 1978-79 the production has gone up to 1,01,000 tons.

This is about rice-bran oil mills. We are exploring the possibilities as to was just 70,000 tons but in 1978-79 the duction.

SHRI G. Y. KRISHNAN: We feel glad that the technical knowhow is sought to be utilised and it will be explored very early.

But in the reply it has been mentioned that soyabean oil is being imported. When soyabean is grown in our country, why is the oil being imported from foreign countries? Why should we not produce it here itself?

SHRI PRANAB MUKHERJEE: It is not a fact that we are not producing soyabean oil also. What I have said in the answer is that, to meet the gap between domestic availability and our demand, we are importing certain oils and there I have mentioned soyabean oil also. That does not mean that we are not producing soyabean oil in this country.

SHRI MAGANBHAI BAROT: I would like to know this from the Hon. Minister: on the same lines, an experiment was made in milk, called the 'Flood-Operation' and the National Dairy Development Board and its Chairman Mr. Kurien had suggested a way out for making the country self-sufficient in edible oils by a new method to be introduced in our own country, for which an experiment has been proposed. Has this scheme been examined by the Government of India and if so what are his views about the same?

SHRI PRANAB MUKHERJEE: So far as this particular scheme is concerned, I have no information readily available with me, but I will collect the information and give it to the Hon. Member.

SHRI DINEN BHATTACHARYA: What is the exact demand of the country for this edible oil, how much are we manufacturing and how much is the idle capacity existing in the edible oil plants?

SHRI PRANAB MUKHERJEE: The total imports...

SHRI DINEN BHATTACHARYA: You may first answer as to how much is the demand.

SHRI PRANAB MUKHERJEE: With regard to the exact demand, Sir, the question relates just to rice bran oil and if the hon. Member wants to expand the area of the question, naturally it requires notice. Of course, I can give whatever figures I have.

MR. SPEAKER: He wants notice for that.

SHRI DINEN BHATTACHARYA: It is not irrelevant. Kindly say whether I am putting any irrelevant question. Why is he not replying?

MR. SPEAKER: He says he will have to get fresh information for you.

SHRI INDRAJIT GUPTA: For two out of three questions he has asked, he was getting up to reply.

MR. SPEAKER: Is he prepared to do that?

SHRI INDRAJIT GUPTA: You ask him. He is a very competent Minister that way.

SHRI PRANAB MUKHERJEE: This question relates particularly to rice bran. He wants to have the entire gamut of edible oils. How can I give him?

MR. SPEAKER: That is what I said. All right, you please give a fresh notice for that.

SHRI DINEN BHATTACHARYA: He has unnecessarily caused inconvenience to Members by first asking them to put questions and then he says he has no information. I know what is the difficulty.

SHRI A. T. PATIL: Does the Government propose to modernise the rice mills in the rice-producing areas so as to produce edible oil from rice bran? This has a very salutary effect on the economy of the rice-producing areas in the country. It is from that point of view that I would like to know, whether the Government proposes to modernise the rice mills so as to produce edible oils from rice bran.

SHRI PRANAB MUKHERJEE: In the reply to the first question I have already mentioned that as and when modernisation takes place and we can collect rice bran on a commercial scale, it is possible to expand the particular industry.

SHRI MANORANJAN BHAKTA: In view of the huge imports of edible oils from abroad, I would like to ask a pertinent question of the hon. Minister. In view of the same ecological situation in the Andaman and Nicobar islands as in Malaysia, will the Government of India consider having a palm oil plant in the island so that gainful employment may be given to the islanders as also to meet the demand of edible oils in the country?

MR. SPEAKER: It is a suggestion. He may consider it.

MR. SPEAKER: Shri Satish Prasad Singh—not here Shri Shejwalkar.

Appointment of Fourth Pay Commission

*68. **SHRI N. K. SHEJWALKAR:**
SHRI SATISH PRASAD SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Fourth Pay Commission for Central Government Employees is proposed to be appointed in 1980; and

(b) if not, when the Fourth Pay Commission is likely to be constituted?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). There is no proposal under the consideration of the Government at present to appoint a Fourth Pay Commission for Central Government employees.

SHRI N. K. SHEJWALKAR: May I know from the hon. Minister as to what are the criteria according to the Government for having such sort of a Commission? Will he spell them out?

SHRI JAGANNATH PAHADIA: Criteria?

श्री एन० के० शेजवल्कर : सरकार के अनुसार इस प्रकार के पे कमीशन नियुक्त करने के लिए क्या मानदंड हैं ?

MR. SPEAKER: For the appointment of such a Commission. That is what he wants to know.

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): There are no set criteria for appointment of a Pay Commission. As and when the Government thinks that it is necessary to revise and then, as and when the staff members also make representations, this is taken into consideration and it is decided on the merits of each occasion.

SHRI N. K. SHEJWALKAR: In this very connection may I know from the hon. Minister whether on behalf of the employees there is a demand for having such sort of a Pay Commission i.e. a Fourth Pay Commission?

SHRI R. VENKATARAMAN: To the best of my information there is no unanimous view on this. There are different views with regard to having a Fourth Pay Commission. Some people have suggested that a Fourth Pay Commission was not necessary while some others have suggested that it is necessary. But there is no unanimity on this.

SHRI N. K. SHEJWALKAR: Sir, I want your protection. Of course, the hon. Government is not prepared to lay down what are the exact tests. They say that when there is a demand, they do consider this thing. They say there is a demand and at the same time they also say there is no demand. I do not know what to do.

SHRI INDRAJIT GUPTA: I want to know from the hon. Minister when he says that there is no demand, is it not indirectly and unintentionally inviting the Central Government employees to launch on a big agitation so that the demands may be perceptible.

But, my main question is: is it not a fact that three Pay Commissions had given their recommendations without any reference to any scientific job evaluation and, therefore, a majority of Central Government employees—the majority of them are railwaymen, by the way, seventeen lakhs of them—organisations made representations that they did not want another Pay Commission of that type but they would like to have some machinery by which a scientific job evaluation is done and their pay scales are fixed only after that. But that cannot be done by the Pay Commission.

SHRI R. VENKATARAMAN: This is exactly what I said. There are two opinions—some people want a Pay Commission; some others do not. Whenever they use the word 'Pay Commission' they have some kind of Pay Commission of their choice and of their view and, it is true, that in certain quarters, they want a Pay Commission which will do job evaluation, job gradation and then the pay is fixed according to that. All these are only representations received at this stage.

MR. SPEAKER: Next question Q. No. 70.

SHRI SOBENG TAYENG: May I know from the hon. Minister whether the recommendations of the Pay Commission have been... (Interruptions).

MR. SPEAKER: I have called the next question by Mr. Mohsin.

SHRI SOBENG TAYENG: Sir, I have stood several times. You have not allowed. I have asked a question about Civil Aviation also. You have not allowed that. I think you are avoiding the North-Eastern Region.

I would like this question only to be replied to. (*Interruptions*).

MR. SPEAKER: I am sorry. I should have taken up Q. No. 69, Now, Q. No. 69. Shri Pandey.

जिला बस्ती (उत्तर प्रदेश) में बखीरा झील का विकास

*69 श्री कृष्ण चन्द्र पाण्डेय : क्या पर्यटन और नागर विमानन मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या उत्तर प्रदेश के बस्ती जिला में बखीरा झील के पर्यटन की दृष्टि से विकास की कोई योजना सरकार के विचाराधीन है ;

(ख) यदि हाँ, तो योजना की रूपरेखा क्या है और इसकी क्रियान्विति के लिए कितना समय प्रयोजित है; और

(ग) यदि नहीं, तो क्या यह सच है कि मुगल काल से यह देखने योग्य स्थल रहा है जहाँ विभिन्न प्रकार के दुर्लभ पक्षी पाए जाते हैं ?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON):
(a) No, Sir.

(b) Does not arise.

(c) Unless a survey is conducted of the lake it would not be possible to indicate whether this lake is worth developing from the tourism angle. It is understood that the State Government is considering a comprehensive survey to determine the type of migratory birds which visit this lake as also to obtain other information about the lake for considering its future development.

श्री कृष्ण चन्द्र पाण्डेय : अध्यक्ष महोदय, आपके माध्यम से मैं माननीय मंत्री की से कहना चाहता हूँ कि बखीरा झील केवल उत्तर प्रदेश की ही नहीं बल्कि उत्तरी भारत की सबसे पुरानी झील है। मुगल काल में यहाँ पर राजा महाराजा लोच फ़र्रुख कैंप लगाया करते थे और अंग्रेजों के पीरिफ़र में भी यहाँ कैंप लगा करते थे। दुर्लभ पक्षी आज भी वहाँ आते हैं। परन्तु अभी तक भारत सरकार ने उसके विकास के ऊपर कोई विचार नहीं किया और न कोई कार्यवाही की। मैं माननीय मंत्री की से टाइम बाउंड प्रोग्राम के अन्तर्गत पूछना चाहता हूँ कि कब तक वह उस का सर्वेक्षण करवाएँगे और वहाँ वह क्या बनवाने की योजना कर रहे हैं ?

श्री कार्तिक उराव : अध्यक्ष महोदय, हम मानते हैं कि यह बहुत हिस्टोरिकल इम्पोर्टेंस की झील है लेकिन हमारे केन्द्रीय टूरिज्म डिपार्टमेंट के अन्तर्गत वो डिवीज़न है। एक का तो सम्बन्ध होता है जो नेशनल और इण्टरनेशनल इम्पोर्टेंस के टूरिस्ट सेंटर होते हैं उनसे और दूसरे जो केवल डोमेस्टिक टूरिस्ट्स और लोकल टूरिस्ट्स को अट्रैक्ट कर सकते हैं उनके लिए अलग योजना है। जो लोकल और डोमेस्टिक टूरिस्ट्स को अट्रैक्ट करते हैं उनकी जिम्मेदारी और देखभाल का काम स्टेट गवर्नमेंट्स के ऊपर है। स्टेट गवर्नमेंट ने यह इंटीमेट किया है कि फिफथ फाइव ईयर प्लान में भी इसके डेवलपमेंट के लिए कोई योजना नहीं बनी थी हालाँकि हम जानते हैं कि स्टेट गवर्नमेंट ने माइग्रेटरी बर्ड्स जो वहाँ आती हैं उनके लिए वहाँ कोशिश की है। डिपार्ट-मेंट आफ टूरिज्म से ऐसा कोई प्लान नहीं है और उसके अन्तर्गत यह आता नहीं है।

श्री कृष्ण चन्द्र पाण्डे : मैंने भारत सरकार का ध्यान आकर्षित करने के लिए यह प्रश्न किया है। प्रदेशीय सरकार ने इसकी उपेक्षा की और अगर केन्द्रीय सरकार भी उपेक्षा करे तो पूर्वी उत्तर प्रदेश का विकास नहीं हो सकता है। यह एक ऐतिहासिक झील है, यह मैं आपसे बार-बार कह रहा हूँ। पंचवर्षीय योजना में इसको सम्मिलित नहीं किया गया है, यह मैंने मान लिया लेकिन केन्द्रीय सरकार खुद इसका सर्वेक्षण करवाए। यह पूर्वी उत्तर प्रदेश ही नहीं बल्कि इस देश की एक महत्वपूर्ण झील है जहाँ पर प्रतिवर्ष दुर्लभ पक्षी आते हैं और हजारों लोग बन्दूक लेकर जाइें में शिकार करते हैं। बत्ख और लालसर चिड़िया केवल इसी झील में ही आपको मिल सकती हैं। इसी-लिए मेरा केन्द्रीय सरकार से आग्रह है कि वह इसको अपने हाथ में ले, इसका सर्वेक्षण करवाए।

अध्यक्ष महोदय : आपने तो क्वेश्चन टाइम ओवर कर दिया।

Action against Smugglers

*65. SHRI C. B. ATHARE PATIL:
 Will the Minister of FINANCE be
 pleased to lay a statement showing:

(a) the number of smugglers apprehended for smuggling into and smuggling out of the country contraband items, after the present Government have taken over;

(b) details of items seized and value thereof and also the countries to which these were intended to be smuggled or from which smuggled; and

(c) what action has been taken against the persons so apprehended and what stringent measures have been taken or are proposed to be taken by Government to stop such crimes?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) According to the reports received by Government, 213 persons were arrested under the Customs Act for their involvement in smuggling during the period 14th January, 1980 to 29th February, 1980.

(b) The main items seized were watches, silver, synthetic fabrics, calculators etc. and their total value was about Rs. 5.65 crores. It is reported that these items were smuggled from (or were intended to be smuggled to) Persian Gulf countries.

(c) Appropriate action under the law has already been initiated. The persons involved in smuggling have been arrested and their prosecution in courts of law is under consideration. Government propose to further intensify measures against smuggling, including action under the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.

Representations from Cement Industry against Levy of Import Duty

*70. SHRI F. H. MOHSIN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that in view of the critical power situation in the country, the production in the cement plants has been very badly hit resulting not only in the considerable loss of excise revenue but also necessitating imports;

(b) whether representations have been made by the cement industry against the levy of 40 per cent import duty on captive diesel generating sets, which is likely to inflate the cost of plant and production of energy; and

(c) if so, the action which Government propose to take either to waive this heavy duty or atleast reduce it so as to help optimum production of cement and save the industry from impending ruination?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) During the year 1979 the figures of production of cement in the country and the revenue realised on account of central excise duty on cement showed a marginal decline over the corresponding figures in 1978 and imports were effected to bridge the gap between demand and supply. However, the shortfall in production of cement is attributable not only to power cuts but also to shortage of coal and railway wagons.

(b) and (c). No representation has been received from the cement industry in the Ministry of Finance against the levy of 40 per cent import duty on captive generating sets.

**Loan by Nationalised Banks to
Weaker Sections**

*71. SHRI D. P. JADEJA:
SHRI AMARSINH V.
RATHAWA:

Will the Minister of FINANCE be pleased to state:

(a) whether Government are considering to issue certain instructions to the Nationalised Banks to make available advances to weaker sections of the people for their economic rehabilitation in backward areas of the country; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) and (b). Banks have been following programmes of increasing the flow of credit to the priority sectors, especially for the economic rehabilitation of the weaker sections of the society. Recently, a meeting of the Chief Executives of public sector banks was convened and the broad conclusions reached at the meeting were as follows:—

(i) The target set in February, 1977 of banks lending 33.3 per cent of their aggregate credit to the priority sectors, is now to be raised to 40 per cent to be achieved over the next five years. A significant proportion within this overall target will be provided to the beneficiaries of the 20 Point Programme which will be revitalised.

(ii) Banks will evolve special schemes tailored to the requirements of the beneficiaries of the 20 Point Programme as part of their District Credit Plans.

(iii) The scheme of Differential Rate of Interest and the programme of establishing Regional Rural Banks will be pursued with greater vigour.

(iv) The Reserve Bank will evolve a monitoring system to evaluate the performance of different banks in the implementation of the 20 Point Programme.

Some of the other programmes which the banks have been pursuing over the past few years for the benefit of the weaker sections are:—

(a) Composite loans to artisans and village and cottage industries upto Rs. 25,000/- with a repayment period of 7-10 years, are provided at a concessional interest rate of $9\frac{1}{2}$ per cent per annum in industrially backward districts.

(b) Working capital requirements for amounts exceeding Rs. 25,000/- and upto Rs. 1 lakh for tiny units are provided at a rate of interest of $12\frac{1}{2}$ per cent per annum and term loans of not less than three years duration at $11\frac{1}{2}$ per cent per annum. For specified backward districts the rate of interest is $9\frac{1}{2}$ per cent per annum.

(c) Housing finance is provided to Scheduled Castes/Scheduled Tribes upto 80 per cent of the total cost at 4 per cent per annum rate of interest, provided the loan amount does not exceed Rs. 2,500/-.

Imported Rubber lying with STC

*72. SHRI SOMNATH CHATTERJEE:

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

(a) whether it is a fact that several thousand tonnes of imported rubber are lying with State Trading Corporation for want of market;

(b) if so, the reason for such a glut thereof; and

(c) whether it is a fact that wrong assessment had been made by Government about the actual requirement of raw rubber?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The State Trading Corporation is presently having stocks of about 10,800 tonnes of imported rubber.

(b) and (c). Import programme was planned on an assessment of the supply-demand position but off take was low due to various factors, like power cuts imposed by State Governments, credit squeeze, availability of indigenous rubber, diesel shortage etc.

Opening of Account by IAAI in Midland Bank, London (U.K.)

*73. DR. SUBRAMANIAM SWAMY: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the International Airports Authority of India (IAAI) had opened a bank account in Midland Bank, London (U.K.) for the Ghat project in Libya;

(b) whether there are any other bank accounts for the same project in other London Banks; and

(c) whether for the years 1976-77 and onwards, these accounts are reported and reflected in Annual Report of the IAAI?

THE MINISTER OF TOURISM AND CIVIL AVIATION AND LABOUR (SHRI J. B. PATNAIK): (a) Yes, Sir, in May, 1976.

(b) Yes, Sir. An Account was opened in State Bank of India, London on 5-10-1977.

(c) Yes, Sir.

Dearness Allowance to Central Government Employees

*74. SHRI PIUS TIRKEY:
SHRI ATAL BIHARI
VAJPAYEE:

Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to a news-report appearing in the 'Patriot' in its issue of 25th February, 1980 under the caption "Dearness Allowance".

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

(c) whether another instalment of Dearness Allowance to the Central Government Employees has become due with effect from 1st January, 1980 following rise in All India Average Consumer Price Index;

(d) if so, when do Government propose to issue orders for payment thereof to the Central Government employees; and

(e) the reasons for the delay in granting such instalment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (d). The reference apparently is to the leading article in the 'Patriot' of 25-2-80 under the caption 'Dearness Allowance'. Consequent on the 12-monthly average of the All India Average Consumer Price Index for Industrial Workers (General) (1960=100) reaching 344 points at the end of October, 1979, Government have decided to pay one more instalment of Dearness Allowance to the Central Government employees with effect from 1-11-79. Formal orders for the payment of this instalment will be issued shortly. Government have taken note of the fact that another instalment of dearness allowance has become due for consideration with effect from 1-2-80 at the average index level of 352.

(e) In so far as the Dearness Allowance instalment from 1-11-79 is concerned, the previous Government had left the question of its payment to be decided by the present Government since its payment involved spending of significant order. On assumption of office, the new Government took up the question and has already taken a decision in the matter. As regards the instalment with effect from 1-2-80, this has become due for consideration only a few days ago on receipt of the Consumer Price Index for January, 1980 after the Government had already taken a decision about the instalment due from 1-11-79.

Decline in Engineering goods Exports

*75. SHRI N. E. HORO: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Engineering goods exports during the current year 1979-80 may fall short of the target; and

(b) if so, to what extent and the reasons thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE) (a) Yes, sir.

(b) According to present estimates, export of engineering goods may amount to Rs. 650 crores as against the provisional figures of exports during 1978-79 amounting to Rs. 685 crores. The target fixed by Engineering Export Promotion Council for exports during 1979-80 was Rs. 850/- crores.

The reasons for the shortfall in the export of engineering goods during the current year are the shortages of critical inputs like steel, pig iron, aluminium, coal, coke, diesel oil, furnace oil, etc; acute power shortage in most parts of the country; congestion in the ports; inadequate shipping facilities; labour trouble in the units engaged in export manufacture of engineering goods for exports and general stagnation in the industrial sector.

Export of Diamonds, precious Stones and Semi-precious Stones

*76. SHRI VIJAY N. PATIL: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) what was the total export of diamonds, precious stones and semi-precious stones during 1978-79;

(b) how much was the total loss through under-invoicing and smuggling of these commodities; and

(c) what steps Government propose to reduce the loss?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) During 1978-79, exports of diamonds and precious/semi-precious stones were Rs. 692.94 crores and Rs. 24.06 crores respectively.

(b) and (c). There is no indication of loss of foreign exchange on account of any significant smuggling or under-invoicing in respect of these commodities.

*** Expansion of Public Distribution System**

*77. SHRI P. K. KODIYAN:
SHRI CHANDRA PAL
SHAILANI:

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

(a) whether the public distribution system that exists today is quite inadequate to cope with the situation arising out of shortage and high prices of several essential articles;

(b) if so, whether Government have any plan to expand and strengthen the public distribution system; and

(c) the main details thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE) (a) to (c). The functioning of the public distribution system is under constant review by the Government in consultation with the State Governments and the Central Ministries. Inadequacies noticed in the system during such reviews are brought to the notice of the concerned State Governments, Central Ministries and other organisations. Steps are also being taken to strengthen and expand the public distribution system. The Government is also making all-round efforts to increase the production and supply of all essential commodities.

Issue of show-cause notices to M/s. Bisleri (India) Private Ltd., Bombay for alleged violation of FERA

*78 SHRI SANJAY GANDHI: Will the Minister of FINANCE be pleased to state,

(a) whether show-cause notices have been issued to M/s. Bisleri (India) Private Limited, Bombay and its Directors for violation of the provisions of section 4(3) and section 5(1)(f) of the Foreign Exchange Regulation Act, 1974;

(b) if so, what action has been taken to prosecute the Directors of the Company; and

(c) if no action has been taken, the reasons therefor?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKAT RAMAN): (a) Consequent upon searches conducted at the premises of M/s. Bisleri (India) Pvt. Ltd., Bombay and some other connected premises on 15-11-1977, the Enforcement Directorate initiated investigations against the said company and its Directors under the provisions of Foreign Exchange Regulation Act, 1973 and as a result of which the following Show Cause Notices were issued:

(i) On 2-3-1978 to M/s. Bisleri (India) Pvt. Ltd., Bombay and its Directors, S/Shri Ramesh J. Chauhan and H. M. Golwala for having utilised in September, 1971 foreign exchange amounting to £14,336 for purpose other than the one for which it was acquired—violation of Section 4(3) of the Foreign Exchange Regulation Act, 1947.

(ii) To Shri Ramesh J. Chauhan on 14-4-78 for acknowledging a debt of Rs. 2 lakhs in August, 1970 thereby creating a contingent right in favour of Dr. C. Rossi to receive a payment—violation of Section 5(1)(f) of Foreign Exchange Regulation Act, 1947.

(iii) To Smt. Meenaxi Jasdanwala on 15-12-77 for acquiring foreign exchange in May/June, 1977 amounting to U.A.E. Dirhams 500 without the permission of the Reserve Bank of

India in violation of section 8(1) of Foreign Exchange Regulation Act, 1973.

These cases have been adjudicated on 25-9-78 and 20-10-1978 by the Additional Director of Enforcement as a result of which penalty of Rs. 1,50,000 has been imposed on the company and Rs. 15,000 each on its Directors S/Shri Ramesh J. Chauhan and H. M. Golwala, in case of Show Cause Notice at (i) above. The charge against Shri Ramesh J. Chauhan was dropped, in case of Show Cause Notice (ii) above. Smt. Meenaxi Jasdanwala died in an air crash on 1-1-78 and, therefore, proceedings against her abated.

(b) In respect of offences committed prior to 1.1.1974, under the provisions of Section 23D of the Foreign Exchange Regulation Act, 1947 if the Director of Enforcement comes to the opinion that having regard to the circumstances of the case the penalty which he is empowered to impose would not be adequate, he shall, instead of imposing any penalty himself, make a complaint in writing to the Court. Since these cases have already been adjudicated Departmentally, there is no provision in the Foreign Exchange Regulation Act, 1947 to launch prosecution.

(c) Does not arise in view of reply to parts (a) and (b) of the question.

Aerodrome for Surat

*79. SHRI AHMED M. PATIL: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any proposal to construct an aerodrome at Surat;

(b) if so, the details thereof; and

(c) if not, whether Government are aware of the increasing demand for having an aerodrome at Surat for the benefit of the people of that region?

THE MINISTER OF TOURISM AND CIVIL AVIATION AND LABOUR (SHRI J. B. PATNAIK): (a) A State Government airstrip already exists there.

(b) Does not arise.

(c) No, Sir.

Proposal for Dual Prices System for some Essential Commodities

*80. SHRI KRISHNA PRATAP SINGH: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether Government are considering to extend the dual pricing system to some essential commodities to have greater control over the market; and

(b) if so, the salient features of the proposal and when a final decision is likely to be taken in the matter?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) At present there is no proposal under consideration of Government to adopt dual pricing system for any additional essential commodity.

(b) Does not arise.

Import of Essential Commodities

*81. SHRI LAKSHMAN MULLICK: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether there is any proposal under Government's consideration to import essential commodities; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) & (b). Government have been importing essential commodities viz edible oils, cement, newsprint, white printing paper, etc. to meet the requirements of our economy the imports of these commodities are under periodic review and the quantum of imports is decided depending upon the demand and supply position of each commodity in the country at any particular time.

Proposal to create a Free Trade Zone

469. SHRI R. K. MHALGI: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Chief Minister of Goa has approached the Government of India recently with a proposal of creating a free Trade Zone on the lines of Hong Kong and South Korea;

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

(c) what is the reaction of the Central Government in this regard?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No, Sir. No such proposal has been received recently.

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

Request from Maharashtra Government to lift ban on Export of Vegetables

470. SHRI RAMAKRISHNA SADASHIV MORE: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Government of Maharashtra have approached Government of India for lifting the ban on export of vegetables and for releasing quota for this purpose; and

(b) if so, whether the ban has been lifted and the quota released as requested by Government of Maharashtra?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): (a) The Government of Maharashtra had sought permission to export vegetables as they had undertaken a project for, additional production of vegetables, for export purpose.

(b) A quota of 300 tonnes of vegetables has been allowed to be exported per month by the State Government agency subject to the condition that 85 per cent of each consignment of vegetables for export is taken from out of the additional production undertaken by the State Government and the total exports of vegetables do not exceed 50 per cent of the additional production.

Export of refined Groundnut Oil to West Asian Countries and Iran

471. SHRI OSCAR FERNANDESE: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that groundnut is exported to West Asian countries and Iran;

(b) whether there is any demand for refined groundnut oil also in these countries; and

(c) if so, whether Government propose to allow the export of refined groundnut oil to these countries instead of groundnut in order to utilise the potential of the refining industry in the country?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): (a) NAFED has been allowed to export a limited quantity of H.P.S. groundnuts to all permissible destinations including West Asia and Iran. H.P.S. groundnuts are normally used as edible nuts and not for crushing as a source of groundnut oil.

(b) Yes, Sir.

(c) No, Sir. In view of the shortage of edible oils in the country, Government do not propose to allow export of refined groundnut oil. Imported edible oils are being refined by the refining industry in the country. Export policy of an essential commodity like groundnut oil cannot be

based on the refining potential of the refining industry. It is decided by the availability of groundnut oil in the country as well as the domestic price trends.

Proposal to raise Price of Iron Ore Exported to Japan

472. SHRI MADHAVRAO SCINDIA: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether Government propose to raise the price of Iron ore being exported to Japan;

(b) if so, whether any talks in this regard with officials of the Japan Government were held in recent months; and

(c) if so, the out-come thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) & (c). As a result of discussions between M.M.T.C. and Japanese Steel Mills, a weighted average price increase of 19.35 per cent over the current prices has been secured by M.M.T.C. for export of iron ore to Japan during 1980-81.

Discussions between Goan Exporters and Japanese Steel Mills are still in progress.

Shortage of Iron Ore in four Steel Plants

473. SHRI K PRADHANI: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government are aware that the country's four steel plants at Bokaro, Durgapur, Burnpur and Rourkela may face acute shortage of iron ore in the near future if the present power crisis affecting the mines at Kiriburu, Gua and Noamati is not solved immediately; and

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

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) & (b). The steel plants at Bokaro, Durgapur and Burnpur get their supplies of iron ore mainly from the mines at Kiriburu, Bolani and Gua respectively. The shortage of power has no doubt affected the production of iron ore in these mines. But the level of iron ore stocks in the aforesaid steel plants is reasonably satisfactory. Steps have also been taken so that Kiriburu mines are given requisite power to maintain adequate supply of iron ore to Bokaro. Clearance has also been given for installation of diesel generating sets to augment the power supply.

The steel plant at Rourkela is supplied iron ore mainly from its captive mines at Barsua in Orissa, which have not faced any serious difficulty due to inadequate availability of power.

By "Noamati", presumably the reference is to the mines at Noamundi, which do not supply iron ore at present to any of the aforesaid steel plants.

Loss of Revenue due to fall in Production in Cement Industry

474. KUMARI KAMLA KUMARI Will the Minister of FINANCE be pleased to state:

(a) the loss of revenue by way of Central Sales Tax and Excise duty leviable from the cement industry on account of unprecedented fall in production owing to poor availability of power throughout the country during the months of November, 1979 to February, 1980; and

(b) the steps which Government propose to take to tackle the situation and prevent this deteriorating condition?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) & (b). The information is being collected

and will be laid on the Table of the House.

राष्ट्रीयकृत बैंकों द्वारा गांवों में खण्ड स्तर पर ऋण

475 श्री छोटू भाई गामित : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) वे मार्गदर्शी सिद्धान्त क्या हैं जिनके आधार पर राष्ट्रीयकृत बैंक गांवों में खण्ड स्तर पर ऋण देते हैं; और

(ख) क्या खण्ड विकास अधिकारियों की मिफारिश पर किसानों, उद्योगपतियों तथा अन्योदय परिवारों को ऋण के उचित वितरण को सुनिश्चित करने के लिए सरकार कोई जांच करती है ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) भारतीय रिजर्व बैंक, वाणिज्यिक बैंकों को ग्राम स्तर पर उनके ऋण परिचालन के सम्बन्ध में समय समय पर मार्गदर्शी सिद्धान्त जारी करता है। उनमें मूल्यांकन, माजिन, जमानत, ब्याज दरें, अदायगी की शर्तें आदि जैसी बैंकों को ऋण प्रदान करने की प्रक्रिया के बहुत से पहलू आ जाते हैं।

(ख) वाणिज्यिक बैंक प्रस्तावित उद्योग की क्षमता की और उनकी आय उपाजन क्षमता की अपने मूल्यांकन का आधार बना कर ही ऋण प्रदान करते हैं। परन्तु, वे अपने ऋण प्रदान करने के कार्यों में खण्ड विकास अधिकारियों सहित जिला स्तरीय विकास अभिकरणों के साथ सक्रिय रूप से सहयोग भी करते हैं।

Increase in Price of Steel

476. PROF. NARAIN CHAND PARASHAR: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government are aware that the prices of steel have registered a sharp increase during the previous two years, 1973-73 and 1979-80;

(b) if so, the reasons for sharp increase; and

(c) whether any steps would be taken to reduce the prices, especially for the construction of residential accommodation of the low income and medium income groups?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) & (b). Joint Plant Committee (J.P.C.) prices of steel had to be revised upwards on three occasions during 1978-79 and 1979-80, mainly with a view to find resources for the modernization, development and rehabilitation of the steel industry, as well as to provide for equalization of prices of some categories of steel which had to be imported to meet the rising domestic demand and to make up for shortfalls in production. A small portion of the rise was also intended to cover escalations in the cost of production and distribution.

(c) While it will not be possible to reduce the prices, arrangements have been made to assist the builders of small residential units who mostly belong to the low and medium income groups by supplying a quantity of upto 5 tonnes per unit at stockyard prices. Certain quantities are reserved specifically for this purpose.

Payment of consideration for use of Foreign Trade Mark

477. **SHRI CHANDRADEO PRASAD VERMA:** Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India with reference to its Notification No. 34/76 dated the 6th March, 1976 has worked out the amount of consideration direct or indirect that is involved in the use of Foreign Trade Mark;

(b) if so, what is the amount involved; and

(c) what steps are proposed to be taken to reduce the payment of consideration for use of Foreign Trade Mark?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (c). Certain guidelines have been laid down by the Central Government to regulate the use of foreign trade marks with a view to reduce the foreign exchange outflow. In terms of these guidelines permission for use of trade mark may be given for exports, life saving drugs and pesticides and other chemicals used for plant protection. For other items, no permission is granted for use of foreign trade mark in the domestic market involving direct or indirect consideration. In pursuance of these guidelines, the Notification No. 34/76 of the Reserve Bank of India seeks to grant general permission for use of trade mark for life saving drugs and pesticides and other chemicals used for plant protection. Since it is regulatory in nature, it is difficult to give any estimate of the amount involved towards consideration.

Project Report relating to Ship Breaking Unit at Beypore in Kerala

478. **SHRI K. A. RAJAN:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the project report for a ship breaking unit at Beypore in Kerala has been submitted to the Centre for its approval; and

(b) if so, the details thereof and Government's decision thereon?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No, Sir.

(b) Does not arise.

Economic cooperation with Finland

479. **SHRI SUBHASH CHANDRA BOSE ALLURI:** Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Indo-Finnish talks were held on economic

cooperation in February, 1980 in New Delhi; and

(b) if so, what is the outcome?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) The Indo-Finnish Joint Commission held its third meeting in New Delhi from 12th to 15th February, 1980. The Joint Commission observed that there was good scope for increasing Indian exports of coffee, tea, tobacco, leather and leather goods, engineering and electronic goods to Finland. Lists of products of export interest to each other were exchanged. It was agreed that there was good prospect for Indo-Finnish collaboration and also for joint ventures, including in third countries. The areas in which Finland could provide technology and where third country joint ventures could be set up were also identified. The Finnish side expressed interest in supplying machinery for grain storage projects and also indicated their desire to transfer technology in the dairy, fruit processing and livestock sectors. The Finnish side promised to give favourable consideration to the suggestions made by India for including certain items of export interest to India viz. finished sheep/goat skins, coir mats and nettings and jute fabrics in the Finnish G.S.P. Both sides agreed that improved ocean transportation arrangements were essential for the development of bilateral trade.

Concessional loans by Nationalised Banks to Fisheries

480. SHRI MADHU DANDAVATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is true that loans are available to the small scale industries and small peasants, from the nationalised banks at concessional rates; and

(b) if so, whether similar concession is available in case on loans for fisheries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b).

Yes, Sir. Various categories of advances to small-scale industries and agriculture have been exempted from the directive of the Reserve Bank stipulating a minimum lending rate of 12.5 per cent.

In the case of term loans for agriculture, including 'fisheries', for periods not less than three years, commercial banks are required to charge interest rate not exceeding 10.5 per cent.

Use of Foreign Trade Mark

481. SHRI DAYA RAM SHAKYA: Will the Minister of FINANCE be pleased to state:

(a) whether the Foreign Trade Mark Old Spice and Max Factor are being used after getting permission under FERA Section 28; and

(b) is there any consideration direct or indirect involved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). No permission has been granted under Section 28(1)(c) of the FERA for use of trade marks "Old Spice" and "Max Factor" in the domestic market. In the case of Old Spice, the Trade Mark Licensing Agreement does not disclose any consideration, direct or indirect, and hence provisions of Section 28 are not attracted. In regard to Max Factor, while there is no "direct" consideration, there is a restrictive clause relating to exports and the Reserve Bank of India is examining the question whether this may be construed as "indirect" consideration.

Allotment of stainless steel to Nagaland

482. SHRI CHINGWANG KONYAK: Will the Minister of STEEL AND MINES be pleased to state how much of stainless steel in metric tonnes have been allotted to Nagaland State during the period from January, 1978 to January, 1980 for various purposes?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL

AND MINES (SHRI PRANAB MUKHERJEE): Minerals and Metals Trading Corporation, the canalising agency for import of stainless steel plates, sheets and strips, received an application for registration of 80 MT of 26 BG stainless steel for August '79 to March '80 from a party in Nagaland for delivery at the rate of 10 MT per month. No other request was received by MMTC during January '78 to January '80 from Nagaland. Against the request received, the party has been allotted 50 MT of 26 BG stainless steel sheets. However, the party lifted only 9.973 MT out of the October, 1979 allocation. Other allotments have not been honoured by the party. No request for supply of stainless steel from Alloy Steel Plant, Durgapur or from imports was received by SAIL from Nagaland during January '78 to January '80.

Import of coking coal from Canada and Australia

483. SHRI SAMAR MUKHERJEE:
SHRI KRISHNA CHANDRA
HALDER:

Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that Government are going to import five lakh tonnes of coking coal from Canada and Australia contrary to the views of the experts of the SAIL that imported coal is not upto the desired quality;

(b) details thereof; and

(c) reason for such import despite adverse remarks thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) A final decision has yet to be taken by the Government regarding further imports of additional quantity of coking coal. No expert of SAIL has, however, expressed any contrary opinion on the quality of imported coking coal.

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

Raids by anti-Hoarding Cell of Delhi

484. SHRI K. P. SINGH DEO: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that the Delhi Police has set up an anti-Hoarding Cell;

(b) whether the Ministry has taken the help of this cell;

(c) if so, how many raids were conducted by this Cell recently and the quantum of hoarded goods recovered;

(d) the steps taken against those found hoarding goods; and

(e) whether Government have considered the desirability of cutting short the present lengthy legal procedure to punish such hoarders quickly and adequately?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). An Anti-Hoarding Cell has been set up by Delhi Police with which the staff of the Food and Supplies Department, Delhi Administration is associated. This Cell functions under the control of the Delhi Administration. Upto 26th February, 1980, 114 raids carried out by this Cell, as a result of which the following quantities of hoarded goods were seized:

1. Sugar & Khandsari	956100
2. Gram	141200 kg
3. Rice	1048675 kg
4. Jawar	200 kg
5. Mo:za	23600 kg
6. Til	18600 kg
7. Mutter	2100 kg
8. Pulses	25800 kg
9. Wheat & Atta	24400 kg
10. Cement	313350 kg
11. Kerosene Oil	11317 Itrs.
12. HSD Oil	14716.02 Itrs.
13. Edible Oils	30393.500 kg

Besides three tankers, six trucks and one tempo involved in above said cases were also seized.

(d) Cases against the offenders have been registered under the provisions of the Essential Commodities Act, 1955 and the orders issued thereunder and prosecutions have been launched against them. In all 164 persons have been arrested so far.

(e) Government is at present considering no change in legal procedure. However, all State Governments have been advised to set up new courts or earmark the existing ones to expedite the disposal of cases under the Essential Commodities Act, 1955.

आवश्यक वस्तुओं के मूल्यों में अन्तर

485. श्री रामलाल राहो : क्या वाणिज्य तथा नागरिक पति मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि इस समय देश के विभिन्न भागों में प्रतिदिन काम में लाई जाने वाली कुछ आवश्यक वस्तुओं के मूल्यों में भारी अन्तर है और अनुचित लाभ कमाने वाले व्यक्ति उनके मूल्यों में पर्याप्त वृद्धि करके लोगों का शोषण कर रहे हैं; और

(ख) यदि हाँ, तो क्या सरकार का विचार एक ही प्रकार की वस्तुओं को समान निर्धारित मूल्य पर उपलब्ध कराने के लिए निर्णय करने के प्रश्न पर विचार करने का है जिससे शोषण और अनुचित लाभ को रोका जा सके ?

वाणिज्य तथा नागरिक पति और इस्पात तथा खान मंत्री (श्री प्रणव मुखर्जी) : (क) और (ख)। देश के विभिन्न भागों में रोजमर्रा के उपयोग की विभिन्न आवश्यक वस्तुओं के मूल्यों में अन्तर है, जिसका मुख्य कारण उत्पादों की किस्मों में भिन्नता होना, स्थानीय करों, दुलाई लागत तथा मांग व आपूर्ति की स्थितियों में अन्तर होना है।

चीनी के मामले में दोहरी मूल्य प्रणाली फिर से लागू करने से यह देश भर में उचित दर की दुकानों के माध्यम से एक समान मूल्य पर बेची जा रही है। उचित दर की दुकानों के माध्यम से वितरण करने के लिए चावल, गेहूं और आयातित खाद्य तेलों के मामले में भी केन्द्रीय निर्गम मूल्य एक समान हैं, हालांकि वे उपभोक्ताओं को उन मूल्यों पर बेचे जाते हैं जो अलग-अलग राज्यों में मामूली तौर पर भलग-भलग हो सकते हैं। अधिघियों के मूल्य भी सरकार द्वारा नियंत्रित हैं और स्थानीय करों को

छोड़ कर देशभर में उनके मूल्य एक समान हैं। वहीं सिद्धान्त कमोडिटी बाट तथा माप मापक (वेकेंज में रखी वस्तुओं) नियम, 1977 के अन्तर्गत आने वाली वस्तुओं पर भी लागू होता है। इसके अलावा, आवश्यक वस्तुओं का उत्पादन बढ़ाने तथा उनके संचालन में सुधार करने के लिए प्रयत्न किये जा रहे हैं; ताकि देश भर में वे उचित मूल्यों पर उपलब्ध हो सकें। सार्वजनिक वितरण प्रणाली के अन्तर्गत अधिक धेन, जनसंख्या व वस्तुओं को लाकर इसके कार्यक्षेत्र का विस्तार किया जा रहा है। इस समय सरकार के विचाराधीन ऐसा कोई प्रस्ताव नहीं है, जिसके अनुसार देश भर में उपभोक्ताओं को सभी आवश्यक वस्तुओं एक समान मूल्यों पर उपलब्ध की जाये।

Revision of Import Policy

486. SHRI JAI NARAIN: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that new Government at the Centre propose to revise the existing import policy of the country; and

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

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). The import policy is announced for each financial year April to March. The import policy for the next year i.e. April 1980—March 1981 is under formulation. It is not possible to give details of the new import policy at this stage.

Indo-U.S. Joint Business Council

487. SHRI JYOTIRMOY BOSU: Will the Minister of FINANCE be pleased to state:

(a) what is the positive outcome of the meeting of Indo-U.S. Joint Business Council held recently in New Delhi;

(b) whether it is a fact that the Leader of the U.S. Delegation to the Indo-U.S. Joint Business Council, Mr. Orville L. Freeman, had expressed in the said meeting, the hope that

now there would be more capital investment and technology flow from the U.S. to India;

(c) whether it is also a fact that the Indian delegation to the Joint Council had expressed similar hope; and

(d) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) The Indo-US Joint Business Council, though constituted under the Economic and Commercial Subcommission of the Indo-US Joint Commission, functions on a purely non-official level. Government of India is neither represented in the Council nor does it participate in its deliberations. The objective of the Joint Business Council is to foster greater understanding and closer co-operation between the business communities of the two countries and improve the economic and commercial relations between the two countries.

(b) and (c). Government has seen the Joint Communique issued at the conclusion of the JBC meeting held on the 14th and 15th of February, 1980. It refers among others, to the technology transfer issues. But it does not make any specific reference to hopes that in future there would be increased capital investment from the US in India. Government has, however, seen press reports to indicate that Mr. Orville Freeman, Leader of the U.S. delegation had expressed such hopes at a Press Conference at the conclusion of the JBC meeting in February, 1980.

(d) Government's policy relating to flow of technology and foreign investment remains selective. Consistent with maximum possible emphasis on self-reliance, import of foreign technology and foreign investment will be encouraged only in areas of high national priority so as to supplement and enhance our domestic resources and capabilities.

Upgrading of Bangalore Airport as International Airport

488. SHRI T. R. SHAMANNA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) are Government aware of the importance of Bangalore Air Port; and

(b) do Government propose to take steps to upgrade Bangalore Air port as an International Air port?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) Yes, Sir. Bangalore aerodrome is being developed at an estimated cost of Rs. 2.31 crores to make it suitable for Airbus Operation.

(b) There is no proposal, at present, to make Bangalore aerodrome an international airport.

Setting up of a Port based Steel Plant at Paradip

489. SHRI LAKSHMAN MALLICK: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether there is any proposal under Government's consideration to set up a port based steel plant at Paradip; and

(b) if so, what are the details thereof and what would be the production capacity of the proposed steel plant?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). As part of the overall development programme for the enhancement of capacity in the steel industry, Government have been considering the possibilities of setting up a new port-based steel plant with ultimate capacity of 3.0 million tonnes per annum. Paradip is also being considered as a possible site in this connection. Discussions for setting up new steel plant are being held with foreign parties who have offered technical and financial assistance for this purpose.

Shifting of Head Offices of Nationalised Banks

490. SHRI ZAINUL BASHER: Will the Minister of FINANCE be pleased to state:

(a) whether the then Chief Minister of Uttar Pradesh (Shri N. D. Tiwary) had requested the Finance Ministry to shift the head offices of some of the nationalised Banks to Uttar Pradesh; and

(b) what is the reaction of Government to this proposal?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) In 1974, Shri N. D. Tiwary, then Finance Minister of Uttar Pradesh requested the Governor, Reserve Bank, for shifting the Head Office of Allahabad Bank to Uttar Pradesh. The Governor communicated the view that it might perhaps be a more effective and practical step to strengthen the Allahabad Bank's organisation at Lucknow rather than shift its head office.

(b) There is at present no such proposal under consideration, but the Bank's Lucknow office has been strengthened.

Confiscated Gold

491. SHRIMATI PRAMILA DAN-DAVATE: Will the Minister of FINANCE be pleased to state:

(a) the total gold confiscated during the years 1977, 1978 and 1979; and

(b) the gold auctioned during the period (year-wise)?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA):

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

(b) A quantity of 12.956 tonnes of gold was sold in auctions conducted by the Reserve Bank of India only during the period from May to Octo-

ber, 1978. No gold was auctioned subsequently or earlier by the Government out of its stock.

Financial Assistance to States

492. SHRI AMAR ROYPRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are considering to provide adequate financial assistance to all the States and Union Territories to meet their economic requirements for the next financial year i.e. 1980-81; and

(b) if so, the figures of allocation of funds to them—State-wise and Union Territory-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) Having regard to the need for maintaining the tempo of development, the States and the Union Territories are being allocated adequate Central assistance to enable them to have in 1980-81 viable Plans with a reasonable step up over the current year's outlays.

(b) The exact quantum of Central assistance for each State and Union Territory is being finalised by the Planning Commission.

Development of Devaraya Durga Hill in Tumkur District

493. SHRI K. LAKKAPPA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it has come to the notice of Government that Tumkur District people are urging for exploiting the development of Devaraya Durga Hill as a full pledged Tourist Centre;

(b) the reasons why work has not been started even though certain funds are being allocated;

(c) the type of development and time fixed for completion in this regard; and

(d) whether his Ministry propose to create Advisory Committee consisting of experts to organise this Tourist Centre as a Hill Resort with many programmes since this is one of the beautiful spot in the South, and details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) and (b). As the Devaraya Durga Hill would be of local importance, its development falls within the purview of the State Government. There is therefore no proposal to set up an Advisory Committee for the development of this place as a Hill Resort

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

Interest Rates on Five Year Bank Deposits

494. SHRI K. MALLANNA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government had raised the interest rate on five-year bank deposits to 10 per cent a year;

(b) whether it is also a fact that the rate of interest on the seven year farmers bonds is only 7.5 per cent; and

(c) if so, the details regarding the scheme of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) The rate of interest on bank deposits for periods 'above 5 years' was raised by the Reserve Bank from 9 per cent to 10 per cent per annum w.e.f. 13th September, 1979.

(b) and (c). Presumably the reference is to the 7 year National Rural Development Bonds, bearing interest at the rate of $7\frac{1}{2}$ per cent per annum. These provide a facility to persons desirous of availing concession of exemption from capital gains tax on

transfer of long-term capital assets after 28th February, 1979. Under the Scheme, investment of net proceeds of such capital assets, after deducting the expenditure incurred by the taxpayer in connection with transfer thereof, can be made in the aforesaid bonds within a period of 6 months.

The Bonds are issued by the Reserve Bank on application which should be for amounts in multiples of Rs. 10. Interest on these Bonds and the investment therein also qualify for tax concessions in terms of Section 80(L) of the Income Tax Act, 1961 and Section 5 of the Wealth Tax Act, 1957.

In view of the tax concessions available on investments in National Rural Development Bonds, the rate of interest thereon is not strictly comparable with that on bank deposits.

Decline in profits of Public Sector Undertakings

495. SHRI EDUARDO FALEIRO: Will the Minister of FINANCE be pleased to state:

(a) whether the profits of the public sector undertakings during the current financial year have been less than in the previous year;

(b) if so, reasons therefor; and

(c) steps taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) Sir, the annual accounts of the public enterprises are normally maintained on financial year basis. The annual accounts for the year 1979-80, as such, are not yet due. However, for the financial year ending 31st March, 1979, figures for which are available with the Government, indicate that 159 running enterprises, out of a total of 176 enterprises including those under-construction, that were in existence during that year, had made a

pre-tax net profit of Rs. 193.45 crores as compared to Rs. 159.54 crores in the previous year.

(b) and (c). The overall performance of the public enterprises during the year 1978-79 compared to the previous year, i.e. 1977-78 showed improvement. Factors such as power shortages, inadequacy of raw materials, lack of balancing equipment, labour unrest, have held up a still-faster rate of improvement. Various steps have been taken and are being taken by the Government from time to time to improve the profitability of the public enterprises. To mention a few, improvement of capacity utilisation, removing bottlenecks in various phases of operation, provision of balancing facilities for better utilisation of the existing equipment, provision of captive power units to ensure smooth energy supply in selected industries, improved production planning and controlling techniques, introduction of incentive schemes, periodical review of performance against budget targets and improved inventory control practices, etc. are some of these steps.

Loss in Bharat Aluminium Company Limited

496. SHRI NIHAL SINGH: Will the Minister of STEEL AND MINES be pleased to state the total loss suffered by the Bharat Aluminium Company Limited so far and the causes thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): The total loss suffered by Bharat Aluminium Company upto 31-3-79 amounted to Rs. 28 crores, after providing for depreciation and interest on loan capital amounting to Rs. 27.80 crores and Rs. 20.49 crores respectively. Low capacity utilisation due to lack of power supply is the main reason for the losses. Details are given below:—

(i) The Alumina Plant commenced production in April, 1973 while the

first potline of the smelter commenced operation in May, 1975. The alumina plant was under-operated for lack of outlet for alumina which could only be exported to a limited extent.

(ii) Out of the four phases of the smelter, each with a capacity of 25,000 tonnes per annum, which became progressively ready for operation from May, 1975 to September, 1978, two phases are remaining idle due to non-availability of power from Madhya Pradesh Electricity Board to commission them. Out of the remaining two, one phase had to await power supply for over 18 months after it was ready. Even these two phases are not getting enough power to enable full capacity utilisation. They are now operating at 30 per cent of their capacity.

(iii) In addition to the above, the power supply from Madhya Pradesh Electricity Board is so erratic with frequent interruptions and outages that consumption of power per tonne of metal produced has gone up steeply and the cells have been damaged necessitating capital repairs.

Export of Gems and Jewellery

497. SHRIMATI MOHSINA KIDWAI:

SHRI TARIQ ANWAR:

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

(a) whether it is a fact that there was considerable decline in the export of Gems and Jewellery during the year 1979-80 as against the exports in 1978-79;

(b) if so, the extent of shortfall in the export of Gems and Jewellery during that year and loss in foreign exchange as a result thereof; and

(c) steps taken by Government in this regard?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). According to the figures furnished by the Gem & Jewellery Export Promotion Council, Exports of gem & jewellery during April—December, 1979, are estimated to have been of the order of about Rs. 350 crores as compared to exports worth about Rs. 547 crores effected during April—December, 1978. The decline is mainly attributable to the shortfall in the exports of diamonds on account of acute recessionary conditions in the international market and also the high bank rates prevailing in the major buying countries. It is, however, expected that total exports of gem and jewellery during 1979-80 may be of the order of about Rs. 550 crores.

(c) Indian diamond industry, which is totally dependent on foreign markets, cannot remain insulated from the global depression in diamond trade. Though it is difficult to overcome such an international market phenomenon by any single country, efforts are being made to boost our exports of gem and jewellery. The Report of Task Force on Gem & Jewellery, submitted recently contains several useful suggestions and recommendation for the future development of the industry, and action on this report has been initiated.

नागरिकों को उचित दर की दुकानों के माध्यम की सभी आवश्यक वस्तुओं से सप्लाई न किया जाना

498. श्री रामावतार शास्त्री : क्या बाणिज्य तथा नागरिक पूर्ति मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार ने उचित दर की दुकानों के माध्यम से लोगों को आवश्यक वस्तुएं सप्लाई करने का उत्तरदायित्व लिया है ;

(ख) यदि हां, तो क्या यह भी सच है कि नागरिकों को सार्वजनिक प्रणाली के माध्यम से केवल गहं और चीनी सप्लाई की जाती है; और

(ग) यदि हां, तो इन दुकानों के माध्यमों से सभी आवश्यक वस्तुओं की सप्लाई न करने के

क्या कारण हैं और कठिनाईयों को दूर करने के लिए सरकार का क्या कार्यवाही करने का विचार है ?

बाणिज्य तथा नागरिक पूर्ति और इस्पात तथा खान मंत्री (श्री प्रणब मुखर्जी) : (क) सरकार ने सार्वजनिक वितरण प्रणाली के विभिन्न केन्द्रों के माध्यम से कुछ चुनी आवश्यक वस्तुएं उपलब्ध कराने का उत्तरदायित्व लिया है ।

(ख) जी नहीं, इस समय सार्वजनिक वितरण प्रणाली द्वारा अनाज, चीनी, खाद्य तेलों, साफ़ कपड़े और नियंत्रित कपड़े की आपूर्ति की जा रही है । इसके अलावा, सार्वजनिक वितरण प्रणाली के माध्यम से वितरण के लिए कुछ अन्य चुनी विनिर्मित वस्तुएं जैसे चाय, काफी, विशालियों के लिए काचियां, नहाने का साबुन और दियासलाइयां भी शामिल की गई हैं ।

(ग) सार्वजनिक वितरण प्रणाली के माध्यम से वितरण के लिए शामिल की जाने वाली वस्तुओं के बारे में राज्य सरकारों और विभिन्न केन्द्रीय मंत्रालयों के परामर्श से निरन्तर पुनरीक्षा की जा रही है । राज्य सरकार भी किसी भी ऐसी आवश्यक वस्तु को इसमें शामिल करने के लिए स्वतन्त्र है, जिसकी अधिप्राप्ति की व्यवस्था वे स्थानीय रूप में कर सकती हो ।

Posting of Assistant Directors Abroad

499. SHRI R. P. YADAV: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) is it a fact that a number of officers of his Department are posted abroad regularly;

(b) if so, what is the basis of their posting;

(c) is it also a fact that a panel of Assistant Directors is ready for the last one year to be posted abroad; and

(d) if so, what is the nitch over their posting immediately?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) Yes, Sir.

(b) The criterion for selection adopted hitherto has been seniority-cum-merit, preference being given to those who have not been posted abroad earlier. This is being review-

ed in the light of experience gained. However, no final decision has been taken yet.

(c) No, Sir.

(d) Does not arise.

Declaration of Burhanpur as Tourist Centre

500. SHRI SHIV KUMAR SINGH: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any proposal under the consideration of Government to declare Burhanpur the important historical centre of trade and business as a tourist centre;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) No, Sir.

(b) Does not arise.

(c) As the development of facilities for home tourists is primarily the responsibility of State Governments, the development of Burhanpur would come within the purview of the State Government.

Increase in Circulation of Black Money

501. SHRI CHITTA MAHATA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that in recent years circulation of black money has increased manifold which has caused inflation in the country's economy; and

(b) if so, what steps Government are taking to check inflation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). The Government are generally aware that the circulation

of black money has increased over the years. However, inflation is caused by many factors, of which black money may be one. Several measures are being taken by the Government to check inflation. Government also propose to deal with the problem of black money through more effective implementation of tax laws.

Tea Bushes in Darjeeling

502. SHRI ANANDA PATHAK: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Tea bushes in Darjeeling are more than 50 years old; and

(b) steps, if any, taken by Government to compel the employers to replant the bushes?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Most of the tea bushes in Darjeeling are more than 50 years old.

(b) While it is not possible to compel any tea estate to uproot old tea bushes and undertake replanting, in order to induce tea estates to replant such bushes, a higher rate of subsidy at Rs. 5,000/- per hectare is given in hilly areas. From the practical working of the above scheme it was observed that it was not essential to uproot and replant all the bushes above 50 years of age and in some cases rejuvenation of such areas may be a more rewarding proposition. As such Tea Areas Rejuvenation and Consolidation Subsidy Scheme has been introduced. Under this scheme subsidy of Rs. 3,000/- per hectare without interplanting and Rs. 4,000/- per hectare with interplanting is admissible to tea estates in hill areas.

बिहार क राजगृह पर्वतीय क्षेत्रों में पत्थर तोड़ने पर रोक

503. श्री विजय कुमार यादव : क्या इस्वात और जगन्नी पंजी यह बताने की कृपा करेंगे कि :

(क) क्या बिहार के नालन्दा जिले में राजगृह पर्वतीय क्षेत्रों में पत्थर-खनन पर लगाई गई रोक के

कारण पत्थर-खनन पर कार्यरत कई हजार श्रमिक बेरोजगार हो गए हैं; और

(ख) यदि हां, तो क्या सरकार का विचार उपरोक्त श्रमिकों को काम सुनिश्चित कराने के लिए उपरोक्त प्रतिबन्ध को समाप्त करने का है; और

(ग) यदि हां, तो कब और यदि नहीं, तो उसके क्या कारण हैं ?

वाणिज्य तथा नागरिक पति तथा इस्पात और खान मंत्री (श्री प्रणब मुखर्जी) : (क) से (ग) . बिहार विधान परिषद् की एक विशेष समिति के आदेश के अनुसरण में नालन्दा जिले के राजगृह पर्वतीय क्षेत्रों में पत्थर-खनन पर लगाई गई रोक के कारण वहाँ पत्थर-खनन में लगे लगभग 500 श्रमिक 29-11-78 से बेरोजगार हो गए हैं । विशेष समिति का गठन विधान परिषद् में उठाए गए इस मामले की जांच करने के लिए 1-8-1978 को हुआ था कि राजगृह पहाड़ियों में विद्यमान धार्मिक और पुरातत्व महत्व की चट्टानों में से पत्थर की रोड़िया बनाई जा रही थी । उपर्युक्त समिति के निर्देश पर बिहार सरकार ने समिति द्वारा अन्तिम निर्णय दिए जाने तक, जिसकी प्रतीक्षा है, पत्थर की रोड़िया बनाने से सम्बन्धित खनन कार्य को बन्द करने के अनुरोध जारी किए हैं ।

Introduction of Amritsar-London Flight

504. SHRI L. S. TUR: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to indicate the date by which Air India proposes to introduce Amritsar-London flight in line with the policy by which Air India has started International flights from Trivandrum, Madras, Calcutta etc?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): Air India had examined the feasibility of operating a twice weekly service between Amritsar and London in 1979. However, it was found that Amritsar airport was not suitable for Boeing 707/747 operations.

Delegations sent Abroad

505. SHRI BABU LAL SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) the number of deputations and delegations sent abroad by Government during the last three years end-

ing on 31st December, 1979, the names of persons (both private and Government) included in them, the purposes of these delegations and deputations, the amount spent on them in Indian currency and in foreign exchange (separately); and

(b) the time spent by these delegations abroad and the results achieved by these visits?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). The information is being collected and will be laid on the Table of the House as early as possible.

Adverse Trends in India's Exports

506. SHRI TARIQ ANWAR: SHRI N. K. SHEJWALKER: SHRIMATI MOHSINA KIDWAI:

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

(a) whether it is a fact that India's exports have been facing adverse trends during the last two years;

(b) if so, the extent thereof and the areas in which India's export have shown adverse trends and if so, reasons therefor; and

(c) the measures proposed to be taken by Government not only to remove the constraints and to boost the Indian exports but also to explore the new markets in the developing countries of Asia and Latin America?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). The annual rate of growth in value of exports was 5.1 per cent in 1977-78 and 5.9 per cent in 1978-79. This rate of growth was much lower than the average rate of growth of over 25 per cent achieved in the preceding five years period 1972-73 to 1976-77. During 1977-78 exports of sugar and sugar preparations, iron and steel, oil cakes, silver, oil

seeds, cotton textiles, leather manufactures and cement received a set back. Major exports which suffered deterioration in 1978-79 were vegetable oils and oilseeds, iron ore, rubber manufactures, textile fabrics, tea and coffee, fruits, vegetables and pulses, cashew kernels, jute manufactures and iron and steel. The adverse trends in exports during this period was mainly due to inadequacy of domestic production and other domestic constraints as well as international developments. In some cases, Government policy deliberately discouraged exports in the wake of fall in production.

(c) The Government is trying to take all possible measures to remove the existing constraints on export production like shortage of power, transport bottlenecks, port congestion and supply of other inputs to increase exportable surpluses. Efforts are also being made to improve our market intelligence abroad and to seek greater market access in foreign countries, particularly in all exporting and developing countries.

Kits and Publicity Albums for Presentation

507. DR. VASANT KUMAR PANDIT: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether the Regional Director of Air India advanced during 1978-79 in Swiss Francs over 50 lakhs of rupees to the Regional Director of Tourism to prepare 2,000 presentation kits and publicity albums;

(b) whether this order to produce the kits and albums was placed with one advertising agency in Geneva;

(c) whether this advertising agency and its London-based company have closed down business and are not traceable;

(d) whether Government have enquired into this and fixed the responsibility for the huge loss; and

(e) if so, the steps taken against those found guilty of dereliction of duty and flouting of set norms?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON):

(a) and (b). The Government of India Tourist Office, Geneva, working in collaboration with Air India under an arrangement called "Operation Europe", had assigned several jobs covering media advertising a research project and production of a sales kit to its advertising agency M/s Knight Keeley of Geneva, as part of its publicity promotional campaign for the year 1978-79. To enable the agency to complete the work, advances totalling SF 681,000 (approx. Rs. 35 lakhs) were made to the agency from time to time during the year. The agency is reported to have completed work amounting to about SF 256,500 (approx. Rs. 13 lakhs). The balance of the work has not been completed.

(c) The advertising agency in Geneva is reported to have severed its connection with the London-based company some time during 1974-75. It is reported that this advertising agency has closed down its business in Geneva and the whereabouts of Mr. Jim Vakeel, who is said to be its sole proprietor are not known.

(d) and (e). Government have already initiated action to examine the case in detail with a view to fixing responsibility and taking such action as may be found necessary.

Appointment of a Panel to go into the Causes of the Increase in Prices of Essential Commodities

508. SHRI FAROOQ ABDULLAH: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether the Union Government have appointed a panel to go into the causes of the increase in prices of essential commodities and suggest measures to check them;

(b) whether inspite of this the prices are increasing and the artificial shortage of essential commodities have also been reported; and

(c) if so, by what time Government are able to check the increasing trend of price rise?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No, Sir.

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

Sale Prices of Edible Oils in the Country

509. SHRI SATISH AGARWAL: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state

(a) whether it is a fact that the price trend of edible oil in the country is showing that difficult days are ahead;

(b) what are the selling prices of each variety of edible oil in the country;

(c) whether it is a fact that State Trading Corporation is not releasing cheaper imported palmoleine and RBD palm oil to the consumers who have to depend on high priced indigenous oil; and

(d) whether Government have considered the feasibility of creating an oil buffer and introduce a dual price system?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). The prices of certain types of edible oils have shown

an increasing trend recently; the retail prices of important edible oils as on 29.2.1980 at certain selected centres are given in the Statement. However, the Government have taken a number of steps to make edible oils available to the consuming public in adequate quantities and at reasonable prices. Imported edible oils including Palmolein and RBD Palm Oil are being supplied to the State Governments for sale to the consumers through licensed Fair Price Shops. The State Governments have been requested to energise and reactivate the Public Distribution System in their respective territories. Moreover, STC had also been undertaking market intervention through commercial sale of edible oils from time to time at certain selected centres with a view to keep the prices in check. The Vanaspati industry has been permitted to use as much as 95 per cent of its raw oils input for manufacture of Vanaspati, through purchase of imported oils from the STC, so as to lessen the pressure of demand on the indigenous oils and make the latter available in greater quantities for direct consumption. The State Governments have also been told to strictly implement the provisions of Storage Control Order, and to take action under law against any person who is found indulging in hoarding, profiteering etc.

(d) The quantum of imports by STC also includes the quantities required to be kept in stock as a sort of buffer to ensure uninterrupted supply to the State Governments for Public Distribution System, and to other major consumers. At present, there is no proposal to introduce dual-pricing system in edible oils.

Statement

Retail prices of edible oils as on 29-2-80 at selected centres.

(Rs. per Kg.)

Centre	Ground-nut oil	Gingelly oil	Mustard oil	Coconut oil	Vanas-pati
Hyderabad	10.80	12.80	15.00	16.60	12.20
Ahmedabad	10.10	12.00	13.50	17.00	12.20
Bangalore	10.60	13.00	13.50	16.00	13.00
Bhopal	10.50	N.A.	12.00	17.00	12.50
Bombay	10.40	12.50	13.00	18.00	12.00
Madras	10.20	13.00	15.00	17.00	13.00
Kanpur	10.50	16.50	2.80	17.00	13.00
Calcutta	18.00	15.00	14.00	22.00	14.00
Delhi	11.50	12.00	12.00	17.50	11.55

Setting up of a Steel Plant in Nigeria with USSR Collaboration

510. SHRI M. RAM GOPAL REDDY: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether India and USSR are to collaborate in setting up of steel plant in Nigeria; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Negotiations are being held between India and USSR with a view to obtaining some work for Indian public sector organisations in connection with the setting up of Ajakuta Steel Plant in Nigeria.

Suspension of Export of Sugar

511. SHRI NARAYAN CHOUHEY: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether Government have a proposal under consideration to suspend the export of sugar this year to meet the scarcity in the domestic market; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): (a) and (b). Export of sugar is being made only to the extent of the commitments already made under the International Sugar Agreement. Moreover STC through whom export of sugar is canalised has been asked not to procure any sugar for export from the open market.

New distribution Policy for Steel

512. SHRI INDRAJIT GUPTA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that Government are considering a new distribution policy for steel; and

(b) if so, what are the salient features of the new policy?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). There is no statutory control on distribution of steel at present. The distribution policy in respect of categories in short supply is, however, constantly under review and changes are made whenever necessary. The policy for 1980-81 in respect of such categories

is now under consideration and it is expected to be announced by Joint Plant Committee shortly.

Development of Phoolpur Airport in Uttar Pradesh

513. SHRI HARISH RAWAT: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any proposal under Government's consideration to develop the Phoolpur Airport in Uttar Pradesh and to start air services from there; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) No, Sir.

(b) Does not arise.

Decision not to enforce Preventive Detention Act for dealing with black-marketeers and hoarders

514. SHRIMATI KRISHNA SAHI: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) is it a fact that some of the State Governments refused to comply with the direction of the Union Government to make law relating to Prevention of Black-marketing and Maintenance of supplies of essential commodities; and

(b) if so, the names of those State Governments which refused to comply with the directions of the Union Government?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No such directions were given by the Union Government to the State Governments.

(b) Question does not arise.

Allowing of Credit Facilities by Alloy Steel Plants Durgapur and Viswasvarya Iron and Steel Plant Bhadravati to Consumers in Private Sector

515. SHRI R. L. P. VERMA: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Alloy Steel Plants, Durgapur and Viswasvarya Iron and Steel Plant, Bhadravati in the Public Sector are allowing credit facilities to their customers in private sector;

(b) are the above Steel Plants being allowed to do so due to sales problems and if so, then why liberal imports of alloy steel is allowed;

(c) are the above facilities allowed in contravention of the nation wide credit squeeze by the Reserve Bank of India; and

(d) what are the names of the parties and the amount outstanding against them on the 1st January, 1980 who have been allowed credit of over one lakh of rupees?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) Credit facilities are being allowed on commercial considerations on the merits of each case. While formulating the import policy, care is taken to ensure that while the indigenous production of alloy steels should not be adversely affected due to excessive imports, genuine industrial users should not suffer for want of a basic input like alloy steel.

(c) No, Sir. Sale of materials on credit by the alloy steel plants would not tantamount to contravention of the policy of the Reserve Bank.

d) The details are as below:

Name of the Plant	Name of the Party who has been allowed credit over Rs. 1 lakh	Amount outstanding as on 1.1.1980
(i) Alloy Steels Plant Durgapur.	Bhart Forge Co. Ltd., Pune.	Rs. 96 lakhs
(ii) Visvesvaraya Iron & Steel Limited, Bhadravati.	Punjab United Forge, Chandigarh.	Rs. 18.53 lakhs
	Vishnu Forge (Mysore) Bangalore,	Rs. 9.71 lakhs
	Bharat Forge Co. Ltd., Pune.	Rs. 176.35 lakhs

Setting up of High Level Committee on Price Situation

516. SHRI CHITTA BASU: Will the Minister of FINANCE be pleased to state:

(a) whether a high-level committee to watch the price situation has recently been set up;

(b) if so, the personnel of the Committee and the terms of reference for it;

(c) steps already suggested by the Committee; and

(d) action taken thereon by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (d). A Cabinet Committee on Economic Affairs under the Chairmanship of Prime Minister has been set up and its functions include monitoring the general price situation in the country. It would not be in the public interest for obvious reasons to disclose the information sought by the Hon. Member.

Setting UP of National Bank for Agricultural and Rural Development

517. SHRI JHARKHANDE RAI:
SHRI CHITTUBHAI GAMIT:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal under consideration to set up a

National Bank for Agricultural and Rural Development; and

(b) if so, the salient features thereof and steps being taken thereon?

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

(b) In pursuance of the recommendation made in the interim report of a Committee set up by the Reserve Bank under the Chairmanship of Shri B. Sivaraman to undertake a review of the institutional arrangements for rural credit, the Government have agreed, in principle, to set up a National Bank for Agriculture and Rural Development. The Committee is now engaged in working out the details.

Financial Aid Sought by Chief Minister of Tamil Nadu

518. SHRI G. M. BANATWALLA. Will the Minister of FINANCE be pleased to state:

(a) whether Government have received any memorandum from the Chief Minister of Tamil Nadu, before the dissolution of the Assembly, on problems relating to non-Gazetted officers and agriculturists in Tamil Nadu;

(b) if so, what are the main points and the nature and extent of financial aid sought; and

(c) Government's decision thereon?

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

(b) In the memorandum, the demands of the agriculturists for raising the procurement price of paddy, grant of relief in payment of interest and repayment of principal in respect of taccavi loans and loans from the co-operatives and further reduction in the power tariff were mentioned. The memorandum also gave details of the concessions granted to the State Government employees. The State Govt. sought Central assistance for grant of relief to the agriculturists in respect of taccavi and co-operative loans.

(c) The various points raised in the memorandum are being examined in consultation with the concerned Ministries.

Separate Tourism Policy for Hill Region of U.P.

519. **SHRI T. S. NEGI:** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether any separate tourism policy has been worked out for the hill region of U.P.; and

(b) if so, what are the details and what amount has been allotted for development of tourism in that area?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON):

(a) and (b). No separate policy has been evolved in the Central Department of Tourism for the development of tourism in the hill areas of U.P. However, the Planning Commission had set up in 1971 a Working Group to study tourism development in the U.P. hill areas. The report submitted by this Working Group was forwarded to the State Government for necessary action.

THE Working Group had recommended the development of 6 tourist complexes in the U.P. hill areas, namely, the Nainital complex, Kausani

complex, Mussoorie complex, Badrinath-Kedarnath complex, Pauri-Garhwal complex and the Gangotri-Jamunotri complex. An outlay of Rs. 525 lakhs has been proposed by the State Government in its Five Year Plan 1978-83 for the development of tourism in the U.P. hill areas. The executing agencies would be the Garhwal Mandal Vikas Nigam and the Kumaon Mandal Vikas Nigam.

Registration of Traders by SAIL for Gauhati Branch

520. **SHRI P. A. SANGMA:** Will the Minister of STEEL AND MINES be pleased to state:

(a) whether SAIL has any trader registered with their Gauhati Branch Sales Office from the State of Maghalaya;

(b) whether any Party or agency has applied for such registration; and

(c) if so, whether the application is being considered?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). No, Sir.

(c) Does not arise.

Rise in Price Index

521. **SHRI CHANDRAJIT YADAV:** Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that price index has gone almost forty per cent higher during the last one month;

(b) whether Government are contemplating a scheme to have a parity between the prices of agricultural and industrial products; and

(c) if so, what are its details?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) No, Sir. The Wholesale Price Index (1970-71-100) has gone up from 225.2 for the week ended 2nd February, 1980 to

231.4 for the week ended 1st March, 1980, i.e., by 2.8 per cent.

(b) and (c). No specific scheme is contemplated by Government in this regard. At present the prices of many important commodities are determined on the recommendations of expert bodies such as the Bureau of Industrial Costs and Prices and the Agricultural Prices Commission. While making recommendations they keep in view the overall needs of the economy with due regard to the interests of producers and the consumers. The Agricultural Prices Commission under its terms of reference is also required to take into account the changes in the terms of trade between the agricultural and non-agricultural sectors.

Development of Massive Aluminium Complex in Orissa

522. SHRI LAKSHMAN MALLICK: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether any agreement has been signed by the Government of India and the Government of France for the development of a massive aluminium complex for utilisation of bauxite reserves in Orissa; and

(b) if so, what are the details thereof?

THE MINISTER OF COMMERCE, CIVIL SUPPLIES AND STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) & (b). A Memorandum of Understanding was signed between the Government of India and the Government of France on 28th January, 1980 in regard to setting up an alumina/aluminium complex in Orissa. The following are the main features of the Memorandum:—

(i) The French Government shall make its best efforts to have a comprehensive financial package presented to the Government of India covering both off-shore purchases and local costs of the projects, including related infra-structure facilities. This package will include

Government credits on preferential terms as well as bank loans to be organised by a consortium of banks.

(ii) Simultaneously, Bharat Aluminium Company will initiate discussions with Aluminium Pechiney of France about the terms and conditions of technical collaboration for implementation of the Project.

Restoration of cut Imposed on Bank Credit

523. SHRI N. E. HORO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Federation of Indian Chambers of Commerce and Industry have urged the Government to restore 20 per cent cut in the bank credit imposed last August and postpone the application of the new regulations on company deposits by at least six months in view of the severe stringency of finance being faced by the Industry and trade; and

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

THE MINISTER OF STATE IN MINISTRY OF FINANCE (SHRI JAGANNATH PAHALI): (a) Yes, Sir

(b) On the basis of average drawals observed in the past, Reserve Bank of India find the limits fixed for cash credit and bills to be generally quite adequate. Besides, the Reserve Bank have also provided sufficient flexibility to take care of any genuine additional credit needs arising out of increased production and/or market dislocations.

No final view has been taken on the other suggestion of the Federation.

Daily Air Service to Port Blair, Andaman and Nicobar Islands

524 SHRI MANORANJAN BHAKTA: Will the Minister of TOURISM

AND CIVIL AVIATION be pleased to state:

(a) whether Government are aware about increased demand of daily Air Service to Port Blair, Andaman and Nicobar Islands; if so, what action Government contemplate to take;

(b) whether Government are planning to have direct Air Service from Delhi-Bhubaneshwar; if so, daily or biweekly-weekly Boeing or other type of Air Crafts and details thereof; and

(c) whether Government like to consider suggestion to have boeing service from Delhi-Bhubaneshwar-Port Blair and back to Delhi which will facilitate the Bhubaneshwar and Port Blair into closer links with Delhi and the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) Yes, Sir. With the expansion in fleet, Indian Airlines has plans to increase the number of services from twice weekly at present to thrice-weekly—the third frequency to be operated by a Boeing-737 aircraft on the route Madras/Port Blair/Madras in the Winter Schedule 1980-81.

(b) A thrice-weekly F-27 service has been introduced on the Sector Bhubaneshwar/Varanasi/Delhi from 1st February, 1980.

(c) There is not enough traffic to warrant Boeing service on the Delhi/Bhubaneshwar/Port Blair route.

Free Trade zone in Salt lake Area of Calcutta

525. SHRI MANORANJAN BAHKTA: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether there was a decision for having a Free Trade Zone in Salt Lake area at Calcutta and whether Government propose to revive it; and

(b) if so, details of the project, and if not, the reasons thereof?

THE MINISTER OF COMMERCE, CIVIL SUPPLIES AND STEEL AND MINES (SHRI PARNAB MUKHERJEE): (a) and (b). The Government of West Bengal had send a proposal to the Central Government in 1973 regarding setting up an export processing zone near Culcutta. In May-1976, a general decision was taken by the Central Government not to set up any further free trade zones in the Country. This decision was communicated to the West Bengal Government in June, 1976. No proposal for revision of the general decision taken in May-June 1976, of not having any further free trade zone, is presently under consideration, and hance the question of setting up an export processing zone in the salt Lake Area does not arise at present.

Export of Onions

526 SHRI VIJAY N. PATIL: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) what was the total export of onions in the year 1978-79;

(b) whether Government propose to evolve uniform policy regarding export of onions and fix the quota of export looking at the experience of past five years; and

(c) if so, whether Government propose to announce the quantity of onions that will be allowed to be exported in a particular year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): (a) The total export of onions was 95,541 tonnes valued at Rs. 13.65 crores.

(b) Uniform export policy can be evolved for those agricultural commodities in which the production is

stable at a level higher than their domestic consumption. The production of onions has been fluctuating in the past, from year to year, and therefore export policy for an essential commodity like onions has to be reviewed each year and quota for export fixed keeping in view the size of the crop and the trends in domestic prices.

(c) Export of onions is canalised through NAFED who are advised about the quantity to be exported in a particular year. Since export of onions is canalised public announcement of quota is not considered necessary.

Take over of management of Ritz Continental Hotel Calcutta

527. SHRI MADHAVRAO SCINDIA: Will the Minister of TOURISM & CIVIL AVIATION be pleased to state:

(a) whether I.T.D.C. have received proposal to take over management of Ritz Continental Hotel, Calcutta;

(b) whether Government (I.T.D.C.) propose to consider the matter; and

(c) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) to (c). Yes Sir. A proposal for the take over of the management of the Ritz Continental Hotel at Calcutta by ITDE is under consideration. As the hotel is suffering from acute sickness due to accumulated losses, outstanding statutory and other liabilities and heavy arrears of interest on loans, sound scheme of rehabilitation involving financial assistance has to be formulated and the Hotel Company is seeking advice from an expert agency in this regard.

Excise Duty on Branded Bidis

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

(a) whether Government are aware that as a result of excise duty on branded Bidis by imposing duty at the rate of Rs. 3.60 per thousand Bidis has adversely affected the industry;

(b) if so, whether Government have received a number of representations from Bidis Industry on this issue;

(c) if so, details therein; and

(d) action taken or proposed to be taken by the Government to consider the matter in this year's budget?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA):

(a) to (d). Government have received a number of representations from various quarters requesting for relief in the existing central excise duty burden on biris. The requests made in these representations are generally as below:

(i) Incidence of excise duty on biris should be reduced;

(ii) Biris should be exempted from the levy of excise duty and, in its place, excise duty should be reimposed on biri tobacco;

(iii) The distinction between branded and unbranded biris in relation to the levy of excise duty should be abolished and all biris, whether branded or unbranded should be charged to a uniform rate of excise duty. The exemption from the levy of excise duty up to a quantity of 60 lakhs biris in a financial year presently available to unbranded biri manufacturers should be withdrawn;

(iv) Biris should be protected from competition by cheap cigarette rates by maximising excise

duty differential between birds and cheaper cigarettes.

No decision on the representations has been taken by the Government so far. Government cannot state, at this proposal for the take over of the stage, whether they propose to take any decision in the matter in the next Budget.

Representation made by All India P&T and other Central Government Employees Pensioners' Association

529. SHRI R. K. MHALGI: Will Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government have received a representation dated the 7th June, 1979, from All India Post and Telegraph and other Central Government Pensioners' Association, Thana Branch Maharashtra regarding pension;

(b) if so, the exact demand made therein; and

(c) what action Government have taken in the matter?

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

(b) The association has demanded that the existing pensioners may also

be granted pension at the rate of 50 per cent of pay plus D.A. as has been done in the case of employees retiring on or after 31st March, 1979.

(c) In view of the general policy of not giving retrospective effect to new orders regarding retirement benefits, this request could not be accepted. The Association was informed accordingly.

Demands of India Meteorological Workshop Union, Poona

550. SHRI R. K. MHALGI. Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government have received any memorandum in the month of April, 1979, from India Meteorological Workshop Union, Poona stating their demands;

(b) if so, what are their demands; and

(c) what action Government have taken so far in this respect or proposed to take?

THE MINISTER OF STATE FOR TOURISM AND CIVIL AVIATION (SHRI KARTIK ROAON): (a) Yes, Sir

(b) and (c). A statement indicating the points raised by the Union in their letter and the present position thereof is enclosed.

Statement

Sl. No.	Points raised by the Union	Present Position
1	2	3
1.	Government's decision on the recommendations of the Classification Committee should be expedited.	The recommendations of the Classification Committee relating to the Workshop Staff of India Meteorological Department and Civil Aviation Departments, were processed with the Ministry of Finance and other concerned department. The matter has since reached final stage and orders are likely to be issued very soon.

2. The I.M.D. Workshop should be included in the list of Industries and manufacturing Units so as to make the Workshop Staff eligible for bonus.

The Workshop is essentially intended to manufacture meteorological instrument required for India Meteorological Department and not for commercial purposes. The question of declaring the Workshop as an industrial and manufacturing unit does not arise. However, the question of granting bonus to the staff could be considered in the context of the broad policy of the Government on the subject.

3. The chance of promotion for Workshop staff should be improved so that the staff could get promotion within 7-8 years as against 15-20 years at present.

With a view to improving the promotional chances of Workshop staff, the possibility of creating Selection Grades in different Grade is being explored.

4. A separate quota of promotion for Professional Assistants (Foremen) working in the Workshop should be fixed or their pay-scales should be enhanced as they work for 8 hours under the Factory Act.

The question of fixing a quota for promotion of Professional Assistants (Foremen) to the post of Assistant Meteorologist is under consideration.

5. All workers should be governed by the provisions of S. Rs and F.Rs and not by different sets of Rules as at present.

All workers are covered by same rules, except in the matter of leave. Two different sets of leave rules, one for pre-1961 and another for post-1961 employees have been provided for industrial employees by Government. These are being followed by the Department.

6. A supervisory post for Carpenter Grade I should be created expeditiously.

The matter is under consideration.

7. Workshop staff should be allowed overtime allowance for increasing production capacity.

Overtime Allowance is granted to Workshop staff according to the exigencies of service and extant rules on the subject.

Memorandum from Income-tax Stenographers' Association, Pune

531. SHRI R. K. MHALGI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have received in the month of February or March, 1979, any Memorandum from the Income-tax Stenographers' Association, Pune, stating their demands;

(b) if so, what are their demands; and

(c) what action Government have taken so far or propose to take in the matter?

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

(b) Income-tax Stenographers' Association, Pune, which is an unrecognised local association, in their letter dated 20th February, 1979 had represented that no change whatsoever be made in the existing rules for seniority for promotion to the grade of Income-tax Inspector.

(c) Since Income-tax Stenographers' Association, Pune, is an unrecognised body, no action was considered to be called for on their letter of 20th February, 1979.

Fall in Tourist Traffic

532. SHRI D. P. JADEJA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that there is a great fall in the tourist traffic in the country;

(b) if so, the reasons therefor; and

(c) the measures taken by Government to increase the tourist industry in India?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) The number of international tourist arrivals in India during 1979 were 764,781 as against 747,995 during 1978 recording an increase of 2.2 per cent. While there was an increase in the absolute number of international tourist arrivals during 1979, there was a steep decline to 2.2 per cent in the growth rate of tourists as compared to an increase of 16.8 per cent recorded during 1978.

(b) The decline in the growth of tourist arrivals during 1979 was largely due to—

- (i) substantial increase in international air fares;
- (ii) drastic reduction in the carrying capacity of Indian Airlines due to air mishaps;
- (iii) lack of adequate hotel accommodation at the main entry points of Delhi and Bombay;
- (iv) disturbed conditions in some of the neighbouring countries; and
- (v) inflationary trends in some of the traditional tourist generating markets.

(c) The following measures have been taken to augment the tourist infrastructure in the country:—

- (i) Various incentives and fiscal reliefs continue to be given to attract investment in the hotel industry for augmenting hotel accommodation of requisite standard,
- (ii) Inexpensive, clean and comfortable accommodation is being provided through the construction of Janata Hotels for budget-minded tourists.

A number of new youth hostels are proposed at various centres for promoting youth travel since the majority of tourists are in the age-group 17—30 years.

- (ii) Facilities are being provided at selected centres of archaeological interest as also at the beach and mountain resorts of Kovalam, Goa and Gulmarg to cater to a larger volume of tourists;
- (iv) In order to remove congestion at international airports causing delays in quick clearance of tourists, a new terminal building for international traffic at Bombay Airport is already under construction and is expected to be ready for operation during 1980. The construction of a new terminal building at the Delhi Airport is under active consideration of the Government;
- (v) Facilities for skiing; water sports, trekking, etc. are being developed to cater to the tourists interested in recreational activities;
- (vi) Indian Airlines will be augmenting its fleet by adding two air buses and four Boeing 737 aircraft by the middle of 1980, and four more Boeing 737 aircraft in 1981; and
- (vii) Financial assistance is made available under the Transport Loan Scheme of the Department of Tourism to approved tourist transport operators for augmenting their transport fleet.

Guidelines to Commercial Banks for Financing Housing Schemes

533. SHRI CHHITUBHAI GAMIT:
Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank have issued detailed guidelines to

commercial banks for financing housing schemes; and

(b) if so, the detail, in this regard as well as the active role played by Banks in the housing activities, in view of the increasing demand for housing finance and the inadequate resources?

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

(b) The guidelines issued on this subject have indicated that banks may as a whole provide funds to the order of Rs. 75 crores per annum for 'housing finance'. The adequacy of this amount will be reviewed from time to time. Major portion of the finance is to be in the form of subscription to bonds/debentures of Housing & Urban Development Corporation Limited (HUDCO) and State Housing Boards which cater mainly to weaker sections of the society. Banks have been advised that 'housing finance' should normally not exceed 50 per cent of the total cost of the project, at a rate of interest of 12 per cent per annum. For direct loans to Scheduled Castes and Scheduled Tribes and other economically weaker sections banks can provide loans upto 80 per cent of the total cost. The rate of interest for Scheduled castes and Scheduled Tribes borrowers will be 4 per cent per annum provided the loan does not exceed Rs. 2,500. Repayment period is not to exceed 10 years. Banks are permitted to channelise 'housing finance' through Regional Rural Banks village cooperatives and voluntary agencies.

Central Tourist Sarais/inns for the Low-income Tourists

534. Prof. NARAIN CHAND PARASHAR: Will the Minister of TOURISM AND CIVIL AVIATION be pleased state:

(a) whether Government have any plan to set up Central Tourist sarais/inns for the benefit of low-income tourists;

(b) if so, the main features of this plan;

(c) the date with effect from which it was introduced; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) to (c). No, Sir. However, in November, 1978 the Government set up a Society named the 'Bharatiya Yatri Avas Vikas Samiti' under the Societies Registration Act of 1860 to give financial assistance by way of grants and loans to institutions, organisations and individuals for the construction management/maintenance of dharamshalas/sarais/musafir khanas used by low-income group tourists. The samiti can also construct similar establishments if required. The Samiti can receive grants-in-aid as also raise funds through public donations and contributions.

The State Governments have also been requested to take steps for improving the condition of dharamshalas/musafir khanas/sarai and thereby provide better facilities in these establishments for the large number of pilgrims.

(d) Does not arise.

Items Exported by Colgate Palmolive, Cheeseborough Ponds, Cadbury and Hindustan Lever

535. SHRI CHANDRADEO PRASAD VERMA: Will the Minister of COMMERCE AND CIVIL SUPPLY be pleased to state:

(a) the list of the items being exported by Colgate Palmolive, Cheeseborough Ponds, Cadbury and Hindustan Lever;

(b) what percentage of their total sales do these exports account for in each of these companies; and

(c) what branded items are exported by them to hard currency areas and its value as a percentage of total sales?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). A statement showing the sales and exports of these four companies in 1977-78 and 1978-79 is enclosed. Form the avail-

able data it is not possible to identify the list of items being exported by the four companies.

(c) From the information available it is not possible to give the names of branded items exported by these companies to hard currency areas.

Statement

Turnover and exports during 1977-78 and 1978-79

(Rs. in Lakhs)

	Sales		Exports	
	1977-78	1978-79	1977-78	1978-79
1. Colgate Palmolive India Ltd.	3262.87	3898.21	100.13 (3.08)	32.04 (0.83)
2. Cadbury India Ltd.	1665.97	2245.53	181.07 (10.87)	515.26 (22.95)
3. Hindustan Lever Ltd.	26150.73	30184.09	1673.40 (6.40)	1703.35 (5.65)
4. Cheesborough Ponds	509.14	Nil†	1.16 (0.23)	Nil‡

*The company ceased to be subsidiary of the Foreign Company since December 30, 1978.

†The Indian Company viz. Ponds India Ltd. has taken over the business during 1978 hence the figures of the sales are not available separately.

‡Figures in bracket indicate percentage share of exports to total sales.

Exports by Coca Cola Export Corporation

538. SHRI CHANDRADEO PRASAD VERMA:

Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state what was the export of Coca Cola Export Corporation during the years 1975, 1976 and 1977, what was the total sales during the same years and what were the reasons for the decrease in the exports, if any?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI):

Exports by M/s Coca Cola Export Corporation were as follows:—

Year	Quantity (Kg.)	FOB Value (Rs.)
1975	10515.0	4,86,558
1976	5852.0	2,73,025
1977	974.0	43,950

Sales figures of the Company were not maintained by the Government. Government are not aware of the reasons for the decrease in exports of M/s. Coca Cola Export Corporation.

Norms Laid Down by Tandon Committee regarding Credit Facilities and Loans to Industrialists

537. SHRI K. A. RAJAN: Will the Minister of FINANCE be pleased to state:

(a) the norms laid down by Tandon Committee in its report; and

(b) whether these norms are being followed by the banks while giving credit facilities and loans to the industrialists?

THE MINISTER OF STATES IN THE MINISTRY OF FINANCE (SHRI

JAGANNATH PAHADIA): (a) The Study Group appointed to frame guidelines for followup of bank credit commonly known as the Tandon Committee recommended inventory and receivable norms for 15 major industries. These are listed in the Statement.

(b) From a review of the data periodically received from the banks, Reserve Bank is of the view that by and large the progress in implementing the norms by most banks is not unsatisfactory.

Statement

Norms for Inventories/Receivables and Lending Recommended in the report of the Study Group to Frame Guidelines for follow up of Bank Credit (Tandon Committee)

1. SUGGESTED NORMS FOR INVENTORY AND RECEIVABLES :

Industry	Raw materials (including stores and other items used in the process of manufacture)	Stocks-in process	Finished goods.	Receivables* and bills purchased and discounted.
(1)	(2)	(3)	(4)	(5)
(i) Cotton and Synthetic Textiles	<p>Cotton 2 (Bombay and Ahmedabad areas,</p> <p>3 (Eastern areas—Bihar, Orissa, West Bengal and Assam)</p> <p>2 1/2 (Other than the above areas)</p> <p>2 Other raw materials</p>	<p>3/4 (Composite textile mills)</p> <p>1/2 (other mills)</p>	<p>—</p> <p>..</p> <p>..</p>	<p>2 1/4</p>
(ii) Man-Made Fibre	1 1/2	1/2	—	1 3/4
(iii) Jute Textiles	2 1/2	1/4	(For Domestic Sales and 1 1/2 (For exports)	1 1/2
(iv) Rubber Products	2	1/4	—	1 3/4
(v) Fertilisers				

(1)	(2)	(3)	(4)	(5)
(a) For nitrogenous plants	3/4 (Units near refinery)	Negligible	1 (where stocks are in plant site)	1-1/4
—	1-1/2 (Units away from refinery)		1-1/2 (where stocks are in upcountry centres)	
(b) For phosphatic plants	2 (Units in port areas)	Negligible	1 (where stocks are in plant site)	1-1/4
	3 (Units away from port areas)	—	1-1/2 (where stocks are also in upcountry centres)	
(vi) Pharmaceuticals	2-3/4	1/2	2	1-1/4
(vii) Dyes and Dyestuffs	2-1/4	1	3/4	2-1/4
(viii) Basic Industrial Chemicals	2-3/4	1/4	1	1-3/4
(ix) Vegetable and Hydrogenated Oils.	1	Negligible	—	3/4
(x) Paper	2—6 Bamboo and Wood (To be built in stages from November to May and thereafter to be brought down) 2-1/4 Chemicals	"	1 (For controlled sales) and 1/4 (For free sales)	3/4
(xi) Cement	2-1/4 Gypsum 1-1/4 Lime-stone 3/4 Coal 1-1/2 Packing Materials	1/2	—	1
(xii) Engineering Automobiles and Ancillaries	2-1/4	3/4	—	2-1/2
(xiii) Engineering Consumer Durables	2	3/4	—	2-1/2
(xiv) Engineering—Ancillaries (other than Automobile Ancillaries) and Component Suppliers.	2	3/4	—	2-1/2

(1)	(2)	(3)	(4)	(5)
<hr/>				
(xv) Engineering —				
Machinery Manufactures and other Capital Equipment Suppliers (other than Heavy Engineering)**	2.3/4		1 1/4	3 1/2 —

- Notes: (i) Raw materials are expressed as so many months' consumption. They include stores and other items used in the process of manufacture.
- (ii) (a) Stock-in-process are expressed as so many months' cost of production.
- (b) In individual cases, the bank may deviate from the norm for stocks-in-process if it is satisfied that the actual process time involved in any particular unit, say in view of the nature of production, past experience and technology employed, is more than the norm suggested.
- (iii) (a) Finished goods and receivable are expressed as so many months' cost of sales and sales respectively. These figures represent only the average levels. Individual items of finished goods and receivables could be for different period which could exceed the indicated norms so long as the overall average level of finished goods and receivables does not exceed the amounts as determined in terms of the norm.
- (b) *The norm prescribed for receivables relates only to inland sales on short term basis (i.e. excluding receivables arising out of deferred payment sales and exports)
- (iv) Stocks of spares are not included for norms since in financial terms they are not significant in many industries. Banks will ascertain requirements of spares for individual units. They should, however, keep a watchful eye if spares exceed 5% of total inventories
- (v) **Heavy Engineering will include supply of whole or substantial plants involving long manufacturing period, i.e. sugar, cement, steel and textile plants.

2. LENDING NORMS.

The Committee recommended 3 methods for computation of permissible bank finance. Of these the following two have been accepted by the Reserve Bank of India:—

(a) FIRST METHOD:

Under this method banks may lend upto 75 per cent of the working capital gap i.e. total current assets minus total current liabilities excluding.

Cost of Living Index

538. SHRI PIUS TIRKEY: Will the Minister of FINANCE be pleased to lay a statement on the Table of the House showing the 12 monthly average of the cost of living index in

bank borrowings. The balance of 25 per cent of the working capital gap is to be contributed by the borrowers.

(b) SECOND METHOD:

Under this method, the minimum contribution by borrowers should be 25 per cent of the total current assets.

The third method which has not been accepted by the Reserve Bank of India, would have made further reduction in bank borrowing and strengthening of the current ratio, each of the months from November, 1979, to-date?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): The information about the cost of living index for the period November, 1979

to January 1980 (the latest available) is given below:

All India Industrial Workers Consumer Price Index (1960=100)

Month	Index	Average for the 12 months ended
November 1979	368	346.50
December 1979	374	349.75
January 1980	371	353.00

Advance Increment to Section Officers

539. SHRI PIUS TIRKEY: Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 3594 on the 15th December, 1978 regarding grant of advance increment to Section Officers and state:

(a) whether Government have relaxed the orders in favour of those persons who were on the panel for promotion to the grade of Assistants as on the 1st January, 1959 but were promoted after 1st July, 1959 and before 31st December, 1959;

(b) if not, whether Government propose to consider their case favourably; and

(c) if so, by what date?

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

(b) and (c). A proposal for grant of benefit of additional increments to those who were appointed as Assistants after 1-7-1959 on the basis of Departmental Limited Examination held by the UPSC in January, 1958 is under consideration of the Government.

Submission of Report by National Income Studies Division of Department of Statistics of RBI

540. SHRI G. Y. KRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the National Income Studies Division of the Department of Statistics of the Reserve Bank of India has submitted its report; and

(b) if so, the details regarding the annual per capita final consumption expenditure in real terms during last four years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and b) The Hon'ble Members seems to be preferring to the article entitled "Indian Economy through National Statistics" prepared by the National Income Studies Division of the Department of Statistics of the Reserve Bank of India, which has been published in the July 1979 issue of Reserve Bank of India Bulletin. This article is based on the estimates of national income, etc., prepared by the Central Statistical Organisation Department of Statistics Ministry of Planning. According to it, the annual per capita private final consumption expenditure during the last four years was as follows:—

Year	Amount in Rupees At 1970-71 prices)
1975-76	554
1976-77	539
1977-78	572
1978-79	590

Expansion of Hotel Accommodation during 1980

541. SHRI SUBHASH CHANDRA BOSE ALLURI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) what is the programme of Government regarding the expansion of Hotel accommodation during the year, 1980; and

(b) location of each hotel that is likely to be opened during the year 1980?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) and (b). The India Tourism Department Corporation (ITDC) and the Hotel Corporation of India (HCI) have proposals to commission/construct in phases, the following hotels during the year 1980:—

I. INDIA TOURISM DEVELOPMENT CORPORATION

S.No.	Name of the Hotel	Rooms/ Beds	Estimated Cost (Rs. in lakhs)
1	2	3	4
1.	Hotel Kanishk (3-star)	300/600	500.00
2.	Ashok Yatri Nows Low Priced Hotel.	565/1250	300.00
3.	Hotel at Chandi- garh (2-3 star)	50/100	65.00
4.	Hotel at Gauhati. (2-3 star)	30/60	46.00
5.	Hotel at Bombay (3-star)	250/500	470.00
6.	Hotel at Bhopal (2-3 star)	50/100	80.00
7.	Hotel at Puri (2-star)	40/80	65.00

II. HOTEL CORPORATION OF INDIA

Hotel	Rooms	Estimated Cost (Rs. in lakhs)
1	2	3
(i) Srinagar	275	1099.00
(ii) Juhu Beach, Bombay	355/360	1282.00

Import of Various Categories of Steel

542. SHRI SUBHASH CHANDRA BOSE ALLURI: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that Government propose to import 1.4 million tonne steel of various categories this year to bridge the gap between demand and supply; and

(b) if so, what are the main features of the proposal?

THE MINISTER OF COMMERCE, CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). During April '79 to February '80 SAIL, as canalising agency and agent, placed orders for import of about 1.09 million tonnes of steel. This included 0.75 million tonnes ordered under the buffer import programme. The shipments from abroad against the orders placed by SAIL, including spill over from orders placed during the previous year, is likely to be of the order of 1.4 million tonnes. Imports are mainly in the categories plates, structurals, billets, CR/HR coils/sheets/tin mill black plate and electrical steel sheets. Whereas imports under the buffer stock programme are distributed to the consumers at the domestic prices, the back to back imports are delivered at the landed cost plus service charges of the canalising agency.

Shortfall in production of Aluminium

543. SHRI SUBHASH CHANDRA BOSE ALLURI: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that there was a shortfall in production of Aluminium during the last six months; and

(b) if so, what are the reasons?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). The monthly production of aluminium in the country registered an increase of about 18 per cent over the corresponding period of the previous year till August, 1979. However, from September, 1979 there has been a step fall in production primarily on account of severe cuts in power supply to the aluminium smelters imposed by the concerned State Electricity Boards. The total production from 1-4-1979 to 29-2-1980 has been about 178,000 tonnes as against 193,954 tonnes during the corresponding period last year.

Liberalisation of Credit Rules by RBI, in respect of Large Borrowers

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

(a) whether the Reserve Bank of India has liberalised its credit rules in respect of large borrowers; and

(b) if so, the salient features of the new rules?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). The stipulation made by the Reserve Bank of India in August 1979 restricting the cash credit limits of Rs 25 lakhs and above has not been altered. However, with the object of speedy disposal of cases and to reduce the time lag involved in providing marginal relief to borrowers, the Reserve Bank of India introduced in

February 1980, a procedural change, for the processing of applications which are made to banks for additional credit requirements, arising out of increases in production and/or market dislocations.

Expediting the Commissioning of Aluminium Plant at Ratnagiri

545. PROF. MADHU DANDAVATE: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the question of expediting the commissioning of the public sector aluminium plant at Ratnagiri in the backward Konkan region of Maharashtra is under the consideration of Government;

(b) if so, what are the difficulties in expediting the project;

(c) whether there are any proposals to start alumina project at Ratnagiri instead of aluminium project; and

(d) if so, by what year the project is likely to be commissioned?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Soon after the Ratnagiri project was sanctioned in 1974, it was found that the project could not be taken up for implementation owing to financial constraints. Subsequently feasibility studies have been made for setting up an alumina/aluminium complex in Orissa and an alumina project in Andhra Pradesh based on the huge bauxite deposits which have been recently discovered on the East Coast. After examining the techno-economic aspects of all these projects, investment decision will be taken in respect of new alumina/aluminium plants to be set up in the country.

(c) No, Sir.

(d) Does not arise.

Visit of Foreign Trade Delegations to India

546. SHRI SOM NATH CHATTERJEE: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) the number of foreign trade delegations visited India during the last three years, year-wise;

(b) the names of the cities and industrial towns visited by the delegations, year-wise; and

(c) the number of contracts made during the period?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The total number of foreign trade delegations which visited India during the last three years, year-wise, is as under:—

Year	Number
1977	24
1978	34
1979	27

(b) The names of the cities and industrial towns visited by the delegations, year-wise, are as under:—

1977	1978	1979
Delhi, Srinagar, Calcutta, Agra, Jaipur, Khajuraho, Bombay, Goa and Madras.	Delhi, Madras, Calcutta, Bangalore, Bombay, Secundrabad, Faridabad.	Delhi, Madras, Trivandrum, Mysore, Faridabad, Calcutta, Modinagar, Bombay, Bangalore.

(c) The official delegations from foreign countries visit India either for bilateral trade talks or for signing trade agreements or for attending Joint Commission meetings. Normally contracts are not entered into by such delegations. However, one official delegation which came on a Purchase

Mission headed by a Government of official entered into 13 commercial contracts with different Public Sector agencies in India.

Foreign Exchange Earned through Tourism

547. SHRI SOMNATH CHATTERJEE: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the total number of tourists visited in India during the last three years, zone-wise, city-wise; and

(b) the amount of foreign exchange earned through tourism during that period; year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) The total number of international tourists who visited India during 1977, 1978 and 1979 were 640,422, 747,995 and 764,781 respectively.

According to the Foreign Tourist Survey conducted during 1976-77, the percentage of international tourists visiting certain centres in the country is indicated in the attached statement.

(b) The amount of foreign exchange earned through tourism during 1977, 1978 and 1979 is estimated at Rs. 233 crores, Rs. 330 crores and Rs. 338 crores respectively.

Statement

Percentage distribution of foreign tourists visiting various cities/places of tourist interest as per the "Foreign Tourist Survey 1976-1977" conducted by the Administrative Staff College of India, Hyderabad.

S.No.	City	Percentage of tourists
1.	Delhi	62.10
2.	Bombay	50.96
3.	Agra	31.20

1	2	3
4. Madras		23.34
5. Varanasi		17.68
6. Calcutta		16.90
7. Jaipur		12.97
8. Amritsar		8.94
9. Bangalore		8.84
10. Srinagar		8.65
11. Goa		7.15
12. Khajuraho		6.02
13. Tiruchirapalli		5.78
14. Madurai		4.54
15. Aurangabad		3.96
16. Rameshwaram		3.79
17. Udaipur		3.45
18. Hyderabad		3.10
19. Pune		2.97
20. Mysore		2.77
21. Cochin		2.71
22. Trivandrum/Kovalam		2.61
23. Patna		2.38
24. Darjeeling		1.71
25. Pondicherry		1.49
26. Ahmedabad		1.26
27. Lucknow		1.25
28. Raxual		1.24
29. Jammu		1.24
30. Ootacamund		1.18
31. Puri		1.16
32. Chandigarh		1.13
33. Coimbatore		1.01
34. Mahabalipuram		0.95
35. Haridwar/Rishikesh		0.85
36. Dharmasala		0.81
37. Gaya		0.80

1	2	3
38. Bhubaneswar		0.77
39. Manali		0.65
40. Ladakh		0.62
41. Nagapattinam		0.50
42. Leh		0.48
43. Tanjore		0.44
44. Kulu		0.36

**Reduction in Quantum of Items
Supplied to Ration Card Holders in
Delhi**

548. SHRI ATAL BIHARI VAJPA-
YEE: Will the Minister of COMMERCE
AND CIVIL SUPPLIES be pleased to
state:

(a) whether the quantity of sugar,
wheat and other items supplied to
ration card holders in the Union Ter-
ritory of Delhi has been reduced re-
cently;

(b) if so, the quantum of reduction
of each item supplied from fair price
shops; and

(c) the reasons for the same?

THE MINISTER OF COMMERCE
AND CIVIL SUPPLIES & STEEL
AND MINES (SHRI PRANAB MUK-
HERJEE) (a) No, Sir. Only the quan-
tity of sugar was marginally reduced.

(b) The quantity of sugar has been
reduced by only 50 grams per head
per month as compared to the quota
given to the ration card holders in
July, 1978 (just before the decontrol
of sugar) which was 950 grams per
head per month.

(c) The marginal reduction in the
quota of sugar is due to increase in
the number of persons by about 6
lakhs registered with the fair price
shops and quantity of levy sugar
available for distribution.

Supply of Cement, Sugar and Kerosene to Eastern States by the Centre

549. SHRI K. P. SINGH DEO: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) what allotment of cement, sugar and kerosene was made by the Centre to the Eastern States, State-wise during the last two months;

(b) what was the demand for each State for these commodities;

(c) whether there has been any bottleneck in effecting the supplies and their distribution to the actual consumers; and

(d) whether keeping in view the high price of these essential commodities Government propose to augment the supplies so that it creates a sobering effect on price?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Information is given in the Statement.

(b) to (d) : The monthly quotas of levy sugar for States and Union Territories are based on levy sugar allotted to them during the previous partial control period, which were worked out to provide a monthly per capita availability of 425 grams of sugar on the basis of projected population as on 1st April, 1978. Due to teething troubles involved in the re-introduction of dual pricing in sugar and

movement constraints, there has been delay in effecting supplies of levy sugar to the States. However, there has been considerable improvement in the movement of levy sugar during the past few weeks. Efforts are being made to further improve it. The maximum permissible limits of sugar stocks which can be held by wholesalers has been reduced by 50 per cent.

The demand for cement from various States is generally very high. Since availability of cement is not sufficient to meet the demands, the allotment of cement to various States is based on past consumption. Supplies of cement have been affected because of lower production and also because of movement constraints. Efforts are being made to increase the production of cement and in order to ensure supplies to Eastern and North-Eastern States, Central Inland Water Corporation has been pressed into service to transport cement to these States.

It is not possible to estimate the demand for kerosene. Stoppage of kerosene production in the region has severely restricted the availability of kerosene. Although Digboi and Gauhati refineries in Assam have started functioning, Baurani refinery continues to remain closed. Import of kerosene has been stepped up for ensuring adequate availability of the product and all efforts are being made to maximise transportation of kerosene to the consuming locations. State Governments have been advised to ensure equitable distribution of the available supplies.

Statement

Allocation of Cement, Levy Sugar and Kerosene to Eastern States

States	Cement* (For the First Quarter from January 1980 to March 1980) (in tonnes)	Sugar 1980 to (in tonnes)	Levy** (Monthly quota of levy sugar in tonnes)	Kerosene (in tonne)	
				Jan. 1980	Feb. 1980.
1	2		3	4	5
1. West Bengal . . .	2,86,000		21,904	31,878	28,452
2. Bihar . . .	2,21,600		26,929	18,424	16,967

1	2	3	4	5
3. Orissa	77,400 +41,220 (Addl.)	10,723	5,667	8,323
4. Assam	44,000 10,000 (Addl.)	7,541	11,715	8,567
5. Tripura	11,000	759	987	440
6. Nagaland	11,000	340	305	400
7. Meghalaya	16,500	493	658	650
8. Manipur	11,000	524	576	432
9. Sikkim	11,000	107.5	413	426
10. Mizoram	6,000	171	185	100
11. Aurnachal Pradesh	13,000	223	110	286

*Allocation are made for each quarter.

**Allocations are made on monthly basis, monthly quota being the same for all months.

Indo-French agreement for starting Aluminium plant in Koraput

550. SHRI CHINTAMANI PANI-GRAHI: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether the Indo-French agreement to start the Alumina Plant in Koraput District in Orissa has taken shape by now;

(b) if so, when the construction work of this project is going to be undertaken; and

(c) whether the lead and zinc projects in Orissa are going to start work soon and if so, when?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) The Government of France has evinced keen interest in implementation of an alumina/aluminium complex in Orissa and has offered to put together a comprehensive financial package covering the cost of the project including the infrastructure. The package is awaited. A Memorandum of Understanding was signed in this regard between the Government of India and the Government of

France on 28th January, 1980. In pursuance of the Memorandum of Understanding, the Bharat Aluminium Company will shortly commence discussions on the terms and conditions of technical collaboration with M/s. Aluminium Pechiney of France.

(b) The feasibility Report on the project prepared by M/s. Aluminium Pechiney is presently under examination by the various appraisal agencies and the project will thereafter come up to Government for an investment decision.

(c) On 11th January, 1979, Government sanctioned the setting up of a project for exploitation of Sargipalli lead deposits in Orissa. Necessary steps are under way for the implementation of the project. No zinc deposit in Orissa has come to light so far.

Revision of Export Policy

551. SHRI JAI NARAIN: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that new Government in the Centre propose to

revise the existing export policy of the country; and

(b) if so, the details thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) & (b). The Export Policy is announced for each financial year April-March. The Export Policy for the next year i.e. April 1980-March 1981 is under formulation. It is not possible to give details of the Export Policy at this stage.

Measures to curb smuggling between India and Sri Lanka

552. SHRI AMARSING V. RATHAWA: Will the Minister of FINANCE be pleased to state; Measures taken by Government to curb smuggling between India and Sri Lanka?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): According to reports received by Government, smuggling between India and Sri Lanka is under check.

The measures taken by Government include strengthening of intelligence and preventive set up, providing the staff deployed on Anti-smuggling work with vehicles, vessels and other equipment so as to make them more effective, intensification of patrolling on the high seas and on the coast and wireless net-work coverage. Periodical conferences between senior Enforcement officers of India and Sri Lanka are also held to review and co-ordinate the anti-smuggling measures taken by the two countries to combat smuggling.

Investment in and return from public Sector

553. SHRI CHINTAMANI PANIGRAHI: Will the Minister of FINANCE be pleased to state:

(a) the total investment in the Public Sector at present in the country;

(b) what was the annual return from this investment in 1979-80; and;

(c) whether Government propose to adopt measures to improve this return and the measures thought of?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA):

(a) The total investment in Public Sector Enterprises of the Central Government at the end of March, 1979, by way of equity and loan was Rs. 15,602 crores. The capital employed which represents the net fixed assets plus current assets minus current liabilities in these enterprises was Rs. 14,173 crore.

(b) The annual accounts of public enterprises by and large, are finalised on financial year basis. The accounts for the year 1979-80 are not yet due. The percentage of gross profit to capital employed for the year 1978-79, for which information is available, was 7.59 per cent.

(c) Working of the public enterprises is constantly reviewed. Apart from performance review meetings held by the Secretaries of the administrative Ministries, a Committee at the Ministerial level has also been appointed to monitor availability of the infrastructural facilities like coal, power, transport, etc. to enable public enterprises to achieve better capacity utilisation, higher production and increased profitability.

Availability of funds to States from Small Saving Schemes

554. SHRIMATI GEETA MUKHERJEE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government are considering to revise the decision of the previous Government as regards the burden of repayment arising from the Small Savings Schemes;

(b) whether the Seventh Finance Commission's unanimous recommendation that 75 per cent of the funds

realised under different small savings schemes should be made available to States as permanent loans would continue to be ignored by this Government; and

(c) whether this was a conspicuous case where a unanimous recommendation of the Finance Commission has failed to receive Union Government's acceptance?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (c). The Seventh Finance Commission has not recommended that 75 per cent of the funds realized under different small savings schemes should be made available to the States as permanent loans.

The recommendation of the Commission is that the loans given to States for small savings, outstanding at the end of 31st March, 1979, may be consolidated and converted into 'loans in-perpetuity' and the States need not make any repayment on this account to the Centre. The Government of India did not accept the concept of 'loans-in-perpetuity'. In order, however, not to disturb the quantum of relief to the States in the repayment of Central loans, worked out by the Commission, the Government of India decided that the States need not make any repayment on account of Small savings loans outstanding as on 31st March, 1979, during the five years, from 1979-80, covered by the recommendations of the Commission.

There is no proposal before the Government to revise the above decision.

Development of Shirdi for Tourists and Pilgrims

555. SHRI BALASAHEB VIKHE PATIL: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether he has received any proposal from the Government of

Maharashtra to develop Shirdi (place of pilgrimage in District Ahmednagar) for facilities of tourists and pilgrims; and

(b) if so, the reaction of Government indicating details of the development contemplated and whether they are also considering to construct an airport at that place?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) No, Sir.

(b) Does not arise.

Bank loans to educated unemployed and uneducated artisans

556. SHRI BALASAHEB VIKHE PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether Government are thinking of revising the policy regarding banks giving loans to the educated unemployed young men as well as uneducated artisans in their traditional professions; and

(b) if so, what is the revised policy of Government to help the educated unemployed young men and artisans to enable them to stand on their own legs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) & (b). The target set for the public sector banks to lend a minimum of 33.3 per cent of their total advances to the priority sectors, which include educated unemployed youngmen and uneducated artisans, has been raised to 40 per cent. Banks have also been advised to pursue the Differential Rate of Interest Scheme with greater vigour. Under this Scheme, Government have now permitted banks to provide composite loans to eligible borrowers upto Rs 6,500/- which will help educated unemployed youngmen and uneducated artisans in productive activities.

Blackmarketeers and Hoarders of Essential Commodities apprehended in the Country

557. SHRI BALASAHEB VIKHE PATIL

SHRI JAI NARAIN:

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

(a) the number of blackmarketeers and hoarders of essential commodities such as foodgrains, sugar and edible oils etc. apprehended in each State after the present Government have taken over;

(b) the details of the items seized and the value thereof; and

(c) what action has been taken against the persons so apprehended and what stringent measures have been taken or proposed to be taken by Government to stop such anti-social activities?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) to (c). Information is being collected and will be placed on the table of the Sabha.

Loan of Kamani, Bombay written off by their Bankers

558. SHRI SATISH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether, as reported in the 'Blitz Weekly' of 23rd February, 1980, Rs. 2 crores loan of Kamani, Bombay, had been written off by their Bankers;

(b) if so, full details of the case; and

(c) action contemplated by Government in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE

(SHRI JAGANNATH PAHADIA):

(a) The Bank of India have reported that they have not written off any loans given to Kamani Tubes, as allegedly reported in the issue dated 23rd February, 1980 of the 'Blitz' Weekly.

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

Alleged transfer of huge sums to Foreign accounts by Kamani Brothers.

559. SHRI SATISH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that as reported in the *Blitz weekly* of February 23, 1980, the Kamani Brothers of Kamani Group of Industries, Bombay, are transferring huge sums to their foreign accounts;

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

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA):

(a) The article which appeared in the *Blitz* dated 23rd February, 1980 under the caption "Kamanis drag workers & public money in the ditch" has come to the notice of the Government.

(b) and (c). The Enforcement Directorate is making investigations into alleged illegal holding of assets by Kamani family outside India. On completion of investigations, if any violations are detected, appropriate action under Law will be taken.

पिछड़ा जिलों में दिए गए ऋणों पर बैंक दर

560. श्री कृष्ण चन्द्र पांडेय : क्या वित्त मंत्री वह बताने की कृपा करेंगे कि :

(क) देश में कौन से जिले पिछड़े समझे जाते हैं और उनके विकास के लिए वित्त मंत्रालय द्वारा क्या मुविधाएं दी जा रही हैं ;

(ख) क्या यह सच है कि बस्ती ग्रामिक दृष्टि से पिछड़ा जिला है; और

(ग) यदि हाँ, तो क्या सरकार का विचार कम बैंक दर पर ऋण दे कर व्यवसायिकी अन्य रूप में इस जिले को कोई रियायत देने का है ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहलुडिया) : (क) में (ग). उत्तर प्रदेश के जिला बस्ती सहित, देश के विभिन्न राज्यों/संघ राज्य क्षेत्रों के 246 जिलों/क्षेत्रों का औद्योगिक रूप से पिछड़ा हुआ निर्दिष्ट किया गया है। इन जिलों/क्षेत्रों में अवस्थित/अवस्थित किये जाने वाली औद्योगिक परियोजनाएँ अखिल भारतीय दीर्घकालीन ऋण प्रदान करने वाली संस्थाओं से 9.5 प्रतिशत वार्षिक की रियायतें ब्याज दर पर वित्तीय सहायता प्राप्त करने की पात्र हैं जब कि इन संस्थाओं की सामान्य ब्याज दर 11 प्रतिशत वार्षिक है। वित्तीय संस्थाओं द्वारा पिछड़े इलाकों में अवस्थित एककों को दी गई अन्य रियायतें, अधिक लम्बी प्रारम्भिक रियायती अवधि, अधिक लम्बी परिशोधन अवधि, बायदा प्रभारों (कमिटमेंट चार्जिज) आदि में कटौती के रूप में हैं। बस्ती जिले के औद्योगिक एकक भी इन रियायतों के हकदार हैं।

Operation of Third Airline with Small Aircraft

561. SHRI D. P. JADEJA;
SHRI AHMED M. PATEL:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any proposal to operate a third airline in the country with smaller aircraft;

(b) whether it will cover a particular area or it will operate throughout the country; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) to (c). The proposal to introduce Third Level Air Services in the country with suitable smaller aircraft is under active consideration of the Government. Details will be finalised after a decision is taken.

Import of Machinery and Equipment from German Democratic Republic

562. DR. SUBRAMANIAM SWAMY:
Will the Minister of COMMERCE AND CIVIL SUPPLIES lay a statement giving the following information:

(a) value of machinery and equipment imported from German Demo-

cratic Republic during 1976-77 and 1977-78 by the Public Sector and the Private Sector in India;

(b) total value of machinery and equipment imported from G.D.R. which has been reported to Government as being unserviceable or sub-standard or defective; and

(c) what safeguards Government are providing to ensure that the import of machinery from G.D.R. will be of the required quality standards at international prices?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Machinery and equipment worth Rs. 978 lakhs and Rs. 950 lakhs were imported from German Democratic Republic during 1976-77 and 1977-78 respectively.

(b) Government have not received any complaint about machinery imported from G.D.R. being unserviceable, sub-standard or defective.

(c) It is not considered necessary to provide any special safeguards as the Indian agencies which import machinery from G.D.R. ensure that such machinery is internationally competitive, quality-wise and price-wise.

Functioning of Flying Clubs at a standstill due to shortage of Aviation Fuel

564. SHRI N. E. HORO: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the shortage of aviation fuel has brought the functioning of flying clubs in the country to a standstill.

(b) whether it is also a fact that nearly 4,000 employees and 90 aircraft have been remaining idling since November last because of the non-availability of aviation fuel;

(c) if so, the details regarding the flying clubs in the country as well as the number of training programmes;

(d) whether Government realise that this has disturbed the training programme in a way that it would mean not only extra cost to the trainees, the clubs and the Government but also extra hours to obtain the solo and private pilot licences, and

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

THE MINISTER OF STATE FOR TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) to

(d). Yes, Sir. Due to shortage of aviation fuel functioning of flying clubs, which number 25, was totally disrupted during the period from November, 1979 to first week of February, 1980. There are 63 aircraft and 750 employees of the clubs who remained idle during this period. The flying clubs impart training for Private Pilot Licence, Commercial Pilot Licence and renewal thereof. No extra cost is involved to the Government. However, trainees may have to undergo additional flying.

(e) Steps are being taken to avoid recurrence of such a situation in future.

Goods alleged to belong to Golcha family of Jaipur

565. **SHRI VIJAY N. PATIL:**

SHRI R. L. P. VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether goods worth about Rs 2 crores are lying in Geneva under the control of the Receiver appointed by the Competent Court of Geneva;

(b) whether it is a fact that these goods are alleged to belong to Golcha family of Jaipur; and

(c) if so, what action the various Departments of the Government of India such as Income Tax Department, Customs Department, Foreign Exchange Enforcement Directorate etc., have taken against the persons involved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JAGANNATH PAHADIA): (a) and (b). There is information to indicate that precious stones belonging to Shri Hem Chand Golecha (not Golcha) of Jaipur are lying in the custody of the Curator (Receiver) in Switzerland under the directions of the Competent Court of that Country. The present market value of these goods is reported to be around U.S. \$2.5 million dollars.

(c) The Income-tax assessments of Shri Hem Chand Golecha for the assessment year 1977-78 has been reopened under Section 147 of the Income-tax Act, 1961, with a view to assess to tax the concealed income represented by the aforesaid assets lying in the custody of the Curator in Switzerland. An order under Section 281-B of the Income-tax Act, 1961 has also been passed by the Income-tax Officer with a view to attach the assets of Shri Golecha located in India.

The Enforcement Directorate and the Customs Department are making investigations into possible violations of the provisions of Foreign Exchange Regulation Act, 1973 and Customs Act, 1962.

Loans advanced by State Bank of India to individuals in rural areas

566. **SHRI VIJAY N. PATIL:** Will the Minister of FINANCE be pleased to state:

(a) what was the total amount of loan advanced by the State Bank of India during 1978-79 to individuals in rural area for purchase of bullock carts, bullocks etc., i.e. individual cases below Rs 10,000/- each particularly in the State of Maharashtra;

(b) how these figures compare with the loans advanced to similar applicants during 1976-77; and

(c) the reasons, for the shortfall, if any?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). The present data reporting system prescribed by the Reserve Bank of India does not provide for separate

figures for loans extended for purchase of bullock carts, bullocks or for individual loans below Rs. 10,000. However, particulars of term-loans

disbursed by the State Bank of India for purchase of plough animals for the years 1976-77 and 1978-79 are available and are given below:

Year	No. of Accounts	Amount disbursed	Rs. in lakhs	
			All India	Maharashtra
		Rs.		Rs.
1976-77	10,371	188.94	656	10.61
1978-79	28,198	519.09	1,415	42.30

(c) Does not arise.

Rise in the Prices of Essential Commodities

567. SHRI P. K. KODIYAN:
SHRI LAKSHMAN MALLICK;
SHRI EDUARDO FALIERO;
SHRI RAMAVATAR
SHASTRI:
SHRI CHANDRAJIT YADAV;
PROF. MADHU DANDAVATE:

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

(a) whether there has been a sharp rise in the prices of essential commodities in the past one year;

(b) whether the rise in prices of certain commodities like sugar, kerosene, diesel and edible oils had been particularly sharp in the past few months;

(c) if so, what are the reasons for this unprecedented rise in prices; and

(d) what steps have been taken to arrest the soaring prices?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The all commodities wholesale price index in February, 1980 was 23.3 per cent higher over February, 1979. The wholesale price indices of several essential commodities have gone up substantially over the year.

(b) Between November, 1979 and February, 1980 the wholesale price indices of kerosene, high speed diesel and low speed diesel remained steady, whilst the indices for sugar moved up by 28.4 per cent and that of edible oils by 14 per cent.

(c) Apart from the continuation of the general inflationary situation, the increase in the prices of some essential commodities during the past 3 months is due to teething troubles involved in the re-introduction of dual pricing in sugar, movement constraints, likely fall in the production of some agricultural commodities including oilseeds and seasonal factors.

(d) Efforts are being made to overcome infra-structural constraints and step up the movement of essential commodities and streamline their distribution. Efforts are also being made to increase their production and keep bank credit under check. The exports of meat have been banned. State Governments have been asked to enforce vigorously the Essential Commodities Act and similar enactments.

Target for export of Indian goods

568. SHRI P. K. KODIYAN: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) what was the target fixed for export of Indian goods in the current year;

(b) whether the target is likely to be achieved; and

(c) If not, the reasons therefor?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The target for exports in 1979-80 was to achieve a growth rate of 10 per cent.

(b) and (c). According to provisional data available so far, exports during the first three quarters of 1979-80 amounted to Rs. 4372 crores; an increase of 6.52 per cent over the revised figures of exports amounting to Rs. 4105 crores over the corresponding period last year. On present indications there is likelihood of some shortfall in exports during 1979-80 as compared to the target. The major reasons for this are shortage of power and other inputs for export production, transport difficulties, congestion at ports, rising prices, recessionary conditions in foreign markets and growing protectionism in developed countries.

Direct Air Service between Trivandrum and Delhi

569. **SHRI P. K. KODIYAN:**

SHRI G. M. BANATWALLA:

Will the Minister of **TOURISM AND CIVIL AVIATION** be pleased to state:

(a) whether the Kerala Government has requested the Centre to start a direct air service between Trivandrum and Delhi; and

(b) if so, what decision has been taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) No, Sir.

(b) Does not arise.

Shortfall in Steel Production

570. **SHRI P. K. KODIYAN:**

SHRI AMAR ROYPRADHAN:

Will the Minister of **STEEL AND MINES** be pleased to state:

(a) whether there is likely to be shortfall in steel production in the current year; and

(b) if so, what is the expected shortfall in production?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) The production at the six integrated steel plants during the current financial year 1979-80 is expected to be 8.065 million tonnes of ingots and 6.03 million tonnes of saleable steel as compared to 8.152 million tonnes of ingots and 6.591 million tonnes of saleable steel during the previous year 1978-79. The shortfall in the current years production as compared to the previous year is expected to be about 87 thousand tonnes of ingots and 561 thousand tonnes of saleable steel.

Rise in Prices of Edible Oils

571. **SHRI AHMED M. PATEL:** Will the Minister of **COMMERCE AND CIVIL SUPPLIES** be pleased to state:

(a) whether it is a fact that the prices of almost all the edible oils have gone up during the last three months;

(b) if so, the reasons therefor; and

(c) the steps taken by Government to control the prices of edible oils?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). During the period between November, 1979 and February, 1980, the wholesale price indices for mustard, coconut and gingelly oils moved up, whereas the indices for vanaspati, groundnut oil and kardi oil showed a downtrend during the same period. The rise in the price of some edible oils may be attributed to the likely fall in the production of certain oilseeds, movement constraints and seasonal factors.

(c) In order to bridge the gap between supply and demand, adequate quantities of edible oils are being imported. Imported edible oils are being supplied to the State Governments for sale to the consumers through the licensed fair price shops.

The State Governments have been requested to energise and reactivate the Public Distribution System in their respective territories. Moreover, STC had also undertaken market intervention in the past through commercial sale of edible oils from time to time at certain selected centres with a view to keep the prices in check. The Vanaspati industry is permitted to use as much as 95 per cent of its raw oils input for manufacture of vanaspati, through purchase of imported oils from the STC, so as to lessen the pressure of demand on the indigenous oils and make the latter available in greater quantities for direct consumption. The State Governments have also been told to strictly implement the provisions of Storage Control Order and to take action under law against any person who is found indulging in hoarding, profiteering etc.

Gold auctioned by Reserve Bank of India

572. SHRI KRISHNA PRATAP

SINGH:

SHRI K. MALLANNA:

Will the Minister of FINANCE be pleased to state:

(a) the total quantity of gold auctioned by the Reserve Bank of India during the Janata regime;

(b) the names of parties to whom the gold was sold and the quantity of gold sold to each party and the rate at which sold;

(c) whether a Committee under the chairmanship of the Reserve Bank Governor was appointed to look into the whole question of gold auction and suggest further action; and

(d) whether the said Committee has since submitted its report and if so, the salient features of the suggestions and/or recommendations made by the Committee?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) In the 14 auctions conducted by the Reserve Bank of

India from 3rd May, 1978 to 23rd October, 1978, a quantity of 12.956 tonnes of gold was sold.

(b) The Reserve Bank of India conducted sales of gold from Government stocks at fortnightly intervals from May to October, 1978 by auction by tender system. Licensed gold dealers, certified goldsmiths in groups of not more than five, cooperative societies of goldsmiths holding valid licence to deal in gold were allowed to bid in the gold auctions.

Out of a total of 18,316 valid bids received in the auctions, 8,577 bids were accepted. Lists containing names and addresses of the successful bidders, quantity of gold sold and the price at which gold was sold were published by the Reserve Bank of India in their Notice Board at the end of each auction. Copies of all these lists have been placed in the Parliament Library for perusal of Hon'ble Members.

(c) and (d). Soon after the suspension of gold auctions in October, 1978 a committee under the Chairmanship of the Governor, Reserve Bank of India was appointed to review the gold policy in all its aspects. The Committee has since submitted its report. The recommendations of the committee will be made known after the Government have examined them.

उत्तर प्रदेश में लोहे के मूल्य में वृद्धि

573. श्री राम लाल राही : क्या इस्पात और खान मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या उत्तर प्रदेश में लोहे के निर्यातित मूल्य को तलना में इसके मूल्य में भारी वृद्धि हुई है; और

(ख) यदि हाँ तो इसके मूल्य को नियंत्रित करने के लिए सरकार द्वारा क्या कार्रवाई की गई है ?

काणिज्य तथा वाणिज्यिक पट्टा तथा इस्पात और खान मंत्री (श्री प्रणव मुखर्जी) : (क) तथा (ख). सम्भवतया माननीय सदस्य का संकेत कच्चे लोहे की ओर है। उत्तर प्रदेश में खले बाजार में कच्चे लोहे के प्रवर्तमान मूल्य मुख्य उत्पादकों के स्टाकयार्ड मूल्यों से, जो सारे देश में एक समान हैं, प्रायः अधिक बताए जाते हैं। अधिकोश मांग की वृत्ति मुख्य उत्पादकों द्वारा निश्चित मूल्य पर की जाती है।

बुले बाजार के मूल्य स्थान-स्थान तथा समय-समय पर भ्रमण-भ्रमण होते हैं जो कई बातों पर निर्भर करते हैं।

(ग) स्टील प्रचारिटी, ग्राफ इंडिया लि० अपने कारखानों में कच्चे लोहे का उत्पादन बढ़ाने के लिए कई ठोस कदम उठा रही है। कोककर कोयले की मात्रा तथा क्वालिटी दोनों की दृष्टि से अपर्याप्त सप्लाई के कारण मई-सितम्बर, 1979 तथा फरवरी, 1980 में उत्पादन पर काफी प्रभाव पड़ा है। कच्चे लोहे के निर्यात पर रोक लगा दी गई है। इलाई कारखानों को कच्चे माल की उपलब्धि बढ़ाने के लिए मेटर-स्क्रैप ट्रेड कारपोरेशन की मार्फत इलवे लोहे का स्क्रैप भी दिया जा रहा है, जो कच्चे लोहे की जगह इस्तेमाल किया जाता है। जिन लोगों को इसका आवंटन किया गया हो उनके द्वारा इसके दुरुपयोग को रोकने के लिए इसके अन्ततः उपयोग पर पुनः पाबन्दी लगा दी गई है। किसी भी व्यक्ति द्वारा इसका उल्लंघन करने पर लोहा तथा इस्पात नियंत्रण आदेश तथा आवश्यक वस्तु अधिनियम के उपबन्धों के अन्तर्गत कार्यवाही की जाएगी।

राष्ट्रीयकृत बैंकों में प्रबन्धकों तथा अन्य पदों के लिए अनुसूचित जातियों तथा अनुसूचित जनजातियों के लिए आरक्षण नीति

अनुसूचित जाति

वर्ष	अधिकारी	लिपिक	अधीन कर्मचारी
1976	125	3378	981
1977	299	3858	1721
1978	479	4842	1863
1979*	154	2569	1594

* आंकड़े अन्तिम हैं।

Retail Price of Sugar

576. SHRI JYOTIRMOY BOSU;
SHRI SUBHASH CHANDRA
BOSE ALLURI:

With the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) What was the retail price of sugar on the 10th January, 1980; and

(b) what is the present retail price of sugar?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MU-

574. श्री राज लाल राही : क्या बिजली मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या ग्रामीण तथा नगरीय क्षेत्रों में राष्ट्रीयकृत बैंकों की नई शाखाओं में प्रबन्धकों के तथा अन्य रिक्त पदों के लिए अनुसूचित जातियों तथा अनुसूचित जनजातियों से सम्बन्धित व्यक्तियों की भर्ती के मामले में आरक्षण नीति का अनुसरण किया जा रहा है; और

(ख) यदि हां, तो वर्ष 1976-77 से 1978-79 तक की अवधि में अनुसूचित जातियों तथा अनुसूचित जनजातियों से सम्बन्धित कितने व्यक्तियों को, पदनाम-वार नियुक्त किया गया ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) राष्ट्रीयकृत बैंकों में अधिकारियों लिपिकों और अधीनस्थ कर्मचारियों जैसे सभी वर्ग के कर्मचारियों की नियुक्ति में अनुसूचित जातियों/जनजातियों के लिए आरक्षण की नीति का पालन किया जा रहा है।

(ख) : इस अवधि के सम्बन्धित आंकड़े नीचे दिये जा रहे हैं :-

अनुसूचित जनजाति

अधिकारी	लिपिक	अधीन कर्मचारी
25	672	183
38	617	288
75	845	336
84	580	430

KHERJEE): (a) and (b). Information is given below:

Retail Price of Sugar

Retail Prices (Per kg.) as on

City	Price	Price
Madras	4.60	6.15*
Bombay	4.60	6.20*
Bangalore	4.60	6.15*
Calcutta	4.50	6.20*

*Prices as on 7-3-1980

Export of Cement and Sugar

577. SHRI JYOTIRMOY BOSU: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether very scarce items like cement, sugar etc. are still being allowed to be exported; and

(b) details of export in quantity and value between 1971-79?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Export of cement is not permitted since mid 1977 except

for small quantities to Nepal and Bhutan. Some quantities were allowed to be exported to fulfil unavoidable past commitments.

Sugar has been allowed to be exported through the State Trading Corporation and quantities are fixed after taking into consideration the domestic availability and the obligations under the International Sugar Agreement. So far no decision has been taken regarding the total quantity of sugar to be exported this year.

(b) Export of Cement and Sugar between 1971-79 has been as follows:—

(Qty. in '000 tonnes,
Value in Rs. lakhs)

Year	Cement		Sugar	
	Qty.	Value	Qty.	Value
1971-72	196.6	260	316.7	3020
1972-73	316.8	503	101.8	1327
1973-74	160.7	252	252.5	4269
1974-75	301.8	858	694.8	33901
1975-76	386.3	1423	1201.2	47233
1976-77	871.6	2905	580.4	14812
1977-78	338.7	1233	69.7	1947
1978-79	50.8	208	738.0	13192

Import of Salt

578. SHRI JYOTIRMOY BOSU:

Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state the value of the salt imported between 1972-77?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): A statement is enclosed.

Statement

Import of salt (a)

Year	Value (Rs. lakhs)
1971-72.	4.17
1972-73.	3.94

Year (Value Rs. lakhs)

1973-74.	10.92
1974-75.	5.47
1975-76.	6.80
1976-77.	3.99
1977-78(b)	13.48

NB: (a) Salt includes salt put up for retail sale, salt liquors and sea water.

(b) Figures for 1977-78 are in respect of "Common salt (including rock salt, sea salt and table salt), pure Sodium chloride, salt liquors, sea water".

Expenditure on Interest and Debt Servicing from Export Earnings

579. SHRI JYOTIRMOY BOSU: Will the Minister of FINANCE be pleased to state:

(a) what percentage of our export earnings are spent on interest and debt servicing and other connected accounts (figures for the last 3 years and this year);

(b) how much is the anticipated/estimated figure needed for importation of crude and other petroleum products (figure for last 3 years and this year); and

(c) how much is the anticipated/estimated figures for importation of edible oil?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) The percentage of total debt service payments to India's exports was 14.7 per cent in 1976-77, 15.2 per cent in 1977-78 and 15.4 per cent in 1978-79. During 1979-80, it is estimated that the debt service payments would account for about 14.1 per cent of the total exports.

(b) The imports of crude oil and petroleum products amounted to Rs. 1417.04 crores in 1976-77, Rs. 1551.54 crores in 1977-78 and Rs. 1681.16 crores in 1978-79. It is estimated that the value of imports of crude oil and petroleum products in 1979-80 would be about Rs. 3712.11 crores.

(c) The import of edible oils during 1979-80 is estimated at Rs. 700 crores.

Setting up of Weather Monitoring System

580. SHRI K. PRADHANI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any plan under the consideration of Government for setting up more weather monitoring stations in remote and inaccessible areas to improve the warning system against natural disasters; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON)

(a) & (b). Yes, Sir.

Under the Meteorological Applications Programme of the Indian National Satellite (INSAT) expected to be launched in 1981, it is proposed to establish a number of automated weather stations called Data Collection Platforms (DCPs) in remote and inaccessible areas over land, within the country, in a phased manner. The Data Collection Platforms would record weather observations over the area in which it is situated and would transmit its observations to the Satellite, which in turn, would transmit the data from these stations to a Meteorological Data Utilisation Centre in New Delhi. Data from these stations will help Meteorologists to monitor the movement of adverse weather systems over remote and inaccessible regions.

Tourism Infrastructure in Golden Triangle of Bhubaneswar-Puri-Konarak

581. SHRI K. PRADHANI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether there is any proposal under the consideration of Government to develop the tourism infrastructure in the golden triangle of Bhubaneswar-Puri-Konarak and other groups of tourists spots in the country to boost both foreign and inland tourists traffic in the country; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON)

(a) and (b). A number of measures have taken to develop the tourist infrastructure in the golden triangle of Bhubaneswar-Puri-Konark. A 46-bed youth hostel has been constructed at Puri to promote youth travel, the Travellers Lodge at Bhubaneswar has

been extended by adding a block of 26 double rooms thereby increasing its bed capacity to 76. It has been renamed Hotel Kalinga Ashok. A master plan (land-use plan) of Konark has been prepared for ensuring a regulated growth of facilities as also for preserving the environmental characteristics of the place. Comments of the State Government on the master plan are awaited. As soon as the master plan is approved and finalised, responsibility for the development of facilities will be assigned to the concerned agencies. In addition the Department of Tourism has provided a motor launch for viewing birds on the Chilka Lake.

Future proposals include the construction of a forest lodge at Simlipal National Park, and the expansion of the Travellers Lodge at Konark and construction of a hotel at Puri by the India Tourism Development Corporation.

Some of the other groups of tourist centres being considered for the development of tourist infrastructural facilities are—the Buddhist pilgrim circuit of Bodhgaya-Rajgir-Nallanda-Kushinagar-Sravasti, South India travel circuit of Madras-Mahabalipuram-Madurai-Trivandrum/ Kovalam-Bangalore-Mysore, Agra-Fatehpur Sikri-Bharatpur-Brajbhoomi, the desert triangle of Jodhpur-Bikaner-Jaisalmer, trekking in the trans-Himalayan region and Badami-Pattadakal-Aihole-Hampi

Closure of Tea Gardens in Darjeeling and Jalpaiguri

582. SHRI AMAR ROY PRADHAN: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that some tea gardens have been closed in Darjeeling and Jalpaiguri District in West Bengal; and

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

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). According to

the available information, three tea estates, namely, Upper Fagu, Pandam, and Mohan Majhua in the district of Darjeeling, West Bengal are closed at present.

Fall in Foreign Exchange Reserves

583. SHRI AMAR ROYPRADHAN:
SHRI JANARDHANA
POOJARI:
SHRI CHITTA MAHATA:
SHRI JITENDRA PRASHAD:

Will the Minister of FINANCE be pleased to state the reasons for the fall in foreign exchange reserves in the country and reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): The changes in foreign exchange reserves are the net outcome of India's transactions with other countries, the details of which would become available only with the compilation of balance of payments statistics by the Reserve Bank of India.

2. The broad indications, however, are that the modest decline in foreign exchange reserves (excluding Gold and Special Drawing Rights) over the past few months was due mainly to the larger trade deficit brought about, on the one hand, by the sluggish growth in exports and, on the other, by the substantial increase in the import bill as a result of large imports of intermediates and raw materials, items of mass consumption like edible oils and abnormal increase in the international prices of crude oil and petroleum products, fertilizers, non-ferrous metals etc.

3. It is the deliberate policy of the Government to utilise foreign exchange reserves for promoting the overall growth of the economy with reasonable price stability. The substantial increase in the import bill was partly due to external factors like the steep increase in the international prices of crude oil, petroleum products, fertilizers, etc. Concerted steps are proposed to be taken to improve the performance of major sectors like coal,

steel, power etc. and general infrastructure in the country. Steps are also proposed to be taken to step up export performance in several sectors.

Economic Imbalance in the Country

584. **SHRI K. LAKKAPPA:** Will the Minister of FINANCE be pleased to state:

(a) to what extent, the economic imbalance created by the previous Government has affected in the country resulting in rising prices, shortages of essential commodities together with stagnation of economic growth; and

(b) what are the remedial measures, the present Government are taking in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) The present imbalances in the economy which have resulted in rising prices, stagnation in production and shortages of essential commodities are partly due to inappropriate policies and ineffective management of the previous government and partly due to other factors such as severe drought in the country and sharp increase in import prices of key items like petroleum and petroleum products. It is not possible to separately assess the affect of different factors.

(b) The present Government are determined to tackle the price situation by

- (i) increasing production and supplies;
- (ii) better supply and demand management;
- (iii) restraining expansion in money supply and bank credit;
- (iv) strengthening infrastructural facilities;
- (v) streamlining of distribution arrangements and effective enforcement of existing legislation.

Prevention of Parallel Economy Built by Economic Offenders

585. **SHRI K. LAKKAPPA:** Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry is considering more punitive action against economic offenders including bringing them within the corner of special courts in order to prevent parallel economy built by economic offenders in the country for the last two and half years; and

(b) if so, what are the special changes in the existing system of laws operating through his Ministry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). The Government intends to take stringent action against economic offenders, such as smugglers, foreign exchange racketeers and tax evaders. To hasten the trial of economic offences, the Government is vigorously pursuing with the State Governments, a proposal to ear-mark some courts or to set up additional courts wherever necessary for exclusively dealing with economic offences covered by certain specified Central Acts.

To curb smuggling, anti-smuggling measures have been intensified at all vulnerable areas including Airports, Coastal areas and Land borders. Wireless communication facilities have been provided along the West Coast and Indo-Pak border. Special Intelligence Units have been set up at the Airports of Bombay and Delhi and in the Bombay docks.

To curb evasion of taxes, the provisions relating to prosecution for tax offences under the Direct Taxes Laws were tightened up by the Taxation Laws (Amendment) Act, 1975 so as to be really deterrent. Commissioners of Income-tax are being advised to make more vigorous use of these new provisions and to ensure that prosecutions are launched in all cases, where having regard to the magnitude of the evasion, such prosecution is warranted.

Other economic offenders will also be dealt with sternly under the laws of the land and such changes in the existing structure of law as are called for by changing circumstances, will be implemented.

Penalty imposed on M/s. Mohan Meakin Breweries for production of Carbondioxide Gas

586. SHRI K. LAKKAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that M/s. Mohan Meakin Breweries and its allied concerns were imposed penalty charges to the tune of two crores of rupees in connection with the production of carbondioxide gas;

(b) if so, the facts thereof;

(c) whether these penalty charges have been dropped by the earlier Government and if so, reasons therefor; and

(d) who is responsible for passing these orders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) A penalty of Rs. 1 crore was imposed on M/s. Mohan Meakin Breweries Ltd. and a fine of Rs. 50 lakhs was fixed by the Collector of Central Excise, Kanpur, in lieu of confiscation of their plant and machinery etc. under Rule 173-Q of the Central Excise Rules, 1944. Central Excise duty amounting to Rs. 27,79,799.87p was also demanded from them, in connection with the production and removal of carbondioxide gas by them allegedly in violation of Central Excise Law.

(b) They were held to have manufactured and cleared over 27,40,499.48 Kg. of carbondioxide gas in their factory during the period from 1st November, 1972 to 27th October, 1977 for use in the manufacture of beer in their factory in violation of Central Excise Law and without payment of Central Excise duty chargeable thereon under Item 14-H of Central Excise Tariff.

(c) No, Sir. As mentioned in the reply to (a) above, the Collector of Central Excise, Kanpur, held the charges as established and passed an order accordingly. An appeal against the Collector's order imposing fine and penalty and demanding duty is under consideration of the Central Board of Excise and Customs. Hearing of the appeal by a Bench of the Board comprising three Members is already over and the appeal is expected to be decided shortly.

(d) Does not arise.

Complaints made by Members of Parliament regarding M/s. Khas Kajoia Coal Co. Ltd., Calcutta

587. SHRI K. LAKKAPPA: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry has received complaints from some Members of Parliament regarding cheating of Government to the tune of Rs. 2.25,000 by M/s. Khas Kajoia Coal Co. Ltd., Calcutta, in connivance with Shri J. P. Sanghal, the Agent of Calcutta Branch of Hindustan Commercial Bank Limited;

(b) if so, the nature of the complaints and full facts of the case; and

(c) what action Government propose to take to recover the said amount and against the persons found guilty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) No complaint from a Member of Parliament appears to have been received by Government. However, an un-signed complaint purported to be on behalf of the share-holders and account-holders of the Hindustan Commercial Bank Limited was received in the end of March 1979. Subsequently notices were also received for questions in the Lok Sabha in July 1979.

(b) and (c). The complaint alleged that in collusion with bank officials the Management of Khas Kajoia Coal Company Limited fraudulently transferred

a sum of Rs. 2.25 lakhs from the Bank's account to a newly opened account of Messrs Joylall Hargul subsequent to the taking over of the Coal Companies by the Central Government w.e.f. 31-1-73 and back-dated the entry of transfer to 30-1-73. Enquiries conducted by the management of Hindustan Commercial Bank Limited did not conclusively establish as to whether the transfer entries were made after the close of business on 30-1-73 or on 31-1-73 in a back date. The Bank's Board of Directors, therefore, absolved the concerned officer of the charge of manipulating records.

The matter was investigated by the Reserve Bank, who came to the conclusion that there is a *prima facie* suspicion about falsification of accounts. The matter was also referred to the CBI who have advised that the available evidence did not disclose the commission of any cognizable offence for CBI to register a case and take up investigation.

Although the order prohibiting withdrawal was later rescinded by Government and therefore the bank did not suffer a loss, the suspicion still exists regarding falsification of account by the bank officials. The Reserve Bank is, therefore, advising the Hindustan Commercial Bank Limited to take a decision about filing criminal proceedings against Shri Sanghal, the then Agent of the Bank's branch after consulting its legal advisers and on the basis of the Bank's Chairman's report and subject to proper evidence being available.

Demand of Indian diesel engines in Australian Market

588. SHRI K. MALLANNA: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether there is any demand for Indian diesel engines in the Australian market;

(b) if so, the details regarding the design and type of the engines are required; and

(c) whether any study has also been made in this regard and if so, the details regarding the suggestions and the modifications required for achieving the desired results?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir. India's exports of diesel engines and parts to Australia were of the order of Rs. 31.85 lakhs in 1976-77 and Rs. 44.85 lakhs in 1977-78.

(b) The types of engines required in the Australian market are Stationary Diesel Engines required to drive pump sets, generator sets and for general use. Marine Diesel Engines ranging from 5 to 80 IIP within a range of 1500 to 2800 RPM, and Slow Speed Lister-type Stationary Engines.

(c) Yes, Sir. A study was conducted by the Trade Development Authority in May 1979 covering the market conditions and requirements for diesel engines in Australia *vis-a-vis* the Indian Diesel Industry. The main recommendation of the study are that the engines should be made suitable for continuous running and should have speed governing, half-speed and alternative drives, self-starting and automatic shut down mechanisms, fly-wheel housing, jackshaft drive arrangement, flexible coupling etc., the creation of capacity for the production of high speed compact engines of about 50 HP and 6 HP, better packaging of the engines and preparation of comprehensive catalogues and service manuals by the engine manufacturers.

सान्ताक्रुज हवाई अड्डे पर अक्टूबर, 1979 में आग लगने की घटना

590. श्री निहालसिंह : क्या पर्यटन और नागर विमानन मंत्री यह बताने की कृपा करेंगे कि सान्ताक्रुज हवाई अड्डे पर अक्टूबर, 1979 में किन कारणों से आग लगी और उसमें जान व माल की कितनी हानि हुई तथा उसकी क्षतिपूर्ति किस प्रकार की गई ?

पर्यटन और नागर विमानन मंत्रालय में राज्य मंत्री (श्री कालिका उर्फा) : आग अन्तर्राष्ट्रीय विमानपत्तन प्राधिकरण द्वारा आग के कारणों

का पता लगाने के लिए स्थापित की गई समिति ने सूचित किया है कि आग लगने का संभावित कारण विमान क्षेत्र के अन्तर्राष्ट्रीय डिपार्चर हाल के 'वैबर मेकिंग रुम' में किए जा रहे डैलिङग के कार्य से निकलती हुई बिगारिया थी। आग इस कमरे से वायु वाहिनियों (Air ducts) तथा इन्लिन छतों (False Ceilings) से होती हुई अन्य प्रभावित क्षेत्रों तक फैल गई। बम्बई पुलिस मामले की और जांच कर रही है।

आग के परिणामस्वरूप निकले अत्यधिक धने हुए के कारण दम घूट जाने से एक भारतीय राष्ट्रिकता वाली महिला तथा अमरीकी राष्ट्रिकता वाली उसकी दो छोटी (अवयस्क) लड़कियों की मृत्यु हो गयी।

भारत अन्तर्राष्ट्रीय विमानपत्तन प्राधिकरण की सम्पत्ति को आग लगने के परिणामस्वरूप हुई अनुमानित क्षति लगभग 21 लाख रुपये है। तीसरी पाटियों से अब तक 2.85 लाख रुपये से अधिक के 23 दावे प्राप्त हो चुके हैं और उन पर प्राधिकरण विचार कर रहा है। भारत अन्तर्राष्ट्रीय विमानपत्तन प्राधिकरण ने जनरल डायरेक्ट कार्पोरेशन द्वारा "थर्ड पार्टी इश्योरेंस" करवाया हुआ था।

Deploying of surplus staff by H.S.C.L. in Middle East

591. SHRI SAMAR MUKHERJEE: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that HSCL has secured some jobs in the Middle East;

(b) whether it is also a fact that there are large number of surplus staff with the various units of HSCL;

(c) if so, whether the HSCL is thinking of deploying these surplus staff to the Middle East; and

(d) if not, the reasons for the same?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Yes, Sir.

(c) and (d). The surplus in Hindustan Steelworks Construction Limited (HSCL) is mainly in the category of structural and equipment erection workers, while the only project on which

HSCL is engaged at present in the Middle East relates to the civil construction of Water Research Centre in Iraq. Therefore, the scope for absorption of surplus labour in the Middle East is very limited. However, to the extent possible, HSCL is making efforts to do so by reorientation of the existing labour as well as deputation of departmental labour for maintenance and operation of some equipment.

Increase in price of Sugar sold by Super Bazar

592 SHRI SAMAR MUKHERJEE: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether the attention of Government has been drawn to the sudden increase in the price of sugar being sold by Super Bazar and its Branches in New Delhi since second week of February;

(b) if so, the reasons for this price rise; and

(c) steps taken by Government to reduce the price thereof?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). The retail prices at which Super Bazar and its branches sell sugar to consumers depend on the trend of wholesale prices at which they are able to purchase levy-free sugar. In view of the rise in the wholesale prices of sugar in February, 1980, the Super Bazar had to increase its retail prices.

(c) Efforts are being made to overcome infra-structural constraints and step up the movement of sugar and improve its distribution. The quota of levy sugar, allocated to Union Territory of Delhi, is being distributed to the card-holders at fixed prices. Raids with a view to detecting the cases of hoarding and blackmarketing are also being conducted by Delhi Administration.

Reaction of Government to the suggestion made by an economist

593. SHRIMATI MOHSINA KID-WAI: Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to the suggestion made by Dr. P. A. Brahmananda, an economist appearing in the 'Hindustan Times' dated the 15th February, 1980 that financial emergency be declared by Government to acquire powers to bring down prices; and

(b) if so, reaction of the Government with regard thereto:

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). Government views with concern the sharp increase in prices that has taken place during the current financial year, and is taking necessary measures to deal with the situation. Government is equipped with adequate powers under the existing statutes such as Essential Supplies Act, Anti-Black marketing and Maintenance of Essential Supplies Act etc. to tackle the price situation without declaring a financial emergency under Article 360 of the Constitution.

Import of Texturing (Crimping) Machines

594. KUMARI KAMLA KUMARI: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) the number and value of Texturing (Crimping) Machines, the import of which was permitted under the foreign exchange remitted by non-resident Indians scheme and the number of those actually imported and the names of the parties importing them;

(b) whether earlier representations were made against such imports, which tended to ruin the indigenous industry

and, if so, Government's reaction thereto;

(c) whether the previous Government despite all such representations allowed the import of such machinery;

(d) whether fresh representations have been made, after the present Government took over, to ban all such imports which were not only suicidal to the indigenous industry but also likely to result in unemployment of thousands of workers engaged in it; and

(e) if so, Government's reaction thereto?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) During 1978-79, licences had been issued in 4 cases for import of 22 second-hand texturising machines valued at Rs. 43.50 lakhs, under the scheme providing for import facilities to non-resident Indians returning home for settlement. A statement showing the names of the parties and other particulars is attached. It is not known whether actual imports have taken place in these cases as particulars of firm-wise imports are not maintained. No licence for import of these machines under this scheme has been issued so far during 1979-80.

(b) to (e). Representations were received from the indigenous industry both before and after the new Government took over in January, 1980, to the effect that import of these machines will adversely affect the indigenous industry producing these machines. It has been decided that no mid-term change of policy should be made. The matter will be reviewed in the context of the policy for the next year and a decision will be taken on a balance of considerations of affording legitimate protection to indigenous industry and giving facilities to non-resident Indians returning home for settlement.

Statement

S.No.	Name of the licensee	Quantity	CIF Value
1	Mr. Gopaldas H. Savlani, Bombay	Six Nos. Second hand Double Heater Draw Texturising Machines.	Rs. 14,40,000
2	Mr. Deepa V. Tewani, Bombay	Five Nos. Second hand Draw Texturising Machines.	Rs. 9,80,000
3	Mr. Lachmandas H. Sharma, Bombay	Five Nos. Second hand yarn Texturising Machines and one Unit Second hand Yarn dyeing Plant with muf and coneing Machine.	Rs. 9,50,000
4	Mr. Chandar H. Sharma, Bombay	Six Nos. Second hand Texturising Machines attached with POY Draw Texturising equipment.	Rs. 9,80,000
TOTAL CIF			Rs. 43,50,000

New cities to be covered by I.A. service routes

595. KUMARI KAMLA KUMARI: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) the number of new cities to be covered under the Indian Airlines service routes in the country and abroad in details; and

(b) the number of new aircraft to be purchased in the year 1980-81 by the Air-India and Indian Airlines?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) At present Indian Airlines has no plans to introduce air service to any new city.

(b) The following new aircraft are due for delivery during 1980-81 in the case of Air-India and Indian Airlines: Air-India

Air-India

Boeing-747 One

Indian Airlines

Airbus Two

Boeing-737 Six

राष्ट्रीयकृत बैंकों से किसानों को ऋण देने की योजना

596 श्री रामावतार शास्त्री क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि सरकार ने राष्ट्रीयकृत बैंकों से किसानों को ऋण देने के लिए एक योजना बनाई है, और

(ख) यदि हा, तो उससे राज्यवार कितने किसान लाभान्वित होंगे ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) (क) जी, हा। 14 प्रमुख बैंकों के राष्ट्रीयकरण के पश्चात् विशेष नियंत्रण लागू होने से, बैंकों को कृषि सम्बन्धी ऋणों में अन्तर्प्रस्तुता हर वर्ष बढ़ ही रही है। बैंक ग्रामीण इलाकों के लोगों की भलाई के लिए सरकार कृषि पुनर्वित्त और विकास निगम तथा लघु कृषक विकास अधिकरण, सूखे वाले क्षेत्रों के कार्यक्रम, कमाड क्षेत्र विकास कार्यक्रम, हाल ही में शुरू किये गये समेकित ग्रामीण विकास कार्यक्रम आदि जैसे अन्तर् अभिकरणों द्वारा बनाई गई योजनाओं में भाग लेते हैं और इस प्रयोजन के लिए बहुत सी योजनाएँ स्वयं भी बनाते और उन्हें लागू करते हैं।

(ख) दिसम्बर, 1978 के अन्त की स्थिति के अनुसार सरकारी क्षेत्र के बैंकों द्वारा कृषि को दिए

मैंने मस्यदा जहाजों के जहाज खातों की (ताजा उपलब्ध)
राज्यवार संख्या नीचे दी गई है :—

राज्य	खातों की संख्या
1 उत्तरी क्षेत्र	478159
1. हरियाणा	91628
2. हिमाचल प्रदेश	52043
3. जम्मू एवं काश्मीर	14516
4. पंजाब	155976
5. राजस्थान	151718
6. चंडीगढ़	541
7. बिस्ली	11737
2. उत्तर-पूर्वी क्षेत्र	57144
1. झारखण्ड	27256
2. मणिपुर	2948
3. मेघालय	4991
4. नागालैण्ड	590
5. सिक्किम	21177
6. अरुणाचल प्रदेश	102
7. मिजोरम	80
8. त्रिपुरा	.
3. दूरी क्षेत्र	872914
1. बिहार	304284
2. उड़ीसा	212026
3. पश्चिम बंगाल	356143
4. अण्डमान और निकोबार द्वीप समूह	461
4. केन्द्रीय क्षेत्र	876177
1. मध्य प्रदेश	233598
2. उत्तर प्रदेश	642579
5. पश्चिमी क्षेत्र	571762
1. गुजरात	212428
2. महाराष्ट्र	333163
3. गोवा, दमन एवं दीव	25947
4. दादर एवं नागर हवेली	224

6. दक्षिणी क्षेत्र	2577801
1. आन्ध्र प्रदेश	753623
2. कर्नाटक	503674
3. केरल	387490
4. तमिलनाडु	894776
5. पांडिचेरी	37327
6. लक्षद्वीप	111

Introduction of third pilot system in India

597. SHRI RAMAVATAR SHASTRI:
Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) is it a fact that there are about 500 Unemployed Commercial Pilots;

(b) is it a fact that Air India demanded trained Commercial Pilots from Indian Airlines, if so, when and with what results;

(c) is it a fact that most of the Foreign Airlines having similar types of aircraft as Air India has, have already introduced third pilot, if so, whether Government propose to introduce the same third pilot system in India, if not, the reasons therefor; and

(d) whether Government is ready to release the Indian Airlines pilots to Air India, so that the Unemployed Commercial Pilots could get opportunity to be employed in their place, if so, when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) According to records as on 1-2-1980, there are about 162 Unemployed Pilots holding current Commercial Pilots Licence.

(b) Air India requested Indian Airlines in June and November, 1978 and in April, October and November, 1979 for pilots but the latter could not release pilots to the former due to their own expansion programme.

(c) No airline carries the third pilot in addition to the three flight crew namely Commander, Co-pilot and

Flight Engineer. The Flight Engineer could be a Pilot, trained Flight Engineer or Specialist Flight Engineer. The practice differs from airline to airline in this regard. Air India has not adopted the third pilot system.

(d) For the present it is difficult for Indian Airlines to release its pilots due to multi-fleet operational necessities.

प्रशासन में कार्यरत कर्मचारियों के बतन याता
भत्त तथा महंगाई भत्त पर खर्च किये गये बजट
का प्रतिपाद

598. श्री मूल अन्व डागा : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) प्रशासन में कार्यरत कर्मचारियों के वेतन यात्रा भत्ते तथा महंगाई भत्ते आदि पर खर्च की गई राशि कुल बजट का कितने प्रतिशत है और यह राशि कितने कर्मचारियों पर खर्च की गई; और

(ख) क्या मंत्रालय ने इस तथ्य की जांच की है कि इस संदर्भ में खर्च की गई राशि ग़ौर-शक्ति का उचित उपयोग हुआ है ?

बित्त मन्त्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) 31 मार्च, 1979 की स्थिति के अनुसार केन्द्रीय सरकार में नियमित कर्मचारियों की संख्या का अनुमान लगभग 32 लाख है जिसमें सशस्त्र सेना के कार्मिक तथा संघ राज्य क्षेत्रों के कर्मचारी शामिल नहीं हैं। प्रशासन में व्यवसायवार तकनीकी, वैज्ञानिक चिकित्सा, वर्कशॉप आदि से निम्न काम कर रहे कर्मचारियों की संख्या के बारे में कोई सूचना उपलब्ध नहीं है। व्यवसायवार कर्मचारियों पर वेतन, यात्रा-भत्ते, महंगाई भत्ते आदि पर हुए व्यय के बारे में भी कोई सूचना उपलब्ध नहीं है। फिर भी केन्द्रीय सरकार के अमेनिक कर्मचारियों के वेतन तथा भत्तों पर कुल व्यय तथा सरकार के कुल बजट में इसके प्रतिजन के बारे में सूचना एकत्रित की जा रही है और यथासंभव शीघ्र सभा पटल पर रख दी जाएगी।

(क) कर्मचारियों की स्वीकृति जिन मान-कीर्तियों के माध्यम से दी जाती है। संवत्सरीय द्वारा सभी का सहज प्रतिक्रिया मिलाने के माध्यम से काम को जारी रखने के लिए इन मान-कीर्तियों के उपयोग करना है और जब प्रभाव नहीं होता तो हमें इसे छोड़ना चाहिए। मान-कीर्तियों में शामिल कार्य-अध्ययन एकको द्वारा भी की जाती है। वित्त मंत्रालय में कर्मचारियों निरीक्षण एकक भी वार्षिक कार्यों को के आधार पर विभिन्न कार्यालयों में कर्मचारियों की संख्या का अध्ययन करता है। यह एक सतत प्रक्रिया है। इसके अतिरिक्त विकास किताबलाओं से सम्बंधित सभी मंत्रालयों/विभागों में नियोजन बजट की तैयारी किए जाते हैं तथा संघ

सदस्यों को वार्षिक रूप से परिचालित किए जाते हैं। निष्पादन बजट कार्यात्मक कार्यक्रमों तथा निष्पादनात्मक अनुसार मंत्रालय/विभाग के बजट प्रस्तुत करते हैं। निष्पादन बजट विकास कार्यक्रमों के कार्यान्वयन में प्रशासनिक तथा वित्तीय नियंत्रण के एक साधन के रूप में प्रबंध की सेवा करते हैं।

विदेशी ऋण पर व्याज की अबाधगी

599 श्री मूल चन्द झागा : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) विभिन्न देशों द्वारा भारत को दिए गए ऋण पर कितनी राशि व्याज के रूप में दी जा रही है तथा किन-किन राज्यों की ओर कितना-कितना ऋण दिया गया है; और

(ख) केन्द्र सरकार द्वारा विदेशी ऋण के प्रतिरिक्त जनता से कितना ऋण लिया गया है और उस पर प्रति वर्ष कितना ब्याज दिया जा रहा है ?

बिना मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) वर्ष 1978-79 में विदेशी ऋणों पर 245.65 करोड़ रुपये का व्याज भ्रदा किया गया। इन भ्रदायिगियों के सम्बन्ध में देश-बार ब्यीरा संलग्न विवरण में दिया गया है। विदेशी सहायता भारत सरकार द्वारा प्राप्त की जाती है और यह राशि समूची अर्थव्यवस्था के लिए उपलब्ध साधनों के केन्द्रीय पूल में शामिल हो जाती है। राज्यों को विदेशी सरकारों से कोई भी ऋण सहायता सीधे नहीं मिलती।

(ख) वर्ष 1978-79 में बाजार से 1836.76 करोड़ रुपये (मकल) के उधार लिए गए। बकाया बाजार ऋणों पर वर्ष 1978-79 में 555.60 करोड़ रुपये का व्याज दिया गया।

वर्ष 1978-79 में विदेशी ऋणों के सम्बन्ध में ब्याज की प्रदायगियों का देश-कार विवरण

(करोड़ रुपए)

क्र.सं.	विवरण	1978-79 में की गई व्यय की अनुमानित राशि
1	क. द्विपक्षीय करार	
	1. आस्ट्रिया	0.92
	2. बेल्जियम	0.75

1	2
3. कनडा	2.39
4. डेनमार्क	0.05
5. फ्रांस	14.78
6. जर्मन संघीय गणराज्य	35.27
7. इटली	1.18
8. जापान	42.26
9. नीदरलैण्ड	8.45
10. स्विट्जरलैण्ड	1.08
11. ब्रिटेन	9.79
12. संयुक्त राज्य अमेरिका	52.20
13. चेकोस्लोवाकिया	0.94
14. हंगरी	0.29
15. पोलैण्ड	0.25
16. सोवियत समाजवादी जनसंघ	0.04
17. यूगोस्लाविया	शून्य
18. युनाइटेड अरब एमीरात	1.45
19. भूतान	0.21
20. कुवैत	1.64
21. ईराक	6.11
22. कातार	0.05
23. ईरान	19.70
ख. बहुपक्षीय करार	
24. अन्तर्राष्ट्रीय पुनर्निर्माण और विकास बैंक	23.34
25. अन्तर्राष्ट्रीय विकास संघ	22.42
26. नेल उत्पादक और निर्यातक देश विशेष निधि	0.09
जोड़ :	245.65

Points discussed in the conference of State Supply Ministers

600. SHRI K. P. SINGH DEO: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether he had called a Conference of State Supply Ministers in New Delhi in March, 1980;

(b) if so, the principal points that were discussed during the discussion;

(c) whether States were requested to use Prevention Detention Act to de-board essential commodities and also to effect better distribution of such items; and

(d) if so, the reaction of the State representatives in this matter?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (d). A Conference of the State Ministers of Civil Supplies/Advisers of the Governors was called on the 7th March, 1980 in which the overall supply position of some of the essential commodities, functioning of the Public Distribution System and the Enforcement of Statutory Measures were reviewed. The need to enforce various statutory orders such as the Essential Commodities Act 1965 and The Prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act 1980 to improve the flow of essential commodities was emphasised. The States were advised to revitalise the public distribution system to improve the distribution of essential commodities. The State Governments agreed to activate, strengthen and revitalise the Public Distribution System. Most of the State Governments agreed to enforce the statutory orders vigorously to deal effectively with the black-marketeers and hoarders.

Feasibility for setting up of a new steel plant in Orissa

601. SHRI F. P. SINGH DEO: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that much work was done to study the feasibility of setting up a new steel plant in Orissa;

(b) whether it is also a fact that the study had favoured the proposal; and

(c) if so, whether Government propose to take up the matter once again and if so, Government's reaction in this regard?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) to (c). No feasibility study, as such, has yet been carried out for setting up of a new steel plant in Orissa. However, location of future steel plant is to be based on techno-economic considerations and all feasible locations, including in Orissa, will be considered by Government while taking a decision to set up any new steel plant.

News item captioned "Export emphasis will be restored"

602. SHRI SHIV KUMAR SINGH: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether the attention of the Government has been drawn towards a news item appearing in the 'Hindustan Times' dated 21st February, 1980 under the heading "Export emphasis will be restored";

(b) if so, the details thereof; and

(c) the extent to which it will help in bringing down the prices of sugar, jute and jute goods, engineering goods and other allied materials?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir.

(b) A series of meeting were held in Calcutta on 18th and 20th February, 1980 with the representatives of the jute, tea and engineering industries. They were advised to take supporting steps to boost up export earnings. In particular, the urgency of fully utilising capacities and the need for removal of physical constraints to higher production were highlighted. Governments eagerness to improve the general industrial climate in the country and augment the rate of annual growth of export with a view to improving the balance of payments position was also stressed.

(c) The efforts of Government are directed to enlarge the production base

to meet the domestic needs and exports. The extent by which the production of sugar, jute, jute goods, engineering goods etc. is augmented in general, there will be a favourable impact on the price level.

Increase of Cargo Capacity by Air India

603. SHRI SHIV KUMAR SINGH: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Air India is expecting to increase its cargo capacity in the near future;

(b) if so, the extent to which the capacity is expected to be increased both for imports and exports;

(c) the details of 707 Boeings which the Air India is considering to dispose off and their replacements;

(d) the total expected strength of Air India Fleet, when the cargo capacity will be increased as a result of induction of more Aircrafts;

(e) whether any Committee has been appointed by the Government to work out plans regarding purchase of freighter aircrafts to meet future requirements; and

(f) if so, details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) and (b). Air India has planned to increase its cargo capacity provided on various routes from 30357 tonnes in 1979-80 to 39908 tonnes in 1980-81, both for exports and imports each way.

(c) and (d). Air-India's fleet consists of nine B-707 aircraft and 9 Boeing-747 aircraft. One B-747 aircraft will be added to the fleet in April, 1980. In the first instance, Air-India proposes to phase out two B-707 aircraft in 1980-81. The fleet position in 1980-81 will be as follows:

Boeing 707—Seven

Boeing 747—Ten

(e) and (f). Air-India has set up a Committee to look into the long term needs of freighter aircraft of the Corporation. The Government has not set up any such Committee.

Curb on import of certain essential items

604. SHRI SHIV KUMAR SINGH: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that the Government of India have put a curb on import of certain essential items like cement, newsprint, edible oils and white printing papers;

(b) if so, the reasons therefor;

(c) whether Government are considering to review their decision in the near future; and

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

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No, Sir.

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

Devaluation of Indian currency in relation to foreign currencies

605. SHRI CHITTA MAHATA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware of the devaluation of rupee/Indian currency in relation to the foreign currencies; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). Presumably, the Hon'ble Member is referring to the downward adjustment of 0.55 per cent made by the Reserve Bank of India, in the value of the rupee against Pound Sterling with effect from February 15, 1980, when the middle rate for Pound

Sterling was changed from Pound 1=Rs. 18.15 to Pound 1=Rs. 18.25. Since then, there have been two more changes in the rate on 5th and 11th March, 1980, when the Rupee-Pound Sterling rate was changed from Pound 1=Rs. 18.25 to Pound 1=Rs. 18.15 and further to Pound 1=Rs. 18.05 respectively. This shows an appreciation of Rupee against Pound Sterling on each of these occasions.

2. The changes in the Rupee-Sterling rate effected by the Reserve Bank of India, from time to time, are in accordance with the exchange rate arrangement adopted by the Government since September 25, 1975, under which the exchange rate of the rupee is fixed with reference to the daily exchange rate movement of a suitably weighted basket of currencies mainly of countries which are India's major trading partners.

3. The exchange rates between rupee and other foreign currencies would move upward or downward almost every day depending upon the fluctuations in the value of these currencies in the London Market.

4. The exchange rates for various currencies as on March 11, 1980 show that the rupee stands appreciated by 1.43 per cent against Pound Sterling 10.04 per cent against US dollar and 2.03 per cent against French Franc as compared to the rates which prevailed on September 25, 1975. The rupee has, however, depreciated by 25.28 per cent, 10.03 per cent and 30.29 per cent against Deutsche Mark, Japanese Yen and Swiss Franc respectively during the same period.

5. The earlier connotations of devaluation and revaluation have lost their relevance in the context of 'floating' exchange rate arrangements for major currencies of the world and the changes, both upward and downward, effected from time to time in the Rupee-Sterling rate would simply imply an adjustment to the fluctuating exchange rates in the international currency markets. In a regime of 'floating' exchange rates, fluctuations in the

value of currencies are inevitable and all such adjustments have to be viewed in a larger perspective.

Framing of National Tourism Policy

606. SHRI CHITTA MAHATA:

SHRI M. RAM GOPAL
REDDY:

SHRI T. S. NEGI:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether Government are considering to frame a National policy on tourism; and

(b) if so, the details in this regard and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) and (b). The question of framing a National Policy on Tourism is under active consideration of the Government. The details are yet to be worked out.

World Bank Assistance to Haldia Port

607. SHRI CHITTA MAHATA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that World Bank has decided to provide financial assistance to Haldia Port; and

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

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

(b) Does not arise.

News-Item regarding Exchequer Defrauded of Crores by Real Estate Operators

608. SHRI MANORANJAN BHAKTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of India are aware of the news report

appearing in the 'Indian Express' of 16th April, 1979 under the heading 'Exchequer defrauded of crores by real estate operators'; if so, full facts in this regard; and

(b) what positive measures have been adopted to check the tax evasion and to realise the tax dues from these categories of people?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) Yes. The Income-tax authorities searched the business and residential premises of a few promoters of multi-storeyed buildings in Delhi who were suspected of indulging in tax evasion. The groups covered by the search are:

(i) Ansal Group

(ii) Riviera Group

(iii) Vadera Group

(iv) Mittal Group

(b) The cases of these real estate operators have been centralised with the Commissioner for Income-tax (Central-I), Delhi. The Income-tax authorities are keeping a close watch on the activities of these operators. Thorough investigation into the affairs of the group of operators mentioned above are in progress.

Export of Tea

609. SHRI ANANDA PATHAK: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state the figures of export of tea and the foreign exchange earned by Government during the last five years?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): The figures of exports of tea from India both in terms of

quantity and value for the last five years are as below:—

Year	Quantity (in m. kgs)	Value (in Rs. Crores)
1974-75. . .	229.5	228.06
1975-76. . .	212.3	236.81
1976-77. . .	243.6	293.14
1977-78. . .	223.6	569.69
1978-79. . .	172.4	340.45

Export of Coffee

610. SHRI ANANDA PATHAK: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state the figures of export of coffee and the foreign exchange earned by Government during the last five years?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): The export of coffee during the last five years has been as follows:—

Fiscal Year	Qty. in Tonnes	Value Rs./lakhs
1974-75. . .	49500	5136
1975-76. . .	59400	6663
1976-77. . .	51000	12601
1977-78. . .	58000	19442
1978-79. . .	66300	14406

Export of Rubber

611. SHRI ANANDA PATHAK: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state the figures of export of rubber and the foreign exchange earned by Government during the last five years?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): The following are the

figures of export of rubber and the foreign exchange earned by the Government during the last five years:—

Year	Qty: Tonnes Foreign Exchange : Rs. crores	
	Quantity	Foreign Exchange
1974-75. . .	350	0.26
1975-76. . .	Nil	Nil
1976-77. . .	12296	3.31
1977-78. . .	11078	7.30
1978-79. . .	Nil	Nil

Unemployed Commercial Pilots

612. SHRI VIJOY KUMAR YADAV: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) is it a fact that India has a vast number of Unemployed Pilots who are holders of Commercial Pilot's Licence, if so, what is the number of such Unemployed Pilots;

(b) can the figures of Unemployed Pilots be given year-wise for the last 7 years;

(c) is it a fact that Government money is involved directly or indirectly in training these pilots, if so, what return Government expect from their investment by keeping the Pilots Unemployed; and

(d) whether Government propose to provide Flying Jobs to all the Unemployed Commercial Pilots, if so, when and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) As on 1.2.80 there are about 162 unemployed pilots holding current Commercial Pilot's Licence.

(b) No such data is maintained.

(c) Government subvention is paid to the flying clubs for training pilots only upto PPL Standard and no subvention is paid to the clubs for training pilots for CPL Standard which is the minimum qualification for commercial pilots.

(d) Various organisations under the Ministry of Tourism and Civil Aviation have been asked to explore the possibility of employing the unemployed pilots on suitable alternative jobs.

Increase in rates of House Rent Allowance to Central Government Employees

613. SHR BABU LAL SOLANKI: Will the Minister of FINANCE be pleased to state:

(a) whether there has been steep rise in house rents in recent years due to abnormal rise in the cost of building material, cement and iron etc.;

(b) if so, whether there is a proposal to increase the rates of House Rent Allowance to Central Government employees and if so, the time by which such an increase would be sanctioned; if not, the reasons therefor;

(c) the rates of House Rent Allowance for Central Government employees as also Public Sector Units and corporation separately; and

(d) the steps taken or proposed to be taken to do away with the difference in House Rent Allowance rates?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) It is a fact that house rents have gone up in recent years due to various factors.

(b) A demand made by the Staff Side in the National Council (Joint Consultative Machinery) for upward revision of the rates of House Rent Allowance payable to the Central Government employees has been referred to a Committee of the National Council and its report is awaited.

(c) A statement is enclosed

(d) No proposal is at present under consideration of the Government to do away with the differences in House Rent Allowance rates payable to the Central Government employees on the one hand and to Public Sector Units etc. mentioned above on the other. Attention is, however, invited to the reply to part (b) of the question above.

Statement

Rates of House Rent Allowance admissible to Central Government employees, employees of Public Sector Undertakings, Life Insurance Corporation, and General Insurance Corporation are as follows :—

(1) Central Government employees working in classified cities/towns :—

Class of city/town	Rates of H.R.A.
'A', 'B-1' and 'B-2' classes	15% of pay subject to a maximum of Rs 400 p.m.
'C' class	7 1/2% of pay subject to a maximum of Rs 200 p.m.

(2) H.R.A. rates in Public Sector Undertakings are broadly as follows :—

Delhi and Bombay	30% of pay
Other A class cities	25% of pay
'B-1' and 'B-2' class cities	15% of pay
C Class and other unclassified cities	7 1/2% of pay

(3) H.R.A. rates in Life Insurance Corporation of India :—

- (i) Class I Officers 15% of pay subject to a minimum of Rs. 75 and a maximum of Rs. 350.
- (ii) Class II (Development) Officers :—
 - (a) For those drawing pay upto Rs. 750 15% of pay subject to a minimum varying from Rs. 25 to Rs. 75 according to pay.
 - (b) For those drawing pay above Rs. 750 15% of the first Rs. 750 of pay and 10% of excess of pay over Rs. 750.
- (iii) Class III and Class IV Staff . 10% of pay (including special pay) with minimum of Rs. 20 p.m. in the case of Class III employees and a minimum of Rs. 22 p.m. in the case of Class IV employees subject to a maximum of Rs. 40 in either case.

(4) H.R.A. rates in General Insurance Corporation of India :—

- (i) Class I Officers (a) Chairman and Managing Director of GIC and Chairman-cum-Managing Directors of Subsidiaries get Rs. 350 per mensem.
- (b) Other Class I Officers at the rate of 15% of basic pay subject to a minimum of Rs. 75/- and a maximum of Rs. 350/- p.m.
- (ii) Class II Development Officers :
 - (a) For those drawing basic pay upto Rs. 750. 15% of basic pay subject to a minimum varying from Rs. 30 to Rs. 75 according to pay.
 - (b) For those drawing basic pay above Rs. 750. 15% of the first Rs. 750 plus 10% of excess over Rs. 750 of the basic pay.
- (iii) Class III and IV employees . 10% of basic pay subject to a minimum of Rs. 22 p.m. for Subordinate Staff and Rs. 28 p.m. for Supervisory and Clerical Staff and a maximum of Rs. 40 p.m. in either case.

Ban on Export of Vintage Cars and Automobiles

614. DR. VASANT KUMAR PANDIT: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that Government have imposed a ban on export of "Vintage Cars and Automobiles" since 1972;

(b) whether Government are aware that Vintage Cars are being clandestinely shipped in containers as machinery or post vintage (1940) cars circumventing the law.

(c) whether it is a fact that Government have decided to permit the export of vintage cars; and

(d) whether the Indian Automotive Racing Club (Vintage Register and other organisations) have raised

objections to the export of vintage cars and instead suggested to create a museum of vintage cars in India, if so, the reactions of Government thereon?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) Yes, Sir. From 1972 to 30.3.1979, export of Vintage Cars and Automobiles was banned.

(b) Some reports to that effect have come to the notice of the Government

(c) The ban on export of vintage cars has been lifted w.e.f. 30.3.79 and their export is to be allowed 'On merits'.

(d) Yes, Sir. The Policy of Government is to consider exports 'On Merits'.

Closing Down of Consignment Agencies for Iron and Steel

615. DR. VASANT KUMAR PANDIT: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether by policy decision Government have closed down consignment Agencies for Iron and Steel,

(b) whether it is a fact that in spite of this Consignment Agencies of Amrut Steel and Rati Steel of Thane, Bombay and P. V. Shroff of Pune are still continuing; and

(c) if so, have Government made any inquiries and the reasons for keeping the above three agencies operating?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Matters like appointment of Consignment Agents are of a commercial nature and these are decided by the producers themselves, taking into consideration various relevant factors. Government does not interfere in such matters and the question of Government taking a policy decision does not arise.

(c) Does not arise.

Enquiry into gold auctions

617. SHRI FAROOQ ABDULLAH: Will the Minister of FINANCE be pleased to state:

(a) whether Union Government have also taken the decision to conduct an enquiry into "converting of gold" by a consortium of people at the gold auctions held during the Janata regime;

(b) if so, when the same is likely to be taken; and

(c) what are the reasons for delay in taking the final decision?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) to (c). In pur-

suance of the statement made by the Prime Minister in the Lok Sabha the matter is under examination of the Government.

Poor supplies of Essential Commodities to States

618. SHRI FAROOQ ABDULLAH. Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether several States have made a complaint to him regarding poor supplies of essential commodities to the States for the last two months;

(b) if so, which are the States,

(c) the main reasons for poor supply of essential commodities to the States;

(d) what steps are being taken to improve the position;

(e) whether he had called the meeting of the State Ministers of Civil Supplies to discuss the problem; and

(f) if so, the outcome of the Conference?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). During the past two months, Department of Civil Supplies has received complaints about shortages of some essential commodities from Uttar Pradesh, Madhya Pradesh, Mizoram, West Bengal, Orissa, Punjab, Gujarat, Jammu & Kashmir, Meghalaya, Kerala, Andhra Pradesh, Bihar, Goa, Daman & Diu and Chandigarh.

(c) The main reasons for supply constraints of a few essential commodities have been likely fall in the production of agricultural commodities including foodgrains, sugarcane and oilseeds, teething troubles involved in re-introduction of dual pricing in sugar and movement bottlenecks.

(d) Efforts are being made to overcome infra-structural constraints and step up the movement of essential commodities like sugar and food-grains and stream-line their distribution. Efforts are also being made to increase their production and keep bank credit under check. The exports of meat have been banned. State Governments have been asked to enforce vigorously the Essential Commodities Act and similar enactments.

(e) and (f). The conference of State Ministers of Civil Supplies and Advisers to Governors was held in New Delhi on 7.3.1980 for reviewing the public distribution system and enforcement measures to improve supply of essential commodities. State Governments were impressed upon to strengthen the scope of public distribution system to ensure equitable distribution of essential commodities in short supply. Some problems being faced by State Governments and Union Territory Administrations in the supply and/or movement of essential commodities have been noted by the concerned Ministries of the Union Government and remedial action will be taken.

Help to IA and AI to meet financial crisis due to fuel price escalations

619. SHRI FAROOQ ABDULLAH:
SHRI K. MALLANNA:
SMT. MOHSINA KIDWAI:

Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the Union Government has decided to help Indian Airlines and Air India to meet the financial crisis faced by them following the fuel price escalations;

(b) if so, whether the fuel shortage has also affected these airlines;

(c) if so, to what extent and what help Government have agreed to provide them; and

(d) to what extent these two Airlines have been affected by the fuel price escalation and fuel shortage?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) Government have decided to provide additional capital to Air-India. Indian Airlines has not requested for any financial help from Government.

(b) to (d). Whereas the fuel shortage has affected Air-India considerably, Indian Airlines operations have not been constrained by such shortage. The operating costs of both the Airlines have gone up due to periodic fuel price hikes during the year 1979-80. The fuel bill of Indian Airlines has gone up to Rs. 66.50 crores (estimated) for the year 1979-80 as against Rs. 47.91 crores during the year 1978-79. The fuel bill of Air-India has gone up to Rs. 138 crores (estimated) for the year 1979-80 as against Rs. 65.46 crores during the year 1978-79. Government has approved an additional capital of Rs. 9.60 crores to Air-India for the year 1980-81.

Amount advanced by Nationalised Banks and financial institutions to Kohinoor Mills

620. SHRI K. A. RAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the nationalised banks and other public financial institutions have advanced huge amounts of money to the Kohinoor Mills for its modernisation and other purposes;

(b) if so, the details thereof; and

(c) whether Government have a proposal under consideration to take over this mill and if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). The Central Bank of India, who

are the bankers of Kohinoor Mills Ltd., continue to provide financial assistance to the Mills as part of their nursing programme. For modernisation of the Mills, all-India term-lending institutions including Industrial Development Bank of India are providing financial assistance. In accordance with the practices and usages customary against bankers and also in conformity with the provisions in the statutes governing public sector banks, information relating to individual constituents of banks is not to be divulged.

(c) The future set up of the Mills is engaging the attention of the Ministry of Industry.

Setting up of a Bank by Government of West Bengal

621. SHRI SATISH AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the West Bengal Government have conveyed their desire to set up a bank of its own which will be free from the control of the Centre to help accelerate the upliftment of the rural areas;

(b) if so, whether any formal communication has been received by the Central Government and if so, the details of the scheme envisaged; and

(c) what is the Central Government's reaction towards the move of the State?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) and (b). No such proposal has been received from the Government of West Bengal so far.

(c) Question does not arise.

Rise in price of Steel

622. SHRI SATISH AGARWAL: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether it is a fact that the price of steel has risen in a pheno-

menal way during the last eight months;

(b) if so, what is the month by month break-up of the rise in prices;

(c) what was the quantum of imported steel during this period; and

(d) what are the causes for the price rise and steps being contemplated to curb it?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) No, Sir. There has been no increase in the Joint Plant Committee base price as well as stockyard prices of the main producers since 7th April, 1979. The open market prices of steel, however, vary from place to place and time to time depending upon various factors including demand and supply.

(b) The month-wise open market prices since July 1979, as available with SAIL, of some selected categories of steel are indicated in the statement laid on the Table of the House. [Placed in Library. See No. LT-485A/80].

(c) During July, 1979 to February 1980, a total quantity of 1,036,200 tonnes of steel were imported on the basis of shipment documents negotiated under both back to back and buffer schemes by SAIL as canalising agency.

(d) As already explained in reply to part (a), the open market prices vary from place to place and time to time. These seem to have gone up due to a spurt in demand on the one hand and shortfall in production due to several constraints like shortage of coal, power etc. on the other. Efforts are being made to increase the indigenous production at integrated steel plants by way of close and constant liaison with the Ministry of Energy, Damodar Valley Corporation (D.V.C.), State Electricity Boards,

Coal supplying agencies and the Railways so as to secure maximum supplies of power and good coking coal for the steel plants. Weekly monitoring of the position regarding power and coal is being done at a Cabinet Committee constituted recently to resolve various difficulties and deficiencies relating to the industrial infrastructure. Export of billets, bars and rods have been drastically reduced. Arrangements have also been made for the import of sufficient quantities of categories in short supply. End use restriction has also been re-imposed to prevent the misuse of steel by persons to whom it has been allotted for specific purposes. Violation of this by anyone would render him liable for action under the provisions of the Iron & Steel (Control) Order and under the Essential Commodities Act.

Investment policy of L.I.C.

623. SHRI SATISH AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether L.I.C.'s investment policy tilts favourably towards the States with higher per capita income than those with a low per capita income;

(b) whether it is also a fact that nearly 85 per cent of its commitment is for large issues between 10-40 lakhs while the share of small issues is only one percent; and

(c) if so, the investment figures State-wise during 1979 and whether Government propose to correct the ~~the~~ so that new and small enterprises are also benefited?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (c). The investment policy of the LIC envisages that the Corporation should spread its investments as widely as possible over all the States having regard, *inter alia*, to the premium income generated in those States. However, special consideration is

given to backward States in which the premium generated is low.

2. The fresh investments made in the States during 1978-79 were as under:—

State	Amount (in crores of Rs.)
*Andhra Pradesh	30.26
*Assam	9.51
*Bihar	28.39
Delhi	0.32
Goa	2.63
*Gujarat	39.19
*Haryana	17.27
*Himachal Pradesh	1.83
*Jammu & Kashmir	4.72
Karnataka	19.35
*Kerala	19.97
*Madhya Pradesh	19.38
Maharashtra	49.32
*Manipur	0.56
*Meghalaya	3.25
*Nagaland	1.98
*Orissa	17.72
Pondicherry	0.35
*Punjab	18.61
*Rajasthan	24.47
Sikkim	0.06
*Tamil Nadu	33.25
*Tripura	0.78
*Uttar Pradesh	49.75
West Bengal	32.83
Total	425.75

* (States in which percentage of premium income exceeds the all-India average are marked by asterisk.)

3. As regards public issues of companies in the form of ordinary shares, preference shares and debentures, it may be stated that where the project cost is up to Rs. 3 crores the entire financing is generally done by one of the all-India financial institutions together with institutions at the State level, and the LIC is not approached in the matter. Where the project cost exceeds Rs. 3 crores, the financing is done on a consortium basis. During the year ended 31st March, 1979, the LIC's commitment in respect of public issues of companies was as under:—

Issues for amounts less than 10 lakhs	Nil	
Issues for amounts between 10-40 lakhs	Nil	
Issues for amounts exceeding Rs. 40 lakhs	No. of Companies	Amount under- Written/ subscribed
	16	Rs. 566.50 lakhs.

विदेशी व्यापार में कमी

624 श्री एन० के० शंजवलकर : क्या वाणिज्य तथा नागरिक पुति मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या यह सच है कि वर्ष 1979-80 के दौरान हमारे विदेश व्यापार में 2000 करोड़ रुपए की कमी होने की सम्भावना है; और

(ख) यदि हां, तो उस के क्या कारण हैं ?

वाणिज्य तथा नागरिक पुति और इस्वात तथा खान मंत्री (श्री प्रणव मुखर्जी) : (क) अप्रैल से दिसम्बर, 1979 की अवधि के लिए उपलब्ध अन्तिम आंकड़ों से भारत के विदेश व्यापार में 1256 करोड़ रु० का घाटा प्रकट होता है जबकि पिछले वर्ष की इसी अवधि के दौरान 785 करोड़ रु० का घाटा था। संभव है कि 1979-80 में व्यापार घाटा 2000 करोड़ रुपए हो जाएगा।

(ख) व्यापार घाटे में वृद्धि होने का मुख्य कारण है पेट्रोलियम, तेलों और लुब्रिकेंटों और अन्य ऐसी चीजों की कीमतों में तीव्र वृद्धि, जिन का आयात करना बरेलू उत्पाद में कमी के कारण आवश्यक हो गया था।

1979-80 की पहली तीन तिमाहियों के दौरान आयातों का मुख्य पिछले वर्ष की उसी अवधि से लगभग 20 प्रतिशत अधिक था। निर्यात उत्पादन के लिए अव्यवस्थापना व अन्य अंतर्निविष्ट साधनों की व्यवस्था जैसी घरेलू बाधाओं, पतनों आदि में भीड़भाड़ तथा अन्तर्राष्ट्रीय क्षेत्र में प्रतिकूल परिवर्तनों, विश्वव्यापी से विकसित देशों द्वारा अपनाये गये अधिक संरक्षणवादी उपायों के कारण आयातों में जो वृद्धि हुई है, उस के अनुसार निर्यात आय में वृद्धि करना संभव नहीं हो सका है।

Consignment bound for Iran

625. SHRI R. K. MHALGI: Will the Minister of FINANCE be pleased to state:

(a) whether the report published in the issue of "India Today" dated July 16—31/1979, under the caption "Incentive Trickery" has come to the notice of Government;

(b) whether the investigation in the referred case regarding consignment of 15,000 packets worth Rs. 2.5 crores meant for Iran containing all bricks, rags and waste cloth cuttings instead of cotton socks for which the shipment certificate was allegedly obtained is by now complete;

(c) if so, what action Government have taken in regard to defaulters; and

(d) what steps Government have since then taken to stop such fraudulent business practices?

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

(b) & (c). No, Sir. The case has been handed over to the C.B.I. for thorough investigation which is in progress. Show Cause notice in respect of offending goods has been issued to the concerned persons. Appropriate action under the law will be taken after investigations are completed by the C.B.I.

(d) More intensive examination of export consignments, surprise checks by senior officers and setting up of special dock intelligence units

are some of the steps already taken in this regard.

उत्तर प्रदेश के पर्वतीय जिलों में पर्यटन का विस्तार

626. श्री हरीश रावत : क्या पर्यटन और नागर विमानन मंत्री यह बताते की कृपा करेंगे कि :

(क) क्या केन्द्रीय सरकार का विचार उत्तर प्रदेश के पर्वतीय जिलों में पर्यटन के विकास और विस्तार के कार्य को अपने हाथ में लेने का है; और

(ख) यदि हां, तो तत्संबंधी धीरा क्या है ?

पर्यटन और नागर विमानन मंत्रालय में राज्य मंत्री (श्री कालिका उराव) : (क) और (ख) . उपलब्ध संसाधनों के अन्तर्गत उत्तर प्रदेश के पर्वतीय क्षेत्रों में केन्द्रीय सेक्टर में केवल कुछ केन्द्रों का विकास प्रारम्भ करने का प्रस्ताव है, जैसे कि कारबेट नेशनल पार्क में एक बन गृह का निर्माण और प्रमुख तीर्थ मार्गों और ट्रेकिंग मार्गों के साथ-साथ सुविधाओं की व्यवस्था । तथापि, उत्तर प्रदेश के पर्वतीय क्षेत्रों में पर्यटन के विकास के लिए राज्य पंचवर्षीय योजना 1978—83 में 525.00 लाख रुपए का परिष्कृत प्रस्तावित किया गया है ।

Repayment of dues by Centre to Government of West Bengal

627. SHRI CHITTA BASU: Will the Minister of FINANCE be pleased to state:

(a) whether Government of West Bengal has yet to get dues worth about 200 crores from the Centre for the current financial year;

(b) if so, full facts thereof;

(c) the reasons for the delay of repayment; and

(d) steps taken to expedite the repayment?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA):

(a) to (d). Payments by the Centre to the States consist mainly of share in Central taxes and duties and Central assistance for State Plans and for relief of natural calamities. These payments are made in accordance with definite procedures and schedules of payment. In the case of West Bengal, all the payments due

have been made according to these procedures and schedules of payment and there has been no delay. In view of the strain on the financial and ways and means position of the Government of West Bengal, certain amounts were even released in advance of the due dates of payment. Ways and means advances, totalling Rs. 60.00 crores, were also paid to the Government of West Bengal to enable it to clear/avoid overdrafts on the Reserve Bank of India. Rs. 20 crores out of these advances are still to be recovered from the State Government. On the basis of the revised estimates, about Rs. 12 crores only remains to be paid to the State Government as share of Central taxes and duties. This amount will be released shortly. The State Government will also be entitled to a maximum amount of about Rs. 29 crores as Central assistance for State Plan and Advance Plan assistance for drought relief, provided its expenditure on various items comes upto the approved allocations. The exact amount admissible will be determined on the basis of the statements of expenditure which are still awaited from the State Government. The amounts thus, becoming admissible will be payable to the State Government after adjustment of Rs. 20 crores on account of the ways and means advances still to be recovered from the Government of West Bengal.

Revised estimates for construction of aerodrome of Karipur

628. SHRI G. M. BANATWALLA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether revised estimates for construction of the aerodrome at Karipur near Calicut have been finalised and sanctioned to avoid the lapse of the current budget provisions; and

(b) in view of the considerable delay with respect to the aerodrome

project despite acquisition and availability of land, construction of approach roads, and Kerala Government's expenditure of about Rs. 15 lakhs, what steps are being taken for expeditious execution and completion of the project?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) and (b). The revised estimate of Rs. 2.5 crores has just been prepared for construction of an airport at Karipur near Calicut for operations with HS-748 aircraft. The revised estimate will now be processed for sanction. It is likely to take about 4 years to complete the work from the date of commencement.

Severe earthquake threat to Nagaland

629. SHRI CHINGWANG KON-YAK: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Nagaland falls under the active earthquake belt and a severe tremor is likely to occur there in the near future; and

(b) if so, what precautionary and remedial measures Government propose to take?

THE MINISTER OF STATE IN THE MINISTRY OF TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) & (b). The whole of North Eastern India including Nagaland is in seismic belt and earthquakes in that area cannot be ruled out. In the present state of knowledge, the prediction of earthquakes is not yet a proven technique. It is therefore, not possible to say when an earthquake occurs in that region. As a long term measure designs for earthquake resistant structures have been standardised. Other general measures like educating the public would have to be taken by the local Government.

Import of Edible Oil

630. SHRI T. R. SHAMANNA: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) the total quantity of edible oil imported into India in the last two years; and

(b) the approximate cost of oil imported and the profit or loss incurred in the deal?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) & (b). The quantity and value of edible oils imported during 1977-78 and 1978-79 are as under:—

Quantity in Lakh Tonnes		Value in Rs. crores	
1977-78		1978-79	
Qty.	Value	Qty.	Value
12'84	709'69	10'40	535'41

The above imports had been made both by the STC and the private trade.

The edible oils imported by STC were sold to the various consumers generally at break-even cost.

Government is, however, not aware of the profit or loss incurred by private trade.

Rise in Price of Steel

631. SHRI T. R. SHAMANNA: Will the Minister of STEEL AND MINES be pleased to state:

(a) has it come to the notice of Government that the cost of steel has in recent months gone up abnormally high;

(b) has this steep rise affected the industry and building construction works; and

(c) if so, what action Government propose to take to supply steel to the above industries at reasonable rate?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). There has been no increase in the Joint Plant Committee base price or the stockyard prices of steel from the main producers since the 7th April, 1979. Prices of products of other producers are however determined by forces of demand and supply. The bars and rods required for construction are mainly produced by mini-steel plants/rollers; and their prices have been ruling above stockyard prices due to constraints on the production and increase in demand for construction. Industrial requirements are being met predominantly by supply from main producers to actual users at fixed prices.

(c) Constant and continuous efforts are being made to increase steel production at the integrated steel plants which had been affected mainly due to inadequate supply of coal and power. Exports of various categories have also been banned and imports have also been arranged in respect of categories in short supply. End use restrictions have also been re-imposed to prevent misuse of steel by persons to whom it has been allotted for specific purposes. Small house builders are also being supplied quantities up to 5 tonnes a unit at stockyard prices and for this purpose, some quantities of bars and rods have been earmarked specifically. All these steps are expected to result in improved availability at regulated prices.

Abolition of Octroi in Karnataka

632. **SHRI T. R. SHAMANNA:** Will the Minister of FINANCE be pleased to state:

(a) whether the Government of India are aware that the Octroi levy has been abolished in the State of Karnataka;

(b) whether there was an assurance that the Central Government would give financial aid to compensate the loss of Octroi revenue;

(c) has the Karnataka State Government approached the Central Government for Financial Assistance; and

(d) if so, whether the Central Government propose to consider it favourably?

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

(b) No, Sir.

(c) No formal representation has been received from the Government of Karnataka seeking financial assistance to compensate the loss of revenue due to abolition of octroi, although the Finance Minister, Karnataka has in his Budget Speech on the 19th March, 1979 stated that he was assuming that the Centre would compensate 50 per cent of the loss of revenue arising from abolition of Octroi as in the case of prohibition.

(d) In August, 1979, the then Union Finance Minister wrote to the Chief Ministers of all the States stating that due to the constraint on resources it was inadvisable to make additional provisions in the budget for payment of non-Plan grants to the States to compensate them even partially for the loss of revenue arising from the abolition of octroi.

Progress of Kudremukh Project

633. **SHRI T. R. SHAMANNA:** Will the Minister of STEEL AND MINES be pleased to state:

(a) the progress of Kudremukh Iron Ore Project S. K. Karnataka state:

(b) has Iranian Government fulfilled the obligation as per Agreement entered into; and

(c) steps taken by Government for the completion of the project?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) The project proper is now in the final stage of construction.

(b) and (c). The Government of Iran had suspended reimbursement of Iranian Credit for this project from October, 1978 for the ostensible reason that the National Iranian Steel Industries Co., the buyer of concentrate, had not recommended such disbursement, as required under the Financial Agreement. The suspension of the credit and disbursements by the Iranian Government has not affected the progress of construction of the project, as the necessary funds have been made available to the Kudremukh Iron Ore Company Limited by the Government of India.

स्टेनलैस स्टील की चादरों पर आयात शुल्क

634. श्री दया राम शास्त्री : क्या वित्त मंत्री स्टेनलैस स्टील के चादरों पर आयात शुल्क के बारे में 18 मई, 1979 के अतारोकित प्रश्न संख्या 11442 के उत्तर के संबंध में यह बताने की कृपा करेंगे कि :

(क) क्या सरकार ने आयातित स्टेनलैस स्टील की चादरों पर शुल्क कम करने तथा बढ़ाने के उस प्रश्न पर कोई निर्णय कर लिया है जो सरकार के विचाराधीन रहा है, यदि हा, तो उसका व्यौरा क्या है ; और

(ख) यदि नहीं, तो विलम्ब के क्या कारण हैं ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) जी, हा। सरकार ने, सभी संबंधित पहलुओं को ध्यान में रखते हुए स्टेनलैस स्टील की चादरों पर आयात-शुल्क में संशोधन नहीं करने का फैसला किया है।

(ख) यह प्रश्न नहीं उठता है।

संगठित और लघु क्षेत्रों में स्टील के तार का निर्माण करने वाले एककों की संख्या

635. श्री दया राम शास्त्री : क्या इस्पात और खान मंत्री यह बताने की कृपा करेंगे कि :

(क) संगठित और लघु क्षेत्रों में स्टील के तार का निर्माण करने वाले कितने एकक हैं और उनके नाम क्या-क्या हैं और वे किस-किस स्थान पर हैं तथा उनमें कितनी पूंजी लगी हुई है ; और

(ख) कपड़ा उद्योग के लिए स्टील के महीन तारों का निर्माण करने के लिए क्या कदम उठाए गए हैं ?

वाणिज्य और नागरिक पूर्ति तथा इस्पात और खान मंत्री (श्री प्रणब मुखर्जी) : (क) जानकारी प्राप्त की जा रही है और सभा-पटल पर रख दी जाएगी।

(ख) कपड़ा उद्योग में कई साइजों और विभिन्नियों के पतले तार इस्तेमाल होते हैं, जिनमें अधिकांश तारों की मांग अधिक नहीं है। देश की सभी तार बनाने वाली इकाइयों को अपने उत्पादन में विविधता लाने और 18 एम०डब्ल्यू०मी० से पतले सभी साइजों के तारों का उत्पादन करने की अनुमति दे दी गई है। इस साइज तथा इस्तेमाल के मोटे तारों का उत्पादन लघु क्षेत्र के लिए सुरक्षित रखा गया है। जब पर्याप्त मांग न होने के कारण देशीय निर्माताओं के लिए किसी साइज के तार बनाना मितव्ययी नहीं होता तो उदारता पूर्वक आयात की अनुमति दे दी जाती है।

इस्पात की छड़ों का विनिर्माण करने वाली संगठित तथा लघु क्षेत्र की इकाइयों की संख्या

636. श्री दया राम शास्त्री : क्या इस्पात और खान मंत्री यह बताने की कृपा करेंगे कि :

(क) देश में इस्पात की गोल छड़ें, दार इस्पात छड़ें और मुड़ी हुई इस्पात की छड़ों को बनाने वाली संगठित और लघु उद्योग एककों की राज्य-वार संख्या कितनी-कितनी है ;

(ख) उनमें से कितने एकक बन्द पड़े हुए हैं और उन राज्यों के नाम क्या हैं जिनमें वे एकक स्थित हैं ; और

(ग) क्या यह सच है कि इन एककों द्वारा जो माल उत्पादित किया जा रहा है वह देश में विद्यमान मांग से अधिक है और इसके परिणामस्वरूप ऐसे एकक बन्द हो गये हैं, और यदि हां, तो क्या सरकार उनके लिए विदेशों में बाजार खोजेगी ?

वाणिज्य और नागरिक दुर्लभ तथा इत्यादि और
आवश्यक (श्री प्रणब मुखर्जी) :

(क) से (ग). जानकारी प्राप्त की जा रही
है और सम्भवतः १२ रक दो जायगी ।

Re-negotiation with Iran relating to Kudremukh Project

637. SHRI CHITTA BASU: Will the Minister of STEEL AND MINES be pleased to state:

(a) whether Government have decided to re-negotiate with the present Government of Iran on the matters relating to Kudremukh Project; and

(b) if so, the steps taken by Government in this direction and the response from the Government of Iran?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). The party to the Financial Agreement with the Government of Iran and the Sale and Purchase Contract with the National Iranian Steel Industries Co. (NISIC) is Kudremukh Iron Ore Company Limited (KIOCL) and not the Government of India. It is basically for the parties to the two agreements to decide whether they need any change. The Government of India will be able to take a view in this matter only after specific proposals in this regard have been made by the Iranian side and considered by the Indian Company.

Development of Marketing Skills by Multinationals

638. SHRI CHANDRA BHAL MANI TIWARI: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state the list of Multinationals who have helped in developing marketing skills in India with an illustration of a few products which they have developed using marketing skills, in hard currency areas?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): According to the information available, there were 473 branches of foreign companies and 146 Indian subsidiaries of foreign companies as on 31-3-1978. The available information relates to broad industry-wise classification such as agriculture and allied activities, mining and quarrying processing and manufacturing, construction and utilities, commerce etc. Industry-wise classification of these two groups of foreign companies is given in Annexures I and II. From the available information it is not possible to name the Multinationals who have helped in developing marketing skills in India or to identify products for which such companies have promoted markets in hard currency areas.

STATEMENT—I

BRANCHES OF FOREIGN COMPANIES IN INDIA AS ON 31-3-1978—INDUS- TRY-WISE DISTRIBUTION

Sl. No.	Industrial classification	Number of Branches
1.	Agriculture and allied activities	111
2.	Mining & Quarrying	10
3.	Processing & Manufacture	75
4.	Construction & Utilities	27
5.	Commerce (Trade & Finance)	115
6.	Transport, Communication & Storage	38
7.	Community & Business Services	77
8.	Personal & Other Services	13
9.	Liaison Offices	7
Total (of main industrial classifications)		473

STATEMENT—II

*Indian Subsidiaries of Foreign Companies;
Distribution by Industry as on 31-3-1978*

Sl. No.	Industry	No. of subsidiaries
1.	Agriculture and allied activities	7
2.	Mining & Quarrying.	4
3.	Processing, & Mfg. Food stuffs, textiles, leather, metal & chemicals	103
4.	Construction & Utilities	2
5.	Commerce (Trade & Finance)	21
6.	Transport & Communication	1
7.	Community & Business	5
8.	Personal and other services	3
	Total	146

**Interest free loans taken by Directors of M/s Pure Drink Ltd.
New Delhi**

639 SHRI K. P. UNNIKRISHNAN: Will the Minister of FINANCE be pleased to state:

(a) whether the directors of Pure Drinks (New Delhi) Limited have been taking interest free loans from the company;

(b) for how long has this practice been going on and how much interest has been lost by the company and how much have the directors gained;

(c) has the Income Tax Department collected tax on such interest benefits to the directors and if so, the details; and

(d) the details of loans or advances the directors have taken from other companies in which they are directors or shareholders?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (d). The information is being collected and will be laid on the Table of the House as soon as possible.

Public Deposits with Chit Fund Companies

640. SHRI SATISH PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that about 1600 companies dealing in Chitfund etc. were under the control of the Reserve Bank of India till 1978;

(b) whether with the enactment of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, RBI lost control over these companies;

(c) what type of control RBI/Government had over them;

(d) whether these companies were having huge deposits from public at the time of banning them, and if so, details of companies having more than one lakh as deposit and total deposits with them;

(e) whether the said companies have misappropriated the public deposit to the tune of crores of rupees;

(f) if so, what action RBI took against these companies and if not, reasons therefor; and

(g) what action Government contemplates to take now in order to get back the money of the poor people?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (g) Before the enactment of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, the deposit acceptance activities of the Financial and miscellaneous non-banking companies were regulated by the directions issued by the Reserve

Bank under Chapter III B of the Reserve Bank of India Act, 1934. Prize chit companies being deposit taking companies were precluded from accepting deposits in excess of an overall ceiling of 40 per cent of their net owned funds and for periods less than 6 months or more than 36 months. They were also required to submit half-yearly returns in the prescribed form in regard to the deposits held by them and to disclose detailed information about their management, working results, etc. in any advertisement soliciting deposits from the public.

After the enactment of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, the State Governments have been vested with the authority to administer the provisions of the Act and for this purpose to frame rules in consultation with the Reserve Bank.

As per the figures available with the Reserve Bank, there were 961 prize chit companies as on 31st December 1978, functioning all over the country, and their total deposits aggregated to Rs. 58.3 crores as on 31st March 1978. 87 companies had deposits of more than Rs. 1 lac and the total amount of deposits with them was 51.60 crores as on 31-3-1978.

Under the provisions of the Prize Chits and Money Circulation Schemes (Banning) Act, 1978, promoters of prize chit companies are allowed time not exceeding 2 years for winding up their existing schemes. For this purpose, the promoters have to submit statements of particular and winding up, plans for approval by the concerned State Government. Failure to comply with the provisions of the Act and the rules made there under attracts penalties provided in the Act. Government have no information regarding mis-appropriation of public deposits by any of these companies, such deposits are a matter of contract between the depositors and the companies, and the depositors can take recourse to a court of law for non-fulfilment of the terms of the contract.

पिछड़े क्षेत्रों में उद्योगों की स्थापना के लिए
ऋण

641 श्री के० सी० पांडे : क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या पिछड़े क्षेत्रों में उद्योगों की स्थापना के लिये कम व्याज पर ऋण देने के मामले पर विचार किया जा रहा है;

(ख) यदि हां, तो शहरी और ग्रामीण क्षेत्रों के लिये व्याज की दरों के बीच अन्तर क्या है; और

(ग) यदि व्याज की दरों में कोई अन्तर नहीं है तो उसके क्या कारण हैं ?

वित्त मंत्रालय में राज्य मंत्री (श्री जगन्नाथ पहाड़िया) : (क) से (ग) : अखिल भारतीय सावधिक ऋण प्रदान करने वाली संस्थाओं द्वारा निर्दिष्ट पिछड़े जिलों में उद्योग स्थापन करने के लिये व्याज की रियायती दर (9½ प्रतिशत वार्षिक) पर ऋण प्रदान किया जा रहा है जब कि व्याज की सामान्य दर 11 प्रतिशत है। पिछड़े जिलों में शहरी और ग्रामीण इलाकों के बारे में वसूल की जाने वाली व्याज की दरों में कोई अन्तर नहीं है क्योंकि सभी पिछड़े जिलों में औद्योगिक एजकों को एक जैसी ही कठिनाइयों का सामना करना पड़ता है चाहे वे इन जिलों के शहरी इलाकों में हों अथवा ग्रामीण इलाकों में।

News-Item Captioned 'RBI Officials Connive—Colossal Loot of Chit Funds'

643. SHRI KRISHNA PRATAP SINGH:

SHRI R. L. P. VARMA:

Will the Minister of FINANCE be pleased to state:

(a) whether his attention has been drawn to a report which published in weekly 'BLITZ' dated the 1st March, 1980 under the heading—'RBI officials connive—Colossal loot of chit funds';

(b) whether he knows that petty shopkeepers, small artisans, labourers widows and low wage earners had invested their life's savings in chit funds schemes which has been swindled by racketeers operating these chits and money circulating schemes;

(c) whether the Reserve Bank of India have received complaints of large scale irregularities in these schemes;

(d) the reasons for which the Reserve Bank officials did not take any punitive action against them; and

(e) the steps Government propose to take against these chit fund schemes and the erring officials of the Reserve Bank of India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) to (e). The Government have seen the article published in the weekly 'Blitz' dated 1st March 1980 regarding the activities of companies operating prize chits and money circulation schemes.

Before the enactment of the Prize Chit and Money Circulation Schemes (Banning) Act, 1978 the acceptance of deposits by financial and miscellaneous non-banking companies was regulated by the directives issued the Reserve Bank prescribing a ceiling within which such companies could accept deposits and requiring them to disclose all relevant particulars about their management, working results etc. in their advertisements soliciting deposits from the public.

The Reserve Bank is not statutorily empowered by the Reserve Bank Act 1934 to initiate action against such companies or their promoters for offences other than violation of its directions or to compel them to repay the deposits and or to pay interest thereon. The acceptance of deposits is a contract between the depositor and the concerned company and in case of breach of contract redress can be sought in a court of law.

The Reserve Bank took action for the violation of its directives against the delinquent companies and their Directors by filing prosecutions and also by prohibiting companies from accepting fresh deposits.

Taking note of these complaints and to guard the interest of unwary public the Prize Chits and Money Circulation Schemes (Banning) Act was passed by Parliament and enforced from 12th

December 1978. The authority to administer the various provisions of the Act has been vested in the State Governments who are required to frame rules in consultation with the Reserve Bank. Punitive action under the Act can be taken against the promoters of prize chits and money circulation schemes for violations of the provisions of the Act.

In the opinion if the Reserve Bank no punitive action was called for against its officers.

Usage of Foreign Brand name 'Erasmic' on Razor Blades

644. SHRI TARIQ ANWAR: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state.

(a) whether it is a fact that notwithstanding Government prohibiting the usage of foreign brand name 'Erasmic' on razor blades, a multi-national company continue to use it; and

(b) if so, the details of the steps taken/proposed to be taken by Government to make this multinational company to comply with Government's directive?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES & STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) & (b). The Central Government have refused the application to extend the period of registration of Messers Sharpedge Limited, New Delhi, beyond 26th February, 1978 as registered users of trade mark "Erasmic", registered in the name of M/s. Unilever Limited of England. A Writ petition has been filed by the Party before the Bombay High Court and the matter is sub judice.

Malpractice in Air India

645. SHRI SUNIL MAITRA: Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) whether it is a fact that according to ICAQ publication expenditure on commercial staff is as high as 50

per cent of the total staff cost whereas for other airlines it was much less than 25 per cent i.e. QANTAS 7 per cent, Lufthansa less than 25 per cent., PANAM 5 per cent and it constitute 55 per cent of the wage bill for Air-India people who go abroad and constitute the cost of 1/6th of the total staff (average wage of an employee of Air India abroad was about 5 times that paid to an employee based in India);

(b) is it also a fact that percentage of expenditure on tickets sales and promotion was 25.2 per cent for Air India, whereas it was 18.5 per cent for Lufthansa, 20 per cent for Air France, 14.20 per cent for Garuda, 12 per cent for Iran India 18.6 per cent, Alitalia 16.5 per cent for JAL 10.8 per cent for Kuwait airways 17.70 per cent for KLM 12 per cent for PIA;

(c) if so, reason thereof and action taken thereon?

THE MINISTER OF STATE FOR TOURISM AND CIVIL AVIATION (SHRI KARTIK ORAON): (a) to (c). These issues are covered by the 53rd Report of the Committee on Public Undertakings (1978-79) (Sixth Lok Sabha) which is under consideration of the Government. The reply of the Government to the 53rd Report will be placed before the Committee as soon as finalised.

Induction of more multinational companies to expand Country's Export Market

646 SHRI SATISH AGARWAL: Will the Minister of COMMERCE AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that at the World Marketing Congress held recently at New Delhi opinions were expressed for induction of more multinational companies in the country to expand the country's export market;

(b) if so, what is Government's reaction to such opinions; and

(c) whether the working of existing multinationals in the country show that they have helped country's exports and whether the nature of technology that they have given to use is really not attainable or capable of being developed within the country?

THE MINISTER OF COMMERCE AND CIVIL SUPPLIES AND STEEL AND MINES (SHRI PRANAB MUKHERJEE): (a) and (b). At the world Marketing Congress held on 10th February 1980 under the auspices of the Institute of Marketing and Management, New Delhi, which is a private organisation, some speakers expressed their views regarding the useful role played by Multinationals. Government policy regarding Multinationals is governed by the Foreign Exchange Regulation Act, 1973, according to which foreign participation in sophisticated technology and export-oriented industries is given a liberal treatment.

(c) Some of the Multinationals have contributed to the country's export effort and in bringing sophisticated technology. However, it is not possible to generalise as out of 473 branches of foreign companies existing in India on 31-3-1978, only 75 were engaged in processing and manufacturing. As regards Indian Subsidiaries of foreign companies 103 out of a total of 146 as on 31-3-1978 were engaged in processing and manufacturing activities.

Scrapping of Gold Auctions

647. SHRI INDRAJIT GUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether Government have a proposal under consideration to scrap gold auctions; and

(b) if so, the details thereof?

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): (a) and (b). Gold auctions were

suspended on 26-10-1978. Government have no intention of resuming the auction of gold.

Search at Residence of Shri Chand Ram, Ex-Minister

648. SHRI JHARKHANDE RAI: Will the Minister of FINANCE be pleased to state:

(a) whether investigation by the CBI following the search at the residence of Shri Chand Ram, former Minister of the Government of India has been completed;

(b) whether it is a fact that in the course of above search some gold and other materials as well as large amount of cash has been found in his house and also some papers relevant to the investigation; and

(c) if so, the particulars thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): (a) The case is still under investigation.

(b) and (c). Searches were conducted at six different places on 25-10-1979. These places included 3 residential premises, 2 dairy farms and the locker belonging to Shri Chand Ram or other members of his family. Gold and silver jewellery worth Rs. 1,31,000 and cash worth Rs. 7895 were found in the searches. Some papers relevant to the investigation were also found which showed purchase of agricultural land during last two years in District Roh-tak either by Shri Chand Ram or by members of his family or in benami transactions worth Rs. 1,24,330. Papers regarding purchase of 2 cars, one tractor and some other house-hold articles during last two years were also recovered during the searches.

12 hrs.

PAPERS LAID ON THE TABLE

ANNUAL REPORT OF FORWARD MARKETS COMMISSION FOR 1978, REVIEWS AND

ANNUAL REPORTS OF STATE CHEMICALS AND PHARMACEUTICALS CORPORATION OF INDIA, LTD., NEW DELHI, AND MINERALS AND METALS TRADING CORPORATION OF INDIA LTD., NEW DELHI FOR 1976-79 AND ANNUAL REPORT OF EXPORT CREDIT AND GUARANTEE CORPORATION LTD., BOMBAY, FOR 1978 NOTIFICATION UNDER MINES AND MINERALS (REGULATION AND DEVELOPMENT) ACT, 1957, MINERAL CONCESSION (AMDT.) RULES, 1960 AND ANNUAL ACCOUNTS OF INDIAN STANDARDS INSTITUTION NEW DELHI FOR 1976-77 WITH STATEMENT FOR DELAY

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI): On behalf of Shri Pranab Mukherjee I beg to lay on the Table:

(1) A copy of the Annual Report (Hindi and English versions) of the Forward Markets Commission, for the year 1978 [Placed in Library. See No. LT-413/80].

(2) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act 1956:—

(a) (i) Review by the Government on the working of State Chemicals and Pharmaceuticals Corporation of India Limited, New Delhi, for the year 1978-79.

(ii) Annual Report of the State Chemicals and Pharmaceuticals Corporation of India, Limited, New Delhi, for the year 1978-79 along with the Audit Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT-414/80].

(b) Annual Report of the Export Credit and Guarantee Corporation Limited, Bombay, for the year 1978 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT-415/80].

(c) (i) Review by the Government on the working of the Minerals and Metals Trading Corporation of India Limited, New Delhi, for the year 1978-79.

(ii) Annual Report of the Minerals and Metals Trading Corporation of India Limited, New Delhi, for the year 1978-79 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon. [Placed in Library. See No. LT-416/80].

(3) A copy each of the following Notifications (Hindi and English versions) under sub-section (1) of section 28 of the Mines and Minerals (Regulation and Development) Act, 1957:—

(i) S.O. 4069 published in Gazette of India dated the 27th December, 1979 authorising the Geological Survey of India to carry out such detailed investigations for the purpose of obtaining such information as may be necessary in the areas specified in the Notification. [Placed in Library. See No. LT-417/80].

(ii) The Mineral Concession (Amendment) Rules, 1980 published in Notification No. G.S.R. 146 in Gazette of India dated the 2nd February, 1980. [Placed in Library. See No. LT-418/80].

(4) (i) A copy of the Annual Accounts (Hindi and English versions) of the Indian Standards Institution, New Delhi for the year 1976-77 together with Audit Report thereon.

(ii) A statement (Hindi and English versions) showing reasons for delay in laying the Audit Report and the Accounts. [Placed in Library. See No. LT-419/80].

(Interruptions)

ANNUAL REPORT OF INDIA TOURISM DEVELOPMENT CORPORATION LTD., NEW DELHI FOR 1978-79 WITH STATEMENT FOR DELAY

THE MINISTER OF TOURISM AND CIVIL AVIATION AND LABOUR (SHRI J. B. PATNAIK): I beg to lay on the Table:

(1) A copy of the Annual Report (Hindi and English versions) of the India Tourism Development Corporation Limited, New Delhi for the year 1978-79 along with the Audited Accounts and the comments of the Comptroller and Auditor General thereon, under, sub-section (1) of section 619A of the Companies Act, 1956.

(2) A statement (Hindi and English versions) showing reasons for delay in laying the above Report. [Placed in Library. See No. LT-420/80].

(Interruptions)

MADHYA PRADESH VIDHAN MANDAL, VIRODHI-DAL KA NETA (VETAN TATHA BHATTA) ADHYADESH, 1980

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI BHISHMA NARAIN SINGH): I beg to lay on the Table a copy of the Madhya Pradesh Vidhan Mandal Virodhi-Dal Ka Neta (Vetan Tatha Bhatta) Adhyadesh, 1980 (No 3 of 1980) (Hindi and English versions) promulgated by the Governor on the 7th February, 1980 under article 213(2) (a) of the Constitution read with clause (c) (iv) of the Proclamation dated the 17th February, 1980 issued by the President in relation to the state of Madhya Pradesh. [Placed in Library. See No. LT-421/80].

NOTIFICATIONS UNDER REGIONAL RURAL BANKS ACT, 1976, AMENDMENT TO RESERVE BANK EMPLOYEES P. F. REGULATIONS, ANNUAL REPORT OF INDIAN INSTITUTE OF PUBLIC ADMINISTRATION, NEW DELHI FOR 1978-79, REVIEW OF WORKING OF DEPOSIT INSURANCE AND CREDIT GUARANTEE CORPORATION FOR

1977 AND 1976, REPORTS OF VARIOUS REGIONAL RURAL BANKS FOR THE YEAR ENDED 31-12-78, ANNUAL REPORT OF GENERAL INSURANCE CORPORATION OF INDIA FOR THE YEAR ENDED 31-12-77, NATIONAL SAVINGS CERTIFICATES (5TH ISSUE) AMDT. RULES, 1980 AND POST OFFICE SAVINGS CERTIFICATES (AMDT.) RULES, 1980

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JAGANNATH PAHADIA): I beg to lay on the Table:

(1) A copy each of the following Notifications (Hindi and English versions) under sub-section (3) of section 29 of the Regional Rural Banks Act, 1976:—

(i) The Krishna Gramina Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2112 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-422/80].

(ii) The Kutch Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2113 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-423/80].

(iii) The Jamnagar Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2114 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-421/80].

(iv) The Marudhar Kshetriya Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2115 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-425/80].

(v) The Madhubani Kshetriya Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2116 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-426/80].

(vi) The Nalanda Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2117 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-427/80].

(vii) The Singhbhum Kshetriya Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2118 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-428/80].

(viii) The Sharda Gramin Bank (Meetings of Board) Rules, 1979, published in Notification No. S.O. 2119 in Gazette of India dated the 23rd June, 1979. [Placed in Library. See No. LT-429/80].

(2) A copy of Amendment to Regulation 14(2) (a) (ii) of the Reserve Bank of India Employees' Provident Fund Regulations (Hindi and English versions) under sub-section (4) of Section 58 of the Reserve Bank of India Act, 1934. [Placed in Library. See No. LT-430/80].

(3) A copy of the Annual Report (Hindi and English versions) of the Indian Institute of Public Administration, New Delhi, for the year 1978-79 along with the Audited Accounts. [Placed in Library. See No. LT-431/80].

(4) A copy of the Review (Hindi and English versions) on the working of the Deposit Insurance and Credit Guarantee Corporation for the years 1977 and 1978. [Placed in Library. See No. LT-432/80].

(5) A copy each of the following Reports (Hindi and English versions):—

(i) Report of the Haryana Kshetriya Gramin Bank, Bhiwani (Haryana) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-433/80].

(ii) Report of the Jaipur Nagaur Aanchalik Gramin Bank Jaipur (Rajasthan) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-434/80].

(iii) Report of the Gorakhpur Kshetriya Gramin Bank, Gorakhpur (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-435/80].

(iv) Report of the Gaur Gramin Bank, Malda (West Bengal) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-436/80].

(v) Report of the Prathema Bank, Moradabad (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-437/80].

(vi) Report of the Bhojpur Rohtas Gramin Bank, Arrah (Bihar) of or the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-438/80].

(vii) Report of the Samyukt Kshetriya Gramin Bank, Azamgarh (U.P.) for the year ended 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-439/80].

(viii) Report of the Kshetriya Gramin Bank, Hoshangabad (Madhya Pradesh) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-439-A/80].

(ix) Report of the Tungabhadra Gramin Bank, Bellary (Karnataka) for the year ended

the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-440/80].

(x) Report of the Puri Gramya Bank, Pipli (Orissa) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-441/80].

(xi) Report of the Jammu Rural Bank, Jammu (J&K) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-442/80].

(xii) Report of the Champaran Kshetriya Gramin Bank, Motihari (Bihar) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-443/80].

(xiii) Report of the Barabanki Gramin Bank, Barabanki (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-444/80].

(xiv) Report of the Gurgaon Gramin Bank, Gurgaon (Haryana) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-445/80].

(xv) Report of the Rae Bareilly Kshetriya Gramin Bank, Rae Bareilly (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-446/80].

(xvi) Report of the Farukhabad Gramin Bank, Farukhabad (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-447/80].

(xvii) Report of the Malla-bhum Gramin Bank, Bankura (West Bengal) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-448/80].

(xviii) Report of the Bolangir Aanchalik Gramya Bank, Bolangir (Orissa) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-449/80].

(xix) Report of the Nagarjuna Grameena Bank, Khammam (Andhra Pradesh) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-450/80].

(xx) Report of the Pragjyotish Gaonlia Bank, Nilbari (Assam) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-451/80].

(xxi) Report of the Rayalaseema Grameena Bank, Cuddapah (Andhra Pradesh) for the year ended 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-452/80].

(xxii) Report of the Mayura-Kshi Gramin Bank, Suri Distt. Birbhum (West Bengal) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-453/80].

(xxiii) Report of the Malaprabha Grameena Bank, Dharwar (Karnataka) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-454/80].

(xxiv) Report of the Marathwada Gramin Bank, Nanded (Maharashtra) for the year en-

ded the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-455/80].

(xxv) Report of the Marwar Gramin Bank, Pali, (Rajasthan) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-456/80].

(xxvi) Report of the Bhagirath Gramin Bank, Sitapur (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-457/80].

(xxvii) Report of the Sri Visakha Grameena Bank, Sriakulam (Andhra Pradesh) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-458/80].

(xxviii) Report of the Cauvery Grameena Bank, Mysore (Karnataka) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-459/80].

(xxix) Report of the Shekhawati Gramin Bank, Sikar (Rajasthan) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-460/80].

(xxx) Report of the Cuttack Gramya Bank, Cuttack (Orissa) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-461/80].

(xxxi) Report of the Bilaspur Raipur Kshetriya Gramin Bank, Bilaspur (Madhya Pradesh) for the year ended the 31st December, 1978 along with the Accounts

and the Auditor's Report thereon. [Placed in Library. See No. LT-462/80].

(xxxii) Report of the Magadh Gramin Bank, Gaya (Bihar) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-463/80].

(xxxiii) Report of the Koraput Panchabati Gramya Bank, Jey-pore (Orissa) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-464/80].

(xxxiv) Report of South Malabar Gramin Bank, Malapuram (Kerala) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-465/80].

(xxxv) Report of the North Malabar Gramin Bank, Cannanore (Kerala) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-466/80].

(xxxvi) Report of the Rewa-Sidhi Gramin Bank, Rewa (Madhya Pradesh) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-467/80].

(xxxvii) Report of the Tripura Gramin Bank, Agartala (Tripura) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-468/80].

(xxxviii) Report of the Kosi Kshetriya Gramin Bank, Purnea, (Bihar) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-469/80].

(xxxix) Report of the Himachal Gramin Bank, Mandi (Himachal Pradesh) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-470/80].

(xl) Report of the Ballia Kshetriya Gramin Bank, Ballia (UP.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-471/80].

(xli) Report of the Sultanpur Kshetriya Gramin Bank, Sultanpur (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-472/80].

(xlii) Report of the Uttar Banga Kshetriya Gramin Bank, Cooch Bihar (West Bengal) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-473/80].

(xliii) Report of the Pandyan Gramin Bank, Sattur (Tamil Nadu) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-474/80].

(xliv) Report of the Vaishali Kshetriya Gramin Bank, Muza-farpur (Bihar) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-475/80].

(xlv) Report of the Monghyr Kshetriya Gramin Bank, Monghyr (Bihar) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-476/80].

(xlvi) Report of the Bundelkhand Kshetriya Gramin Bank

Tikamgarh (Madhya Pradesh) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-477/80].

(xlvi) Report of the Santhal Parganas Gramin Bank, Dumka (Bihar) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-478/80].

(xlviii) Report of the Hardoi (U.P.) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-479/80].

(xlix) Report of the Krishna Gramena Bank, Gulbarga (Karnataka) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-480/80].

(1) Report of the Kutch Gramin Bank, Bhuj (Gujarat) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-481/80].

(li) Report of the Jamnagar Gramin Bank, Jamnagar (Gujarat) for the year ended the 31st December, 1978 along with the Accounts and the Auditor's Report thereon. [Placed in Library. See No. LT-482/80].

(6) A copy of the Annual Report (Hindi and English versions) under rule 6 of the General Insurance Business (Notification) Rules, 1973 on the working and affairs of the General Insurance Corporation of India and its subsidiaries for the year ended 31st December, 1977.

[Placed in Library. See No. LT-483/80].

(7) A copy each of the following Notifications. (Hindi and English versions) under sub-section (3) of

the section 12 of the Government Savings Certificates Act, 1959:—

(i) The National Savings Certificates (Fifth Issue) Amendment Rules, 1980, published in Notification No. GSR 65 (E) in Gazette of India dated the 28th February, 1980. [Placed in Library. See No. LT-484/80].

(ii) The Post Office Savings Certificates (Amendment) Rules, published in Notification No. GSR 66(E) in Gazette of India dated the 28th February, 1980. [Placed in Library. See No. LT-485/80].

12.04 hrs.

ELECTIONS TO COMMITTEES

(i) INDIAN COUNCIL OF AGRICULTURAL RESEARCH

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI R. V. SWAMINATHAN): On behalf of Shri Birendra Singh I beg to move the following:—

"That in pursuance of Rule 4 (vii) of the Rules of the Indian Council of Agricultural Research, the members of this House do proceed to elect, in such manner as the Speaker may direct, four members from among themselves to serve as members of the Indian Council of Agricultural Research for a term of three years, subject to the other provisions of the said Rules."

MR. SPEAKER: The question is:

"That in pursuance of Rule 4 (vii) of the Rules of the Indian Council of Agricultural Research, the members of this House do proceed to elect, in such manner as the Speaker may direct, four members from among themselves to serve as members of the Indian Council of Agricultural Research for a term of three years, subject to the other provisions of the said Rules."

The motion was adopted.

(ii) MARINE PRODUCTS EXPORT DEVELOPMENT AUTHORITY

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES (SHRI Z. R. ANSARI):

On behalf of Shri Pranab Mukherjee I beg to move the following:

"That in pursuance of section 4 (3) (c) of the Marine Products Exports Development Authority Act, 1972, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Marine Products Export Development Authority, subject to the other provisions of the said Act."

MR. SPEAKER: The question is:

"That in pursuance of Section 4 (3) (c) of the Marine Products Exports Development Authority Act, 1972, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Marine Products Export Development Authority, subject to the other provisions of the said Act."

The motion was adopted.

(iii) TOBACCO BOARD

SHRI Z. R. ANSARI: On behalf of Shri Pranab Mukherjee I beg to move the following:—

"That in pursuance of sub-section (4) (b) of Section 4 of the Tobacco Board Act, 1975, read with rules 3 & 4 of the Tobacco Board Rules, 1976, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Tobacco Board for the term ending the 31st December, 1981, subject to the other provisions of the said Act and Rules made thereunder."

MR. SPEAKER: The question is...

PROF. N. G. RANGA (Guntur).
Mr. Speaker, Sir, I have to make a few observations regarding this matter. For a long time, we have been asking for amendment of the Tobacco Board Act as there has not been sufficient representation from the kisans on this board. Too many traders and their representatives have been found on it with the result that the interests of the agriculturists have been neglected. Therefore, I have to plead with the Government to bring forward a suitable amendment to the Act for the purpose of providing effective representation to tobacco growers.

MR. SPEAKER: This cannot be raised at this stage. The question is:

"That in pursuance of sub-section (4) (b) of Section 4 of the Tobacco Board Act, 1975, read with rules 3 and 4 of the Tobacco Board Rules, 1976, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Tobacco Board for the term ending on the 31st December, 1981, subject to the other provisions of the said Act and Rules made thereunder."

The motion was adopted.

12.06½ hrs.

BUSINESS ADVISORY COMMITTEE
SECOND REPORT

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI P. VENKATASUBBAIAH): I beg to move:

"That this House do agree with the Second Report of the Business Advisory Committee presented to the House on the 13th March, 1980."

SHRI NIREN GHOSH (Dum Dum): I have to make a submission....

MR. SPEAKER: Nothing can be said now.

SHRI G. M. BANATWALLA (Ponnani): Sir, I have written to you also in this regard....

MR. SPEAKER: You can raise it tomorrow. The question is:

"That this House do agree with the Second Report of the Business Advisory Committee presented to the House on the 13th March, 1980."

The motion was adopted.

12.07 hrs.

SUPPLEMENTARY DEMANDS FOR GRANTS (ASSAM), 1979-80

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Assam for 1979-80.

SUPPLEMENTARY DEMANDS FOR GRANTS (BIHAR), 1979-80

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of State of Bihar for 1979-80.

SUPPLEMENTARY DEMANDS FOR GRANTS (GUJARAT), 1979-80

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Gujarat for 1979-80.

SUPPLEMENTARY DEMANDS FOR GRANTS (MADHYA PRADESH), 1979-80

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of State of Madhya Pradesh for 1979-80.

SUPPLEMENTARY DEMANDS FOR GRANTS (MAHARASHTRA), 1979-80

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Maharashtra for 1979-80.

SUPPLEMENTARY DEMANDS FOR GRANTS (ORISSA), 1979-80

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demand for Grants in respect of the State of Orissa for 1979-80.

SUPPLEMENTARY DEMANDS FOR GRANTS (PUNJAB), 1979-80

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Punjab for 1979-80.

SUPPLEMENTARY DEMANDS FOR GANTS (RAJASTHAN), 1979-80.

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Rajasthan for 1979-80.

SUPPLEMENTARY DEMANDS FOR GANTS (TAMIL NADU), 1979-80.

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Tamil Nadu for 1979-80.

SUPPLEMENTARY DEMANDS FOR GANTS (UTTAR PRADESH), 1979-80.

SHRI R. VENKATARAMAN: I beg to present a statement showing Supplementary Demands for Grants in respect of the State of Uttar Pradesh for 1979-80.

12.10 hrs

ASSAM BUDGET, 1980-81

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): I beg to present a statement of estimated receipts and expenditure of the State of Assam for the year 1980-81.

BIHAR BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Bihar for the year 1980-81.

GUJARAT BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Gujarat for the year 1980-81.

MADHYA PRADESH BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Madhya Pradesh for the year 1980-81.

MAHARASHTRA BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Maharashtra for the year 1980-81.

ORISSA BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Orissa for the year 1980-81.

PUNJAB BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Punjab for the year 1980-81.

RAJASTHAN BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Rajasthan for the year 1980-81.

TAMIL NADU BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Tamil Nadu for the year 1980-81.

UTTAR PRADESH BUDGET, 1980-81

SHRI R. VENKATARAMAN: I beg to present a statement of estimated receipts and expenditure of the State of Uttar Pradesh for the year 1980-81.

12.12 hrs.

MATTERS UNDER RULE 377

- (i) REPORTED DELAY IN GRANT OF LICENCE FOR Haldia PETRO CHEMICAL COMPLEX.

SHRI NIREN GHOSH (Dum Dum): I want to raise the following matter of public importance to draw the attention of the Minister under Rule 377.

During the tenure of Late Shri Humayun Kabir as Minister of Petroleum and Chemicals, it was cleared at Ministerial level that a petro-chemical complex would be set up at Haldia which was cancelled later on. The petro-chemical complex was scrapped due to opposition from certain quarters and expansion of Haldia Refinery was put into cold storage. Present Left Front Government of West Bengal took up the matter seriously. Ultimately a letter of intent was issued by the Central Government urging the State Government to submit a blue print of the project which has been approved and various steps have been taken to implement the Haldia Petro-Chemical Project and they are in an

[Shri Niren Ghosh]

advanced stage of completion. Surprisingly enough there is inordinate delay in granting licence for the project. Refusal to grant licence would evoke state wide public resentment. I therefore demand that licence be immediately granted for the petro-chemical project.

(ii) REPORTED INDISCIPLINE IN THE BRANCHES OF STATE BANK OF INDIA IN SOUTHERN STATES

SHRI S. A. DORAI SEBASTIAN (Karur): I want to raise the following matter of public importance to draw the attention of the Finance Minister under Rule 377.

State Bank of India's long standing record of good service to people mostly to weaker section has been greatly affected by indiscipline hooliganism and riotous behaviour of certain employees specially in Southern States.

It is reported Branch Managers and Officers have been illegally confined, gheroad, physically assaulted and bank properties, furniture are destroyed, bank cash and records are tampered with. There is no rule of law, no respect for authority and no regard for systems and procedures. The affected branches are Trivandrum, Calicut, Ottapalam, Nagecoil, Tirunelveli, Palayamcottai, Aruppukottai, Kottikanal, Mayuram, Nagapattinam, K. K. Nagar, Ponneri, Dharapuram, Hoyal, Hospet.

The Madras Circle Management have initiated disciplinary action and in many cases police have filed criminal cases.

The top management of the State Bank is however under pressure from staff union and planning to drop disciplinary proceedings.

The Branch Managers and Officers are exposed to grave personal risks and there will be complete collapse and break down of administration. On the memorandum submitted by 5,000 officers to the Prime Minister, Finance

Minister and the Chairman of the State Bank, if no action is taken it will completely demoralise them.

Will the Finance Minister direct the Chairman, State Bank to act in such a way which will ensure discipline and not compromise and encourage indiscipline and chaos in the premier banking institution of India.

(iii) REPORTED NON-LIFTING OF SUGAR QUOTA FROM LEVY STOCK BY THE FOOD CORPORATION OF INDIA FROM A BOMBAY MILL

SHRI BHUSAHEB THORAT (Pandharpur): I want to raise the following matter of public importance to draw the attention of the Minister under Rule 377.

It is reported by Maharashtra Rajya Sehkari Sakhar Karkhana Sangh Ltd., Bombay that at about 3.33 lakhs tones of sugar from levy stock has not been lifted by the Food Corporation of India. The movement of the levy sugar from factory to the distributing centre is very poor. The agency fixed for distribution of the sugar is F. C. I. F. C. I. is not taking keen interest in lifting the sugar quota allotted to them by the Government. The total allotment is not lifted, only 50 per cent of the total allotment has been lifted. It is not understood as to why there is difficulty with the F. C. I. in not lifting the sugar quota of levy when there is no problem of transporting free sale sugar quota. What is wrong with levy sugar quota? It can be shifted on par with free sale quota. I suspect there is something between hoarders, officers of F. C. I. and also factory owners of sugar industries. I, therefore, urge upon the Government to investigate the matter fully by sending an expert team because it is pertinent that only quota of December 1979 onwards is not lifted. To create in the public mind a resentment against the Cong.(I) Government (of Mrs. Indira Gandhi), this has been manipulated

by all over agencies. So this should be investigated fully.

(iv) **SPREADING OF JAUNDICE IN AN EPIDEMIC FORM IN HILL DISTRICTS OF UTTAR PRADESH**

श्री हरीश रावत (अलमोड़ा) : अध्यक्ष जी, मैं नियम 377 के अन्तर्गत लोक महत्व की बातों की ओर माननीय रक्षा मंत्री, गृह मंत्री और स्वास्थ्य मंत्री जी का ध्यान आकषिप्त करना चाहता हूँ।

उत्तर प्रदेश के पर्वतीय जिलों में पीलिया नाम का रोग भयंकर रूप से फैला हुआ है। रानीखेत व उसके निकटवर्ती क्षेत्रों में इस रोग से कई लोगों की मौत हो चुकी है। इस महामारी को रोकने में स्वास्थ्य विभाग बिल्कुल असफल रहा है। इस रोग का पर्वतीय क्षेत्रों में भयंकर रूप से फैलने का कारण स्पष्ट रूप से ज्ञात नहीं हो पा रहा है। क्षेत्रीय जनता को शका है कि इस रोग का कारण विगत वर्ष पर्वतीय क्षेत्र में हुए कुछ बिस्फोटों से सम्बन्धित है। ये बिस्फोट उस समय हुए जब कि कुछ विदेशी नागरिक इस सीमान्त क्षेत्र में शंकास्पद रूप से घूमते हुए पाये गये हैं।

क्षेत्रीय जनता के स्वास्थ्य के साथ साथ देश के सीमान्त की सुरक्षा का मवाल भी जुड़ा हुआ है। अतः केन्द्रीय सरकार अपनी किसी ऐसी ऐजेंसी द्वारा इस बात की नज़रन्ता से जांच करवाये।

(v) **REPORTED CASES OF CRIMINAL ASSAULT ON WOMEN IN BIHAR AND MADHYA PRADESH**

SHRIMATI GEETA MUKHERJEE (Panskura): Under rule 377 I want to raise one matter. On 13th of March the Patriot has reported two incidents of rape from two states under President's rule viz. Bihar and Madhya Pradesh. In Bihar, a young Harijan woman of Bijwania village in Champatia block under West Champaran was criminally assaulted by a co-villager. The police have registered a case. No arrest has been made so far. At Jabalpur in Madhya Pradesh two young sisters, one of them married, were raped at the point of knife and forced to cook food by about a dozen drunk men who beset their house in the thinly populated locality on the 11th March. Such news of rape are often reported in the Press now-a-days. Many more incidents take place which are not reported. In view of the fact that

rape should be considered a crime against humanity, I draw the attention of the government to take immediate steps for apprehending and punishing the culprits in these two cases, as well as to devise more effective mean in the legal, administrative and social fields to curb this evil effectively in all parts of the country.

SHRI CHANDRAJIT YADAV (Azamgarh): Under rule 377 such cases are brought to the notice of the House. The whole nation feels concerned about such serious cases. Would you ask the Minister to tell us what steps are being taken so that we may know.

MR. SPEAKER: It is brought to the notice of government.

SHRI CHANDRAJIT YADAV: The Minister should make a statement.

MR. SPEAKER: We cannot do it. Action has to be initiated by them.

12.20 hrs.

GENERAL BUDGET, 1980-81—GENERAL DISCUSSION, DEMANDS FOR GRANTS (ON ACCOUNT), 1980-81, AND SUPPLEMENTARY DEMANDS FOR GRANTS, 1979-80—Contd.

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): Mr. Speaker, I have heard with great interest and attention the contribution made by all sections of the House. In the concluding part of my address I invited the House to offer constructive suggestions for framing the regular budget for the year 1980-81. A large number of suggestions have been made on the floor of the House such as expanded expenditure on some of the projects like irrigation, industries, rural development, support to village and rural industries, etc. I am thankful to all the Members for the various suggestions they have made. I am sure that in the revamped budget which will come up in the course of the year these suggestions will be reflected and adequate provisions made therefor.

[Shri R. Venkataraman]

I did not naturally expect any suggestions with regard to increasing the taxes. Therefore, I am not disappointed. However, I expected that there may be some suggestions for reduction of taxes and singularly there was none. I am not going to draw any inference that the House does not want any reduction in taxes. Therefore, I will not presume that, nor will I go on the basis....

(Interruptions)

I only pointed out that I will not draw any inference that the House does not want any reduction in taxes. The relief in taxes will also be before the Government when it comes forward in regular Budget.

I propose to classify the criticism into several heads and then address myself to the items one by one.

A great deal of debate was devoted to the question whether the Congress Government in 30 years did better or the Janata Government in 33 months did better in the service of the country. In my opinion it is a sterile debate. In fact I should say that the debate has ended with the massive mandate which the people have given to the Congress, and the matter has been set at rest for at least five long years. The people have endorsed the policies and programmes of the Congress (I) and have therefore,

SHRI NIREN GHOSH (Dum Dum): In a massive mandate Congress got only 45 per cent votes.

MR. SPEAKER: No interruptions please. No discussions.

SHRI R. VENKATARAMAN: The things speak for themselves. We had 352 Members who are sitting on this side. It is an answer to what they grumble about. The point I was making was that at the time when this Government was called upon to shoulder the responsibility of administration, it was faced with the situation which was almost stagnant and this has not been controverted by any-

body—a massive deficit of Rs. 2700 crores, a stagnant industrial production, the GNP declining by 1 to 2 per cent. and above all the price spiral which has been initiated by the last Government. Therefore, when I made the point before the House, I said I am not making it with a view to put a blame on anybody but to make the House and the country fully aware of the magnitude of the problem that we are called upon to face. Therefore, my submission to the House is that it is a purposeless debate to go on saying whether Janata Government did not do in the last 33 months this or that or whether the Congress did or did not do in 30 years. We have to put our shoulder to the wheel and see that the economy starts moving. In this connection I would even mention one or two things. It is possible to quote statistics and misquote them also. Statistics can be used and abused. In fact Shri Agarwal stated that during his period—1978-79, the price index had declined by 0.1 per cent. I can quote another figure that during the prime ministership of Shrimati Gandhi in 1974-76 the price index decreased by 11.6 per cent. What is the use of quoting these figures? (Interruptions). I am speaking extempore and not reading from a text. If you interrupt, my thoughts will get disrupted. If you want to do it you can do it, but if you want to hear me, please do not interrupt. I did not open my lips during the entire debate. Though many things were said during that time which hurt me, yet I did not open my lips. It is part of the game that you should also give me the same kind of courtesy, which I extended to you. I was not going to say that this period was a golden age and the other period is an age in which we all suffered. I only said, It is misquoting the figures and it is not proper to quote these figures. I can give you another instance. The prices had risen in the last week of February and that was also mentioned during the course of the Question Hour today. They said, it had risen by 1.1 per cent. But during the next week, it rose only

by 0.3 per cent. These figures do not prove anything. What you have to take into account is the trend over a period, which you have to watch carefully and see how the prices behave, how the economy behaves and how the country develops. Therefore, I do not propose to spend time on controverting some of the statistics which were given by the other side. As I said, these figures can be controverted, but it will not take you or me or the country anywhere.

The second point of criticism levelled against the Government is that there is no direction, no statement or policy and no indication of what the Government proposes to do in many things. In my budget speech itself, I said that the budget statements do not reflect adequately the present Government's policies and programmes. This is an interim budget for carrying on the administration for another two or three months, within which time we will come forward with a regular budget containing our policy statements, our priorities and so on. In the interim budget you cannot give any indication of the policies without backing it up by proposals for fulfilling them with adequate provision in the budget in figures for carrying out those policies. If I merely enunciate the policies saying, "We are going to do this, that and the other", it would have been easy for anyone on the other side to point out, "You have said you will do all these things, but where is the provision for it in the budget?" Therefore, in the interim budget, we never give policies. It is an attempt to carry on the present administration until we come forward with a regular statement of our intentions and our programmes.

I am sorry I was not here when Shri Satish Agarwal spoke. I was caught up in the other House. I have great regard for his competence and I would have loved to hear him. But I have read his speech and I have got the verbatim record of his speech with me. Mr. Agarwal said that the Go-

vernment has not come forward with an Economic Survey, which should have preceded the presentations of the budget. In fact, he used some harsh words; I do not want to repeat them. I would like to remind him that when he presented the interim budget in 1977, his Government also did not present an Economic Survey.

SHRI INDRAJIT GUPTA (Basirhat):
All in the same boat.

SHRI R. VENKATARAMAN: What is sauce for the goose is sauce for the gander. At least, we should have common standards. We have nonetheless broadly indicated some of the priorities in the Budget speech. For instance, we have said that we will lay emphasis on the 20-Point Programme and particularly its emphasis on the weaker sections of society. Fortunately, I have been able to take a meeting with the nationalised banks and able to secure their concurrence for the increase in the lending to the weaker sections of society from 33.1/3 per cent to 40 per cent. We have also mentioned that we will have an apex agricultural bank which will cater to the need of the agriculture as IDBI does for the needs of the industry.

Then the third point which really disturbs all of us is the price situation. Almost every Member irrespective of the side from which he spoke, mentioned about the continuing rise in the price situation in the country. I do not pretend that after this Government came, the prices have not increased. The trend is there but in my opinion the trend is at a lower pace than it was in the last 7 or 8 months of 1979. Here we have to take some concerted measures for the purpose of containing prices. We proposed to do a number of things in this regard. It may be worth taking time of the House to detail some of the steps which we proposed to take in respect of the price situation. Firstly, as far as the money supply part is concerned, we propose to follow the restrictive credit policy with a view to control the expansion of money

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supply. This is a very important tool in our hands. At the same time, I want to assure the House as well as the community outside that the credit control will be very discriminating. It will be applied only against those who are indulging in storing, hoarding and black-marketing. It will not in any way come in the way of productive enterprises and productive efforts. Already the Reserve Bank is taking action to see that the productive effort should not in any way be effected and they are seeing to it that the credit curb which is absolutely necessary in the circumstances, does not affect the expansion of production in the country.

Then with regard to supply management, we are also going to see that there is some kind of a public distribution system in which the controlled commodities and scarce goods will be supplied through the cooperatives, the fair price shops, the super markets and so on.

PROF. N. G. RANGA (Guntur):
Village panchayats.

SHRI R. VENKATARAMAN: Well, this is a suggestion which will be taken note of.

Unless there is a two pronged attack, one on the hoarders and black-marketeers and the other, to bring about efficient distribution, it will not really help the people of the country. Therefore, we are going to use rather strongly, rather severely, the Preventive Detention Act against the hoarders and the blackmarketeers. In this, I hope, we will have the co-operation of all sections of the House because, once we take action under the Preventive Detention Act, there is likely to be a hue and cry from several quarters, particularly from the vested interests, saying that the personal liberties are affected. It is very necessary to remember that unless we take some severe action in this regard, we will not be able to unearth and bring into the market the scarce goods which are available within the country.

At the same time, we realise that the supplies in this country are not enough. So, in some vital areas we do propose to augment the supply by imports. We propose to import about 2 million tonnes of cement. We have already taken action to import edible oil. We have taken measures to tie-up the oil requirements of this country for the entire period of 1980-81, and this has been done after this Government came to power; taking advantage of the friendly relations that we have with some of the oil producing countries, we have been able to tie-up with them the oil supply, so that we may be assured that the oil supplies will reach us and we will not be starved of oil. But that does not mean that it will solve the problem. As hon. Members are aware, the price of oil is going up every day, and the price is not determined by us, but it is determined by the OPEC. This increased price of oil is going to cause considerable strain on the resources of the country. But, nevertheless, so far as supplies are concerned, I am very happy that we have tied up the needs of this country and we have been assured of the necessary supplies.

The fourth point which was raised by a number of hon. Members and which caused considerable concern in the House is with regard to planning. Many members said that we are ushering in another era of plan holiday. I want to dispel any such impression immediately. This Government is committed to the principle of planning. It has never accepted the concept of a rolling plan, where the targets are adjusted to achieve them. We are going to set the targets which we want to achieve and, if we fail, we will come forward and confess the failure to achieve the targets. We will not bluff, saying that the targets have been realistically adjusted to suit the needs of the country.

So far as the plan is concerned, even though it is an interim budget, we have made adequate provision to see that the Plan process is not in any way

affected. I will give some figures to reinforce this statement. So far as the Central Plan is concerned, the Plan provision last year was Rs. 6,015 crores. As against that, we have made an outlay, even in the interim budget, of Rs. 6,573 crores, a step up of nearly 10 per cent. We feel that this will have to be revised upwards again, because there are certain vital sectors which need a heavier investment, like coal, transport and power. All these areas do require more investment, and we may have to revise this upwards. But even as it is, the 10 per cent step up must clear any possible misapprehension that the Plan is being given up, or there is going to be a Plan holiday.

SHRI INDRAJIT GUPTA: Ten per cent at what price level because prices are going up all the time? That 10 per cent does not mean anything.

SHRI R. VENKATARAMAN: If taxes are also raised at the same percentage, would the hon. friend support it? After all, the Plan is according to the resources. If you say that the cost of living index has gone up and therefore the Plan requires greater amount, then the taxes also will have to be indexed in the same way and if it is indexed and collected, would the Members support it?

SHRI INDRAJIT GUPTA: You have no other alternative.

SHRI R. VENKATARAMAN: Therefore, we will have to go by a yardstick and money is the yardstick in which we function. And according to the present yardstick, namely, money, we are saying that we have stepped up central plan outlay by 10 per cent already and we are going to do it further.

So far as the State budgets are concerned, there has been a phenomenal step up of 17 per cent in this interim budget itself. As against Rs. 5,738 crores in 1979-80, the proposed outlays are Rs. 6,723 crores and this will clear any misapprehension

in the minds of anybody that either the plan is being slowed down or that there is going to be any plan holiday.

I would also take this opportunity to mention that the current year's plan will be dovetailed into the total plan which we will form for the years 1980-85 and it will form an integral part of the total plan that we envisage. Naturally our priorities differ and the Plan which has now been framed does not reflect the priorities which we have before us or the programmes which we have set before the people in the Election Manifesto. So, we will have to re-vamp the Plan to suit our priorities and our election manifesto and when this is done, we will dovetail the 1980-81 Plan into the Five-Year Plan which will be framed. I want to disabuse the minds of people that there is any remote chance of the Plan either being given up or holiday being declared in respect of Plan and so on.

I now come to the next one or two points. Mr. Aggarwal in his speech has said—in fact he taunted me—that:

“You have adopted the same customs revenue, you have adopted the same excise revenue. You, as a Member speaking from the other side, attacked the surcharge on income-tax and also the excise duties. Now you have adopted the same thing, and it shows, therefore, that you have adopted the Janata Budget.”

Well, I do want to tell him that if he wants to have some temporary satisfaction until I bring the regular budget. I will not grudge it. But I want to know from this criticism whether he now wants that the excise duties should be reduced. That is a Budget which he himself put forward and pushed it very hard in the House against our opposition. I would like to know what his atti-

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tude is because at that time Mr. Aggarwal very stoutly defended the same excise proposals and in spite of the very strong criticism which was levelled by the other side he got it through. Now he seems to say that this is wrong. If he has second thoughts on it, I welcome it.

Now, I cannot really say what is going to be the shape of the taxation. But Mr. Aggarwal is also a very clever man. He might have thought of taunting me. He was sort of taunting me by saying, "Oh, you have adopted the same thing. Now come forward with your new proposals." If he thought that I would disclose my mind before the regular Budget is brought forward merely because he taunted me, he is very much mistaken. It is not going to come out till the regular Budget is framed and till we present it to the House. Therefore, I do not attach great value to that kind of statement.

He also defended the gold auctions. Therefore I am sorry he did something which is indefensible. All the time we have said that this is a pernicious policy, that we are squandering away the national assets. This is a view which we had taken when we were on the other side. This is the view which we have taken now and we have said there will be no gold auctions at all. Mr. Agarwal, on the other hand, did defend the gold auctions, but since they themselves gave it up, I think wiser counsels prevailed and perhaps wisdom dawned, though a little late in the day. But I want to make it clear to the House that our policy with regard to gold auctions is that we will not have any auction, we will not sell any gold.

A point was made by my esteemed friend, Shri Indrajit Gupta, and also by a number of other hon. Members including the elder statesman, Shri Charan Singh, and that is that the monopoly houses have been growing

in this country, that the rich have become richer. Here I want to point out some facts. Not that I am going to say that they should grow, not that I say that they must develop, but certain facts must be brought to the notice of the House and the country. The major part of this so-called growth in assets is due to the inflationary price rise in the country. If somebody in 1956 had Rs. 258 crores and now has Rs. 1,100 crores, it is largely due to that.

Secondly, a significant part of these assets are in the form of share-holdings in these companies by the public sector enterprises like the IDBI, IFC etc.

SHRI INDRAJIT GUPTA: That is why I said they are financing them.

SHRI R. VENKATARAMAN: Therefore, when you say that they have increased their assets, actually it is the IDBI, IFC and other public sector institutions which have increased their assets. I will not say you, but your party has a congenital opposition to the classes. We do not share that, and we cannot go the whole length that you go or that you want us to go.

SHRI BIJU PATNAIK (Kendrapara): Is that a credit?

SHRI R. VENKATARAMAN: Credit or discredit, the people have decided on whose side credit is. We are saying what we are. It is for you and for the country to judge, and they have judged. We have said what we are and I say now that the greater part of the assets are held by the Government, by the public sector institutions. Therefore, do not use it as a whipping boy for everything, saying that in this country the assets of some people have gone up and so on.

SHRI INDRAJIT GUPTA: Are these funds controlled by you also? Funds are given to them, but not controlled by you?

SHRI R. VENKATARAMAN: Yes, we have on the Board of Directors,

wherever funds have been given by the IDBI, IFC, etc., directors named by them; and therefore you cannot say we have no control. Therefore, this is an argument which is put forward to hoodwink the public, to give the impression that Tata or Birla has become rich. On the other hand, what has become rich is the corporation in which the Government holds a substantial interest, the company in which the IDBI, IFC and all these public sector institutions have increased their investments and assets. Therefore, please do not create a false impression that individuals have become richer. The corporations have become richer partly because—I would not say wholly—of the investments that we have made the financial institutions have made in those institutions.

SHRI SATYASADHAN CHAKRABORTY (Calcutta South): You are creating a false impression. I challenge, I can prove that Tatas and Birlas have increased their assets.

SHRI R. VENKATARAMAN: I am a peace loving man. I never accept challenges. I cannot fight.

SHRI SATYASADHAN CHAKRABORTY: This is an intellectual challenge.

(Interruptions)

SHRI R. VENKATARAMAN: There are some very valid points made by our elder statesman, Shri Charan Singh. He said that the rural poverty should be removed. Yes, it is. But all that we say is that not only the rural poverty, but also the urban poverty should be removed. Poverty, whether it is in rural areas or in urban areas, wherever it is, must be removed. There is as much poverty in the urban areas as in the rural areas and there is as much distress among the urban middle class as in the rural middle class. Therefore, any policy that we want to frame should be one to relieve the distress among the lower and middle

class, whether they are in the rural areas or in the urban areas. To the extent that there must be emphasis on the rural areas, there is no quarrel between us. We have not said that we are not in favour of eradicating poverty in the rural areas. On the other hand, a bulk of our 20-point programme is intended to benefit the rural poor. Therefore, I do not know why he should have made it a charge against this Government that the rural sector has been neglected. On the other hand, our emphasis is equally on the urban and the rural areas.

SHRI N. G. RANGA: One is 80 per cent and the other is 20 per cent.

SHRI R. VENKATARAMAN: Just because it is 20 per cent, you cannot ignore them. You cannot say that it is 20 per cent and therefore, poverty in the urban areas should be ignored.

There is another point which he made about the statement I mentioned in my budget speech viz., that we left a considerable volume of food and foreign exchange, which together gave a good start for the Janata Government as against a very poor start for us in 1980. I made a comparative statement. I did not want to take credit for all that we had done in those days. It was only a comparative statement of the situation in which they came to power and the situation in which we have come into power. Mr. Charan Singh said that the buffer stock in food which we had left behind was due to the import of foodgrains which we made. Yes, nobody denies it. Facts are facts. In the past we had imported foodgrains and consumed them. But during that period, that Government had only husbanded those imports and they saw to it that a sizable buffer stock is built so that when the next Government came, they could start with a favourable buffer stock of 18 million tonnes. That was the point I was making and the fact that

[Shri R. Venkataraman]

we imported does not detract from our performance and the fact that we husbanded those resources very carefully and left it as a legacy is a matter for which we should get at least some credit. That is all I am saying.

The last point I will now deal with is about the Asian Games. Choudhry Sahib was rather unhappy that we should spend Rs. 33 crores on Asian Games. I do not know if all sections of the House share that view.

But I must point out that it was the Janata Government which first accepted to hold the Asian Games in Delhi and then they wanted to go back on that. This Government thought that it would be quite improper, having accepted to hold the Asian Games here, to go back on that, for if we did so, we would cut a very sorry and a poor figure in the international world. Therefore, we thought that we should have the Asian Games in Delhi.

I have not touched upon all the points raised by hon. Members. But I will have a fuller opportunity to deal with them when the regular Budget is presented and then there will be more meat for you to attack than now.

MR. SPEAKER: I shall now put all the cut motions moved to the Demands for Grants on Account for 1980-81 to vote together unless any hon. Member desires that any of his cut motions may be put separately.

श्री रामवन्धार शस्त्री (वटनगर) : मैं चाहता हूँ कि मेरे दो-तीन स. 100 तथा 107 वजन से रद्द हो जाए।

MR. SPEAKER: Any other hon. Member? No.

Now, I shall put cut motion Nos. 100 and 107 moved by Shri Ram Avtar Shastri to the vote of the Avatar Shastri to the vote of the House.

Cut motions Nos. 100 and 107 were put and negatived.

MR. SPEAKER: I now put all the remaining cut motions together to vote.

Cut motions were put and negatived

MR. SPEAKER: I shall now put the Demands for Grants on Account for 1980-81 to vote.

The question is:

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the order paper, be granted to the President out of the Consolidated Fund of India, on account, for or towards defraying the charges during the year ending on the 31st day of March, 1981, in respect of the heads of demands entered in the second column thereof against Demands Nos. 1 to 106."

The motion was adopted.

„Demands for Grants on Account (General) for 1980-81 Voted by Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
1	2	3	
		Revenue Rs.	Capital Rs.
1	Department of Agriculture and Cooperation;	1,17,59,000	
2	Agriculture	24,82,92,000	299,80,23,00 0

1	2	3
	Revenue	Capital
	Rs.	Rs.
3 Fisheries	6,55,35,000	6,16,65,000
4 Animal Husbandry and Dairy Development	40,05,15,000	6,18,07,000
5 Forest	4,58,18,000	24,50,000
6 Cooperation	8,72,16,000	17,25,69,000
7 Department of Food	205,36,60,000	15,67,69,000
8 Department of Agricultural Research and Education	6,60,000	..
9 Payments to Indian Council of Agricultural Research	30,20,30,000	..
10 Department of Irrigation	11,35,93,000	1,93,61,000
11 Ministry of Commerce and Civil Supplies	72,81,000	..
12 Foreign Trade and Export Production .	136,52,12,000	21,73,66,000
13 Civil Supplies	2,94,20,000	1,79,08,000
14 Ministry of Communications	83,25,000	3,32,00,000
15 Overseas Communications Service .	5,52,70,000	10,30,44,000
16 Posts and Telegraphs —Working Expenses	264,40,51,000	..
17 Posts and Telegraphs—Dividend to General Revenues, Appropriations to Reserve Funds and Repayment of Loans from General Revenues	79,81,04,000	..
18 Capital Outlay on Posts and Telegraphs .	..	148,52,91,000
19 Ministry of Defence	40,02,15,000	31,30,53,000
20 Defence Services—Army	748,70,54,000	..
21 Defence Services—Navy	76,88,15,000	..
22 Defence Services—Air Force	287,57,66,000	..
23 Defence Services—Pensions	67,08,33,000	..
24 Capital Outlay on Defence Services .	..	87,84,02,000
25 Department of Education	81,23,000	..
26 Education	75,32,00,000	1,78,47,000
27 Department of Culture	3,93,45,000	..
28 Archaeology	2,29,33,000	..
29 Ministry of Energy	21,88,71,000	169,52,68,000
30 Ministry of External Affairs	45,88,82,000	6,45,72,000
31 Ministry of Finance	15,17,83,000	47,13,000

2	3
	Revenue Rs.
	Capital Rs.
32 Customs	16,36,89,000
33 Union Excise Duties	20,53,33,000
31 Taxes on Income, Estate Duty, Wealth Tax and Gift Tax	21,79,60,000
35 Stamps	6,93,40,000
36 Audit	27,36,46,000
37 Currency, Coinage and Mint	15,76,32,000
38 Pensions	21,51,30,000
39 Opium and Alkaloid Factories	23,63,54,000
40 Transfers to State Governments	448,21,05,000
41 Other Expenditure of the Ministry of Finance	421,84,55,000
42 Loans to Government Servants, etc.
43 Ministry of Health and Family Welfare	40,62,000
44 Medical and Public Health	57,82,45,000
45 Family Welfare	51,87,22,000
46 Ministry of Home Affairs	1,06,37,000
47 Cabinet	41,71,000
48 Department of Personnel and Administrative Reforms	3,37,68,000
49 Police	87,18,87,000
50 Census	6,47,40,000
51 Other Expenditure of the Ministry of Home Affairs	76,63,60,000
52 Delhi	56,61,64,000
53 Chandigarh	9,41,77,000
54 Andaman and Nicobar Islands	10,20,68,000
55 Dadra and Nagar Haveli	1,01,22,000
56 Lakshadweep	2,18,47,000
57 Ministry of Industry	1,27,91,000
58 Industries	14,13,48,000
59 Village and Small Industries	9,84,39,000
60 Textiles, Handloom and Handicrafts	37,05,20,000
61 Ministry of Information and Broadcasting	35,10,000
62 Information and Publicity	8,09,87,000
63 Broadcasting	26,03,21,000
64 Ministry of Labour	33,63,000

1	2	3	
	Revenue Rs.	Capital Rs.	
65	Labour and Employment	21,04,26,000	5,25,000
66	Ministry of Law, Justice and Company Affairs	9,26,22,000	33,000
67	Administration of Justice	16,07,000	..
68	Ministry of Petroleum, Chemicals and Fertilizers	41,29,000	..
69	Petroleum and Petro-Chemicals Industries	44,46,04,000	32,04,57,000
70	Chemicals and Fertilizers Industries	1,22,78,30,000	1,10,28,13,000
71	Ministry of Planning	1,30,000	..
72	Statistics	5,49,59,000	..
73	Planning Commission	1,61,44,000	..
74	Ministry of Rural Reconstruction	1,10,00,00,000	28,32,23,000
75	Ministry of Shipping and Transport	1,35,54,000	..
76	Roads	38,39,49,000	31,97,53,000
77	Ports, Light-houses and Shipping	27,97,63,000	60,15,51,000
78	Road and Inland Water Transport	50,13,000	13,58,48,000
79	Ministry of Social Welfare	18,62,40,000	31,00,000
80	Department of Steel	5,45,93,000	1,30,76,00,000
81	Department of Mines	21,51,71,000	26,21,00,000
82	Department of Coal	37,46,58,000	1,78,52,63,000
83	Department of Supply	9,90,000	..
84	Supplies and Disposals	3,11,48,000	..
85	Department of Rehabilitation	8,47,41,000	3,46,37,000
86	Ministry of Tourism and Civil Aviation	20,55,000	..
87	Meteorology	5,87,46,000	2,76,24,000
88	Aviation	10,10,95,000	14,71,17,000
89	Tourism	1,69,09,000	2,51,55,000
90	Ministry of Works and Housing	51,44,000	..
91	Public Works	38,08,46,000	9,70,95,000
92	Water Supply and Sewerage	22,16,30,000	..
93	Housing and Urban Development	7,46,96,000	17,97,42,000
94	Stationery and Printing	15,86,94,000	..
95	Department of Atomic Energy	20,84,000	..

1	2	3
	Revenue Rs.	Capital Rs.
96 Atomic Energy Research, Development and Industrial Projects	32,00,45,000	22,44,66,000
97 Nuclear Power Schemes	19,64,86,000	19,62,72,000
98 Department of Electronics	3,78,00,000	2,16,00,000
99 Department of Science and Technology	11,82,02,000	35,00,000
100 Survey of India	9,55,75,000	..
101 Grants to Council of Scientific and Industrial Research	19,16,69,000	..
102 Department of Space	14,66,84,000	12,23,40,000
103 Lok Sabha	2,15,17,000	..
104 Rajya Sabha	73,05,000	..
105 Department of Parliamentary Affairs	8,18,000	..
106 Secretariat of the Vice-President	2,10,000	..

MR. SPEAKER: Now, I shall put all the cut motions moved to the Supplementary Demands for Grants for 1979-80 to vote together unless any hon. Member desires that any of his cut motions may be put separately.

Any hon. Member?—No.

So, I put all the cut motions moved to the Supplementary Demands for Grants for 1979-80 to vote together.

All the cut motions were put and negatived.

13.00 hrs.

MR. SPEAKER: I shall now put all the Supplementary Demands for Grants for 1979-80 to the vote of the House.

The question is:

“That the respective Supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India, to defray the charges that will come in course of payment during the year ending the 31st day of March, 1980 in respect of the following demands entered in the second column thereof—

Demands Nos. 14 to 16, 18 to 20, 22, 42, 53, 56, 59 and 67.

The motion was adopted.

Supplementary Demands for Grants (General) for 1979-80 voted by Lok Sabha

No. of Demand	Name of the Demand	Amount of Demand for Grant Voted by the House
1	2	3
		Revenue Rs. Capital Rs.
14	Ministry of Communications	1,000 ..

1	2	3
	Revenue	Capital
	Rs.	Rs.
15 Overseas Communications Service .	1,000	..
16 Posts and Telegraphs Working Expenses .	13,53,75,000	..
18 Capital Outlay on Posts and Telegraphs .	..	1,000
19 Ministry of Defence	7,31,25,000	..
20 Defence Services—Army	13,00,00,000	..
22 Defence Services—Air Force .	10,00,00,000	..
42 Other Expenditure of the Ministry of Finance	35,00,00,000	..
53 Delhi	8,34,31,000	..
56 Dadra and Nagar Haveli	32,00,000
59 Industries	1,000
67 Ministry of Law, Justice and Company Affairs	11,53,00,000	..

13.01 hrs.

APPROPRIATION (VOTE ON AC-COUNT) BILL,* 1980

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): I beg to move for leave to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1980-81.

MR. SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1980-81".

The motion was adopted.

SHRI R. VENKATARAMAN: I introduce† the Bill.

I move†:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1980-81, be taken into consideration".

MR. SPEAKER: Motion moved:

"That the Bill to provide for withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1980-81, be taken into consideration."

SHRI NIREN GHOSH (Dum Dum): Just now the Hon. Finance Minister

*Published in Gazette of India Extra ordinary, Part II, section 2, dated 14-3-1980.

†Introduced and moved with the recommendation of the President.

[Shri Niren Ghosh]

has said that they are for the eradication of poverty, both urban and rural. As far as we are aware, they have been saying this for the last 30 years but succeeded only in increasing the poverty of the poorer sections of the people—about 70 per cent are now below poverty line—and increasing the wealth of the big business. Therefore, the question arises as to whom you serve. My contention is that you are not the servants of the poor people; you are the servants of big business and, in that sense you are anti-people, anti-India. This is my first point.

The second point I would like to make is that in the Budget the financial powers between the Centre and the States have been delineated in such a way that all the powers are in the hands of the Centre. The State has the responsibility to see to the welfare of the people but the entire power is centralised in the hands of the Central Government. This, I say, strikes at the social fabric of the unity of India and breeds discontent and at times of distress, upheavals in the various States. For the sake of the unity of India and for the development of the States of India there should be a just and equitable distribution of financial powers in favour of the States. Somebody may object, saying, 'Unless powers are in the hands of the Centre, how can the poorer States be developed?'

While making my point on this, Sir, even 30 years after Independence, you see Bihar is the poorest. Orissa is the poorest and same is the case with regard to Assam. Why? 90 per cent of the backward States are there. Only certain States are industrially developed to some extent on the West Coast. So I plead for them.

I again take up another issue—that is the issue of licences. Licences are granted in a whimsical manner. I have heard that if some industrialists want to set up industrial units, the Centre and the bureaucracy tell them, 'If you go to Pune or if you go to Madras or

Ahmedabad or Bombay, your licence will be granted. Otherwise, the licence will not be granted.' This is the policy that is being pursued. That is another thing I want to point out. It is high time that it is changed.

Then take the question of taxation. If you see the entire gamut throughout this period, you will see that indirect taxation has gone up and direct taxation is nowhere nearing the end and tax-dodging is now to the tune of Rs. 4000 crores each year. You have passed the law for detention. I want to know how many of the big guys, the big industrialists have been detained under the preventive detention law now that nine States are under your direct control and two States you are already running?

Another point I would like to make is that nowhere in the world there is equalisation of prices of steel. And pressures on coal have been manipulated in such a way that the price of coal has more or less been equalised. In any country in the world is it there? Why have you done this? Either it should be withdrawn or there should be supply of basic industrial raw materials including cotton, oil products, etc. at equal prices throughout the country. It is a discriminatory policy you are pursuing and evoking much discontent in the majority of the States.

Lastly I come to your policy in regard to the multi-nationals. This government is openly inviting the multi-nationals. So long we have been told that attempts are being made to see that the loot is limited. Year by year huge profits are expatriated abroad by the multi-nationals without any investment of capital. Rs. 200—300 crores are being expatriated annually. This has become a scandal. Not only that, you are increasing it and are inviting them thereby stifling the indigenous technical know-how. Of course, sometimes one has to go, for new technologies but you are mortgaging all the sophisticated and strategic heights of industry to the foreign nationals.

As regards the price of drugs, the Hathi Committee has said that the foreign multi-nationals are ruling the roost and that report has been put into the cold storage. The prices of poor man's drugs have gone up and there are reports in the Press that it will be further increased in view of the escalation of the prices of inputs. It is they who supply the inputs and also it is they who manufacture the drugs. This is another danger.

These are some of the points I have to say. It is better that you drastically reshape the Budget proposals for the coming year. Otherwise, sooner or later there will be upheavals throughout the country like that of 1974.

श्री रामावतार शास्त्री (पटना) : अध्यक्ष जी मैं तीन सवाल उठाने की इजाजत चाहता हूँ और इन सवालों को उठाने की मेने अप से इजाजत ली भी है। पहली बात तो यह है कि बिहार में अमन और कानून की व्यवस्था बिल्कुल ही गतिरेबत स्थिति में है। उनमें से एक की चर्चा कल पिपरा कांड के रूप में हम ने की।

अध्यक्ष महोदय : वह मारा कुछ कल आ गया।

श्री रामावतार शास्त्री : बिहार के मुंगेर, बेगूसराय, धनबाद, पटना, गया और श्रीरंगबाद जिलों की स्थिति सब से दयनीय है। बेगूसराय में कामदेव सिंह का एक बड़ा गिराह है जो तस्करी भी करता है और लोगों की हत्याय भी करता है और 15 सालों से बिहार में यह गिराह सक्रिय है। इस के बारे में 1973 में राज्य सभा के माननीय सदस्य, श्री योगेन्द्र शर्मा ने श्रीमती इन्दिरा गांधी को लिखा था कि उन के खिलाफ कार्यवाही की जानी चाहिये। लेकिन आज तक वह गिराह घूम रहा है, आधुनिक अस्त्र शस्त्रों से लैस है, और अगर उन के खिलाफ कोई आवाज उठाना है तो उस की जान खतरे में पड़ी जाती है। इसलिये अगर आप बिहार में अमन बचाना चाहते हैं, तो इस तस्कर गिराह का, लुटेरे और हत्यारे गिराह का सफाया कीजिये वरना बहुतां की जान खतरे में है। और जो भी सरकार आती है वह सरकार उस तस्कर गिराह को अपने साथ ले लेती है, उन्हें राजनीतिक संरक्षण देती है। अगर यही मिलमिला रहा।

अध्यक्ष महोदय : यह इरैलीवेंट है।

श्री रामावतार शास्त्री : इस का सम्बन्ध गृह मंत्रालय की हिमायत से है। मेरी मांग है कि इस महत्वपूर्ण और सनसनीखेज मामले की जांच सी० बी० आई० से कराई जाये क्योंकि बिहार सरकार की पुलिस उन के खिलाफ कुछ नहीं कर सकती है। इस सवाल पर विधान सभा में बहस हुई। अभी आप का वहां शासन

है। वहां की प्रसेम्बली आई० जी० और संजी कुछ नहीं कर सके इसलिये कि कुछ न कुछ लोग उन के पीछे हैं। तो सी० बी० आई० से इस की जांच करावें और उन के खिलाफ कार्यवाही करें तथा उन को फौरन गिरफ्तार कर के जेल में डाला जाय। एक बार वह गिरफ्तार हो गये थे नैपाल में, लेकिन अपने बदले दूसरे को जेल में रखवा दिया और लाखों रुपया खर्च कर के बाहर चले आये। वह भी तस्करी का गिराह है। इसलिये अगर आप ल एंड्र प्रॉडर को ठीक करना चाहते हैं तो इस गिराह का सफाया करना होगा।

अभी लेटेस्ट बात है, आज के अखबार पट्टयट में पटना की 13 मार्च की खबर निकली है :

'Ram Dular Rai, a nineteen year old student of Bali Ram Bhagat College (former Speaker's name), Samastipur was brutally murdered by some unknown persons on 10th March. Some persons have taken the victim for a film show. At the end of the show, he was compelled to go to his in-law's house. While he was on his way to his father-in-laws house the criminal cut his throat with some sharp weapon.'

MR. SPEAKER: This has nothing to do with the budget. You are elaborating unnecessarily.

SHRI RAMAVATAR SHASTRI: Why not? This is a law and order problem.

MR. SPEAKER: You wind up. You have made the point.

श्री रामावतार शास्त्री : इसी तरह से गया जिले के जहानाबाद सब-डिवीजन के पारसबीघा में जमींदारों ने 12 हरिजनों और पिछड़ी जाति के लोगों का जला दिया। यह पिपरा कांड से पहले की बात है। उस में जमीन की समस्या है। 42 एकड़ जमीन पर जमींदारों ने कच्चा कर रखा है। उस में से बहुत सारी जमीन बटाईदारों के नाम में लिखी गयी है, फिर भी ऐसी घटना घटी। यह दीनीय बातें हैं ने आप को बताई, इस से आप को वहां की गंभीरता का पता लगना चाहिये।

गृहमंत्रालय के क्षेत्र में अनाकी है। हाल में ही यहां के माध्यमिक स्कूलों के छात्रागृह हड़ताल पर चले गये। नान-गवर्नमेंट स्कूलों को वहां सरकार ने अपने हाथ में लेने का फैसला कर लिया है, लेकिन लिया नहीं है, वह इस को अमन में नहीं ला रही है। सब की तनख्वाहें बिहार सरकार देती है पर अभी भी प्राइवेट प्रबंध समितियां फंक्शन कर रही हैं, क्योंकि उन का बैस्टेड इस्टेट है। उसी के विरोध में ये लोग हड़ताल पर गये हैं। उस प्रकार कालेज के लैक्चरर्स भी हड़ताल पर गये हैं। उन की मांग है कि नान-फैस्टीदुएंट कालेजों

[श्री रामावतार शास्त्री]

को कांस्टीट्यूट कालेज बनाया जाये। उन्होंने यह भी मांग की है कि

Payment of arrears of the Fifth Plan; UGC Pay Scales; implementation of Pension cum Gratuity Scheme; Payment of DA at Central Government Rates and certain other matters.

यह सब मान लिया सरकार ने, पर इम्प्लीमेंट नहीं हो रहा है। हम चाहते हैं कि इस का इम्प्लीमेंट कराया जाये।

पटना यूनिवर्सिटी की हालत बहुत खराब है। यह सब से पुरानी यूनिवर्सिटी है। हिन्दुस्तान में, पर उस की आर्थिक हालत बहुत खराब है। 20 करोड़ का ब्रोड-ड्राफ्ट हो चुका है, काफी मकान नहीं है, एक्सपैरिमेंट करने के लिए एपरेटस नहीं है। सैलरीज वहां के टीचर्स को नहीं मिल रही है उस के लिये भी उन को आन्दोलन करना पड़ रहा है। मार्च की सैलरी भी उन को मिलेगी या नहीं इस की कोई गारन्टी नहीं है। मेरा सुझाव है कि पटना यूनिवर्सिटी को टेकओवर कर लीजिये और उसे सेंट्रल यूनिवर्सिटी बनाइये। हर स्टेट में कम-से-कम एक सेंट्रल यूनिवर्सिटी बने ताकि एक आदर्श शिक्षण संस्था स्थापित हो सके। मैं चाहूंगा कि इन बातों की तरफ आप का ध्यान जाये।

स्लम क्लीयरेंस के बारे में मैं यह कहना चाहता हूँ कि हमारे आवास मिनिस्टर ने अपने भाषण में कहा था कि हम गन्दी बस्तियों के बारे में एक नई स्कीम बना रहे हैं। मैं जानना चाहता हूँ कि वह स्कीम क्या है? तमाम गन्दी शहरों को ठीक करने के लिए, उनके पुनर्निर्माण के लिए आप जल्द से जल्द कदम उठाइये और खास तौर से जितने स्टेट कैपिटल्स हैं, उनको सहायता दीजिए, तभी स्टेट कैपिटल्स की हालत सुधरेगी।

मैं स्टेट कैपिटल पटना से आता हूँ उसकी हालत बहुत खराब है। आप पटना चलिए और देखिए कि पटना शहर में गन्दगी का अम्बार लगा है। कोई सड़क ऐसी नहीं है जहां गन्दगी न मिले। तमाम गलियाँ, सड़कें, बिल्कुल गन्दी है वहां की सफाई नहीं होती। कार्पोरेशन कहता है कि उनके पास पैसा नहीं है। उनकी ग्रामदनी 80 लाख की है और बेतन आदि पर खर्चा 1 करोड़ का है। कमचारियों के पेबिल ही एक करोड़ के हैं। तो उनको पैसे की जरूरत है। जब पैसा उनको मिलेगा तभी वह नागरिकों को सुविधाएं प्रदान कर सकेंगे।

वहां पानी नहीं है, रोशनी नहीं है। बि.राइया रोड पुल पर रोशनी के अभाव में सड़क होते हैं इस तरह की और भी जगह हैं, समय की कमी के कारण मैं नाम नहीं ले रहा हूँ। लेकिन स्थिति बहुत गम्भीर है। पटना के विकास के लिए आपको ध्यान देना चाहिए। तमाम स्टेट कैपिटल्स के विकास के लिए ध्यान देना चाहिए। तमाम शहरों का विकास हो, स्लम क्लीयरेंस हो, गन्दी बस्तियों की सफाई की जाये और पीने के पानी की व्यवस्था की जानी चाहिए। बिहार अकाल के बंगल में है, सरकारी रिपोर्ट है कि 25 हजार गांवों में पीने के पानी का कोई साधन नहीं है। उन गांवों में बासियों को बगल के गांवों में जा कर पानी लाना पड़ता है। क्या यह खिन्दगी है? हम और आप तो यहां बड़े बड़े मकानों में रहते हैं, जहां पानी है और हर एक सुविधा है। जरूर हमारे साथ देहात में चलिए। अगर आप देहात से आते होंगे तो आप जानते होंगे। पूरे बिहार में वाटर फ्रीम होने वाला है। गर्मियों के दिन घा रहे हैं। हाउसिंग मिनिस्टर का यह काम है कि वह पानी का इन्तजाम करे।

अध्यक्ष महोदय : गांव वाला ही गांव की बात जान सकता है।

श्री रामावतार शास्त्री : आप जानते हैं। एक बार हम आपको अपने यहां ले जाना चाहते हैं।

अध्यक्ष महोदय : चलेंगे।

श्री रामावतार शास्त्री : हमारा सूचा तो बहुत पिछड़ा हुआ है। अगर सरकार चाहती है कि बिहार फिर बहुत भयंकर संकट में न फंसे, तो वह और पानी के पानी की व्यवस्था करे, वरना स्थिति बहुत नाजुक हो जायेगी।

SHRI R. VENKATARAMAN: Mr. Speaker, Sir, some of the points which have been raised have already been debated, but one thing which was raised was in relation to the Centre-State financial adjustments. That was also the point which Shri Chitta Basu made in the course of the debate. We know very well that we are functioning under the present Constitution and the financial arrangements between the Centre and the States are governed by the existing Constitution. If hon. Member want that that should be revised, then it is another matter on which I cannot give any reply.

SHRI KRISHNA CHANDRA HALDER (Durgapur): You are Finance Minister and are speaking on behalf of the Government.

SHRI R. VENKATARAMAN: I know my limitation. Unlike others, I am fully aware of my limitations. I want to point out to the hon. Member that even under the existing financial relations, considerable transfers of resources have taken place from the Centre to the States.

SHRI NIREN GHOSH: It is marginal.

SHRI R. VENKATARAMAN: I can give you the figure. If you will consider those as marginal, I leave it to the public to consider then.

Later in the day, I am coming forward with a Bill which transfers all the collections in respect of electricity duty to the States. That was recommended by the 7th Finance Commission and the amount will be about Rs. 1,140 crores in the next five years. The 7th Finance Commission has made recommendations, the sum total of which will be a transfer of Rs. 20000 crores from the Centre to the States during the course of the next five years. If you still think it is marginal, I leave it to members with some judgement to decide.

The next point which was raised was about the Bihar situation. I am really unable to say anything about the Bihar situation. All that I can say is that I will transmit it to the appropriate authorities in Bihar and see that they take the appropriate action necessary in this behalf. I have noticed that there have been very sad incidents.

SHRI RAMAVATAR SHASTRI: What about establishing Central Universities and converting Patna University into a Central University? It is within your competence.

SHRI R. VENKATARAMAN: Unfortunately, the Members think that the Minister is like God who can go on giving boons. We have to go into the whole financial relations; financial implications have to be worked out and then come to some conclusions. It is

God Almighty who can give boons and not Ministers. As I said, we will communicate it to the Bihar Government. We are equally interested as the hon. Member is in the maintenance of law and order and in the maintenance of peace.

MR. SPEAKER: The question is:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1980-81, be taken into consideration."

The motion was adopted.

MR. SPEAKER: We shall now take up clause-by-clause consideration of the Bill. The question is:

"That Clauses 2 to 4 and the Schedule stand part of the Bill."

The motion was adopted.

Clauses 2 to 4 and the Schedule were added to the Bill. Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI R. VENKATARAMAN: I beg to move:

"That the Bill be passed."

MR. SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

13.35 hrs.

APPROPRIATION (No. 2) BILL*, 1980

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): I beg to move for leave to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1979-80.

MR. SPEAKER: The question is;

"That the leave be granted to introduce a Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1979-80."

The motion was adopted.

SHRI R. VENKATARAMAN: Sir, I introduce† the Bill.

Sir, I beg to move‡:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1979-80, be taken into consideration."

MR. SPEAKER: The question is:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 1979-80, be taken into consideration."

The motion was adopted.

MR. SPEAKER: We shall now take up clause-by-clause consideration of the Bill. The question is:

"That Clauses 2 and 3 and the Schedule stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

SHRI R. VENKATARAMAN: I beg to move:

"That the Bill be passed."

MR. SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

1328 hrs.

FINANCE BILL, 1980

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): I beg to move:

"That the Bill to continue for the financial year 1980-81 the existing rates of income-tax with certain modifications, to provide for certain exemptions from income-tax and to provide for the continuance of the provisions relating to auxiliary duties of customs and special duties of excise for the said year, be taken into consideration."

SHRI SATISH AGARWAL (Jaipur): I want to have one clarification. The hon. Finance Minister in his speech on page 8, paragraph 36, has stated, "I propose to introduce today a Financial Bill which seeks to continue the existing rates of income-tax for the financial year 1980-81. However, I have also three proposals of a non-controversial nature for the amendment of the Income-tax Act. I shall now briefly explain these proposals." Then in paragraph 37, he says, "some State Governments have set up statutory corporations for the promotion of socio-economic interests of member of the scheduled Castes and the Scheduled Tribes. I propose to exempt from income-tax the—now you are proposing to exempt—income of all statutory corporations or bodies, associations or institutions wholly financed by the Central or a State Government, established for promoting the interests of the members of the Scheduled Castes and the Scheduled Tribes." After going through the statement in paragraph 36 or 37, one has got the impression that you are going to exempt hereafter all such corporations from the levy of income-tax and continue other proposals. New look to the statement of Objects and Reasons at the end of the Finance Bill. This is paragraph no. 6.

†Introduced and moved with the recommendation of the President.

‡Mover with the recommendation of the President.

Para 6 of the Statement of Objects and Reasons says:

"Clause 3 of the Bill seeks to extend the exemption from income-tax in the case of residents of Ladakh for a further period of three years and to exempt from income-tax awards for service for alleviating the distress of the poor, the weak and the ailing and income of corporations or other bodies, associations or institutions established for promoting the interests of members of the Scheduled Castes or the Scheduled Tribes."

After plain reading of your speech as well as para 6 of the Statement of Objects and Reasons, one gets the impression that you are going to exempt the corporations from the levy of income-tax hereafter. But look to the provision that you are going to add in the body of the Bill, clause 3, page 12: sub-clause (c):

"after clause (26A), the following clause shall be inserted, and shall be deemed to have been inserted, with effect from the 1st day of April, 1972, namely....."

I should like to know why you are making this provision retrospective, from 1972? Your speech and the Statement of Objects and Reasons clearly state that this is to be prospective. I fail to understand why you have added the words "shall be deemed to have been inserted with effect from 1st April, 1972". You have indicated neither in your speech nor in the Statement of Objects and reasons. This provision is in violation of and counter to what is contained in the speech as well as the Statement of Objects and Reasons. Will you please clarify the position? Is it an inadvertent mistake?

SHRI R. VENKATARAMAN: I am grateful to my esteemed friend for having drawn my attention to this matter. At the moment I can only say that the intention has been to give exemption to these corporations from income-tax from the date they were

started and the words 'I propose to come' only mean that I propose to bring this measure now, not that I propose to give exemption in the future. As far as my statement is concerned, it is fairly clear; at any rate it does not preclude the possibility of giving it retrospectively. Coming to the statement of objects and reasons, clubbing these two sentences together, namely, exemptions to residents of Ladakh and the other, relating to the Scheduled Castes and Tribes, gives the impression which my hon. friend has pointed out. I should submit that though the drafting of the objects could have been more elegant, there is no error, either of fact or of law in this.

SHRI SATISH AGARWAL: I have no objection basically with regard to the grant of exemption from income-tax to these corporations. I would like to know why they chose 1972.

SHRI R. VENKATARAMAN: From the date they were incorporated.

SHRI SATISH AGARWAL: Does it imply that they have not been assessed to income-tax since 1972? If you do not know the answer right now, you may verify and confirm. I have drawn the attention of the House. Your speech does not contain anything with regard to the retrospective effect. If the government wants to make a provision with retrospective effect, that should be specifically mentioned in the speech or in the statement of objects and reasons. Otherwise the House may be taken by surprise. You say, you propose to exempt and the House will say: all right. But the House will never know that you are going to do it retrospectively from 1972. Are you going to reopen all those assessments? Please verify that; let us know.

SHRI R. VENKATARAMAN: My information is that these corporations were established in 1971 and therefore they would be liable to income tax only after 1972 and that is why the year 1972 has been fixed. So far as

[Shri R. Venkataraman]

the other point is concerned. I have no information; I will verify. I will write to him about that. I hope he has no objection to the fact of exemption being given.

SHRI SATISH AGARWAL: I have no objection. But the question is: are you going to reopen the assessments?

SHRI R. VENKATARAMAN: I will write to him.

MR. SPEAKER: Motion moved:

"That the Bill to continue for the financial year 1980-81 the existing rates of income-tax with certain modifications, to provide for certain exemptions from income-tax and to provide for the continuance of the provisions relating to auxiliary duties of customs and special duties of excise for the said year, be taken into consideration."

SHRI KRISHNA CHANDRA HALDAR (Durgapur): Shri Venkataraman, Hon. Finance Minister, appeared like Ravana in the costume of a saint (Sadhu) with his Budget and Finance Bill to snatch away 'Sita' i.e. the power of 9 States in the coming election. After the election is over real Ravana will appear. But ultimately Hanuman will destroy your Swarana Lanka in future (though today Hanuman may not be in the House.)

The Finance Minister has said that he would approach the House again in 'a few weeks' with a full-fledged budget containing new taxation measures to reduce the budgetary gap. That means a high dose of taxes will come after a few weeks when he will introduce the full-fledged budget.

The hon. Minister presented the Finance Bill mainly to continue the existing rates of direct and indirect taxes to seek some 'non-controversial' changes in the income tax Act with a view to providing concessions to government organisations set up for the Scheduled Castes and the Scheduled

Tribes. Such bodies will be exempted from income-tax.

13.37 hrs.

[SHRI SHIVRAJ V. PATIL in the Chair]

Another change in the Income Tax Act is continuous tax exemption for the residents of Ladakh for another three years keeping in mind the election to Parliament.

The Finance Minister has failed to take advantage of the opportunity provided by the presentation of the interim Budget for 1980-81 to give the country a clear indication of the economic strategy of the new government. The outline of next year's Budget does not even provide a reliable indicator of the planned levels and structure during the coming years as the Finance Minister has made it clear that the country will have to 'wait till the priorities and plan outlays for 1980-81 are finalised by the Planning Commission to be appointed'. What is the condition of our economy—not only stagnation in Industrial growth, prices of essential commodities are also rising in galloping step—only in one week it has risen by 1.2 per cent. If it continues, then in one year it may rise upto 60 per cent. Unemployment problem is increasing enormously. It is said it may be to the tune of 20 million in urban areas and 10 crores in rural areas. Moreover, about 70 per cent of our population is living below the poverty line. 75 per cent of our population has no purchasing power at all. This hopeless condition of our economy is not only due to Janata, Lok Dal rule but due to 30 years of mis-rule of Congress including 11 years' rule of Mrs. Gandhi and including the period of Emergency also. Congress Party has vigorously developed Capitalist economy and all over the capitalist world economic crisis is deepening; here in our country we are finding the same thing.

The Congress Party has said that they would build a Socialist pattern of society and in 1971 elections, Mrs. Indira Gandhi raised the slogan of

'Garibi Hatao' but what has happened to Garibi, all of you know very well. I do not want to go into the details here.

As the economic crisis is aggravating, the Government headed by Mrs. Gandhi is curtailing the powers of the States and depriving them of their legitimate share in Centre's earning, Agriculture, Education, Health development, construction of roads, supply of drinking water etc., all these are in the hands of the State Government, but due to lack of sufficient funds, they cannot discharge their duties properly. In this context, I would demand the review of Centre-State relations for the development and to strengthen the unity and integrity of our country. I demand that 75 per cent of Central Budget allocations should be distributed amongst all the State Governments. In this context, I would demand a review of the Centre-State relations for developing and strengthening the unity and integrity of our country. I demand that 75 per cent of the Central Budget allocation should be distributed amongst all the State Governments.

To check the price rise, physical control of the essential commodities by the Centre is absolutely necessary and all these essential commodities should be distributed through the public distribution system.

Government is taking of self-reliance. But our foreign loan has gone up to ten thousand crores of rupees and we have to pay several hundred crores of rupees as interest. This year, the Government is depending mainly on the foreign assistance, which means dependence on foreign countries. Multi-national companies are already exploiting our country. Our country has become the hunting ground of the multinationals and monopoly capitalists and will continue to be the hunting ground of those elements. Our national independence may be at stake.

So, our country is passing through an unprecedented economic crisis. The crisis has aggravated in all spheres of social and economic life, as if we are sitting on a volcano. One day the volcano may erupt and the situation may become worse. Then, how are we to come out of this severe crisis? We have to take bold and radical steps. We have to end all types of exploitations. So, I demand that we have to nationalise the foreign capital working in India. We have to nationalise all industries controlled by monopoly capitalists. Radical land reforms should be undertaken and land should be given to the tiller. In this way, gradually socialisation of all means of production should be done. We have to take bold steps. If we do not change our outlook, if we do not change the structure of our economy and the structure of our society, this capitalist society will not be able to solve the basic problems of our nation and the people. We must change our outlook. We have to change our society and economy through bold steps. We have to build up gradually a socialist society. If we can proceed in this way, we shall be able to solve our problems and lead our country towards our cherished goal. We shall then be able to eradicate poverty, solve the unemployment problem and in this way we shall be able to solve all the problems.

SHRI C. T. DHANDAPANI (Polilachi): Sir, I am very thankful to the Finance Minister for having brought some concrete proposals for promoting the interests of the weaker sections of our society. A deficit budget has been brought consecutively for the last two years. I do not want to say that a deficit by itself will harm the economy or the nation, provided the gap is being invested in developmental activities. Otherwise, if the gap is used for some other purposes, certainly it will harm the nation and the economy. I am sure the Finance Minister would take proper

[Shri C. T. Dhandapani]

steps and see that this amount is utilised for developmental activities in the country.

Many things have been said in this House by the leaders of various political parties. As far as price rise is concerned, all political parties at one place or other are being cursed by the public because all of them—Congress, Janata, CPI, CPM, Lok Dal, even my Party DMK—were ruling parties in different States. So, all political parties are responsible and answerable to the public for the increase in prices. But I would like to say that the Finance Minister was good enough to bring about some proposals at this juncture. The Minister has spelt out some programmes such as proper and effective supply of essential commodities like edible oil, kerosene, diesel, sugar, etc., stringent action against hoarders and black-marketeers, encouragement for higher production of consumer goods and allocation of 300 crores for Food for Work Programme. Here I would like to request and appeal to the hon. Minister that a watch should be kept on the funds which are being distributed to the States, whether the State Governments are really utilising the funds for the purpose for which these are being given. For example, during the 2½ year rule of AIADMK, funds were allocated by the Janata Government at the Centre to the State for various programmes but they were not utilised properly by them. One portion of the fund was squandered away by two Ministers i.e. Mr. Ponnaiyan, Minister for Transport and Mr. Kolandaivelu, Minister for Agriculture. These funds had not reached the poorer sections for whom they were meant. So, it should be looked into.

The hon. Minister has also announced awards to litterateurs, scientists, artists, etc. which is an encouraging measure to the educated mass.

When many States are facing financial crisis on account of natural cala-

mity, I appreciate the gesture of the Finance Minister in allotting Rs. 304 crores to the States.

I am also happy that the Finance Minister has given tax exemption to corporations or associations which are engaging in development and other activities in regard to the welfare of Scheduled Castes and Scheduled Tribes. In Tamil Nadu, there is a Harijan Housing Corporation in which I was one of the Directors. During the DMK rule we constructed about 3500 houses, each house costing about Rs. 4500. The Government had spent about Rs. 13 crores on these houses and they were distributed free to Harijans. No money was collected from them. The scheme was initiated by Dr. K. Karunanidhi.

I want to say something about two banks i.e. Agricultural Development Bank and National Bank for Rural Development. I want to say something about their formation. My fear is that these banks will not be able to serve the rural areas. Instead of that, this money could be directly distributed to the State Government or the co-operative banks in the States, who themselves can go to the poorest sections and agricultural labour and distribute the money. Then they can recover it very easily. So far as the banking system is concerned, it is not the payment but the repayment which is the biggest problem. Suppose a bank advances money to some agriculturist in a village, it is a very big problem for the bank to go to the village and recover the money. An officer or employee of the bank would not go to the village to recover the loan. Even if he goes, he will claim Rs. 300 or 400 as travelling allowance. So, the bank loses all interest to recover the loan and there is over-expenditure. If, on the other hand, this money is given to the State Government, then either a revenue inspector or village munsiff will go to the village for both disbursement and recovery. Since they personally know the activities of the

villagers and their habits, they will be in a better position to recover the money. Therefore, my suggestion is that, instead of having an infra-structure and investing so much money, which may actually get lost, they could better hand over the money directly to the State Government for disbursement.

I am thankful to the Minister that he has been good enough to place some money at the disposal of the States. At the same time, it is being allotted under the Income Adjusted Total Population Formula, which was evolved some years ago. If this formula is applied, then certainly the smaller States, the lesser populated States, will be affected. Therefore, it has to be revised. The amount has to be given according to the necessity or requirement. For example, during the AIADMK regime, the Chief Minister, Shri M. G. Ramachandran, did not approach the Central Government for funds for allocations. He said that the Central Government Plan allocations to the State Governments are not sufficient. So, he made an appeal to the Leader of the Opposition, Shri Karunanidhi to approach the Central Government and get more funds for the States. It is rather strange. He is at the helm of affairs and instead of approaching the Central Government, he requests Shri Karunanidhi to do it.

AN HON. MEMBER: Shri M. G. Ramachandran is not present here to defend himself.

SHRI C. T. DHANDAPANI: But the CPM is very much here and it is his partner.

MR CHAIRMAN: Generally we avoid giving names of persons who cannot defend themselves.

SHRI C. T. DHANDAPANI: I am talking about this because there is some relevancy. He wanted our leader to approach the Central Government and get money.

SHRI R. VENKATARAMAN: If you say the Chief Minister and the Leader of the Opposition, it would be all right.

SHRI C. T. DHANDAPANI: So, this allocation should be made on the basis of some concrete formula, according to the needs of the States.

I am thankful to the Finance Minister that he has come with this budget with an open mind. Take, for example, Shri Charan Singh. He was the Home Minister, who could control the price rise. Then he was the Finance Minister, when he could have formulated a better fiscal policy. He was also Prime Minister when he had overall control over the entire economy. Yet, he presented a budget which harmed the entire country. This is not my view, but that of his own party leader, Shri Morarji Desai, who made a statement in Bombay, which I quote:

"Former Prime Minister Morarji Desai on Thursday alleged that the Union Budget presented by Mr. Charan Singh as Finance Minister in his Cabinet was a part of "conspiracy" to pull down the Janata Government.

Inaugurating a voluntary social organisation called "Lok Seva Samiti" here Mr. Desai said, when Mr. Charan Singh consulted him on the budget he had warned him that the budget would evoke people's anger and result in disrepute to the Janata Government and the party.

The "conspiracy", he said, was proved from the statement of Mr. Raj Narain that "he (Mr Raj Narain) would work from outside to bring down the Government while Mr. Charan Singh from within".

Mr. Desai blamed those "politically ambitious" leaders who quit the Janata Party for the present political instability in the country and characterised the caretaker Government of Mr. Charan Singh as "a Government of

[Shri C. T. Dhandapani] thieves", adding that those who had "collaborated" with him to form the Government were also "thieves".

I do not mean the CPI(M) because CPI(M) colluded with the Lok Dal to form the Government. I do not want them to get angry with me. Why I am telling you this is because of the bad administration and bad financial policy of the previous government that this price rise has occurred. Even Mr. Charan Singh was telling the other day about the national growth. He has stated that the growth rate for 1977-78 is 5.2 per cent, and for 1978-79 it is 4.1 per cent. He said like that. But at the same time he has forgotten to quote the previous years. He only said that for the year 1977-78 it was 5.2 per cent. But after the one-year rule of the Janata it was reduced to 4.1 per

cent in 1978-79. Mr. Charan Singh himself quoted that in 1978-79 it was 4.1 per cent. At the same time it has been said here by Mr. Charan Singh and others about increased production. I agree that there was an increase in production, but at the same time I want to ask one thing. Here I would quote some figures, with regard to agricultural production. In 1976-77 the production of pulses was 11.4 million tonnes and in 1978-79 it was 12.1 million tonnes. The production of foodgrains in 1976-77 was 99.8 million tonnes and in 1978-79 it was 119.2 million tonnes.

There was an increase in production, but I want to ask the Members belonging to Lok Dal and others who supported the Lok Dal, as to why there was a price rise when the production increased. Again I quote the figures as below:

Prices
1976-77 1978-79

Pulses	145.7	247.1	i.e., over all increase of 47.7 per cent.
Foodgrains	152.7	172.6	i.e., 11.6 per cent.
Fruits and Vegetables	148	161	i.e., 19.3 per cent.
Eggs, fish and meat	176.2	217.1	i.e., 11.6 per cent.
Oil seeds	125.8	159	i.e., 21.7 per cent.
Edible oil	142.8	158.6	i.e., 23.2 per cent.

In cotton textiles it was 157.5 in 1976-77 and 181.4 in 1977-78, i.e., 12.7 per cent more. These are the figures.

I am giving all these figures because Mr. Charan Singh and others have claimed that production was increasing. In that case, why did prices also increase? That means there must have been something wrong in the administration and management. Some people might have done something wrong, hoarded all these things. The previous Government had allowed them to hoard all these things.

14 hrs.

I want to request the hon. Minister to provide employment to the unem-

ployed, particularly persons who are living in the rural areas. For example, in the hilly areas, in the districts of Coimbatore and Nilgiris as also Ootacamund and Valparai, people living in remote areas, plantation workers, do not get proper wages or other benefits. I want the hon. Minister to constitute a corporation on the lines of the other corporations for the betterment of the plantation workers. Valparai, which is situated in a hill, is a remote area, and no facility is being provided to the plantation workers there. I request the hon. Minister to evolve some scheme to help them and their families.

Bonus is claimed by many workers, but I would like to say that it is certainly deferred wages and should be

given to all, irrespective of their wages or earnings. All Government employees should get bonus. In our Hindu society, we have many unexpected commitments, and we do not know when we have to meet them. For meeting them, we have to shell out from our pockets. An employee earning Rs. 2,000 from Government is not in a position to maintain his family and also meet such unforeseen expenses in his family. He has to borrow. So, I suggest that all Government servants, whether officers or ordinary employees, should be given bonus.

Further, the exemption limit from income-tax now provided is not sufficient because of inflation. Nowadays, an income to Rs. 2,000 is not a big thing. Therefore, I would appeal that the limit should be raised to at least Rs. 24,000. You may say that it will apply to all, not only Government servants. It is so, but while the salaried people cannot escape income-tax because they are signing on the stamp and getting their salary, the big industrialists can escape. They can catch hold of political parties, whichever party is in power. The moneyed people, big industrialists, come here and they escape taxation. They can evade taxes, they can show double and triple accounts, whereas a Government servant cannot do so. He can show only one account and that too a good account, a white account. Therefore, I would request that the income-tax exemption limit should be increased to Rs. 24,000.

Though this is an interim budget, nothing has been said about the agriculturists and the weavers. Now the price of yarn is going up like anything and the weavers are not in a position to pay the high cost of yarn. There should be some infra structure to get the yarn from the mills and distribute it to the weavers so that they can get the yarn at a reasonable price and do their work and sell their products at a reasonable price. Now because of the alarming situation, they are not in a position to get the yarn and do their job. I would request that some ar-

rangements should be made in this regard. As far as the agricultural loan is concerned, the Minister has said about rural development. We are forming banks to give loans to the agriculturists. At the same time we fail to understand what their economic condition is, it is very bad. As far as Tamil Nadu is concerned, enough power is not available, there is complete power failure, 60 per cent power-cut is there and the factories are closing down. Even the agriculturists do not get adequate power.

MR. CHAIRMAN: We are discussing the Finance Bill. The scope is very limited. You cannot discuss all the things.

SHRI INDRAJIT GUPTA: The scope of the Finance Bill is unlimited.

SHRI C. T. DHANDAPANI: Agricultural loans should be wiped out immediately. During our election campaigns, including the Cong-I party at the Centre, we have given an assurance in this regard and that should be done immediately. A new formula should be evolved in the matter of loans to the agriculturists.

With these words, I welcome the measures mentioned in the Finance Bill as well as the Budget. Thank you.

SHRI INDRAJIT GUPTA (Basirhat)
My very brief remarks, which I propose to make, can also be taken as in the nature of seeking a clarification. I had raised this point during my speech on the General Budget. But I was eagerly awaiting to see whether the hon. Finance Minister would make any reference to it in his reply. But he did not and that is the only reason why I am raising it again. This is with reference to the proposal to set up a National Bank for Rural Development and also what is somewhat connected with it, the announcement by the Minister that the public sector banks have also agreed to accept the obligation of raising the share of priority sectors in their total lending to 40 per cent in the next five years. And then,

[Shri Indrajit Gupta]

he went on to say that this will greatly help in meeting the credit needs of rural areas. Priority attention will be given to the requirements of small and marginal farmers and landless labourers. So, on the face of it, it seems as though there are two proposals, both of which are aimed at giving assistance to the poorer sections in the rural countryside, one is the setting up of National Bank for Rural Development and the other is the public sector banks, whom he has persuaded, to increase their share of their total lending for this sector.

What I wanted to know was this. As far as the public sector banks' credit to the rural sector is concerned, all the evidence which is available indicates and all responsible economic journals in this country have also written about it several times, that the bulk of the bank credit to the rural sector never reaches really the poorer sections, let alone the landless people. I expressed apprehension that new Bank which is proposed to be set up will also benefit only the richer sections the richer farmers and the big landlords. That is why in my speech I had asked whether the Government has in mind any new modalities, any new provisions which they are going to make in this new Bill which is going to be brought. I suppose, to set up this Bank which will obviate this difficulty.

At present, even in respect of the public sector banks, we find everywhere the old conventional and, I should say, conservative attitude of the bank managements in the matter of choosing their creditors continues. Even in the urban areas we find that where small people, small traders and small transport operators and such kind of people are actually supposed to be helped by the public sector banks, that is not happening. I have talked to several bank managers. What they say is, "Oh! All these instructions come to us from Delhi people who are all ideologically-oriented. But the people in Delhi have no idea of difficulty in running a bank. If we go on giving loans to all the small creditors,

all these credits ultimately have to be written off as bad debts." The old conception which is there in banking management practices of bad debts, of risky debts, of not giving loans to creditors who have got no adequate security or collateral to offer is still continuing, this psychology among the bank managers is prevailing fully and the Government goes on giving guidelines or directives from here which cannot possibly be implemented if that old thinking continues.

I, therefore, want to know, when these promises are being held out to the House that this time small and marginal farmers and landless people are going to be benefited what is the actual position I would say that either we have been taken for a ride, we have been hoodwinked all over again, or the Government should spell out and clarify how they propose to really see that the fruits of new credit institutions will actually reach the people who are not only in most need of it but whose number is today swelling every year in this country by lakhs, that is, the landless people and the poor small and marginal farmers. Unless the Government throws some light on this, this new Bank which is proposed to be set up will be nothing but a bank for the kulaks. It is a bank of the kulaks, a bank by which public funds can be funnelled out only to the richer sections in the countryside, adding to their prosperity, no doubt. I am not saying that they should not get any credit. They also should get credit naturally since we want agricultural production to be boosted. They should get credit for legitimate purposes. But if the whole thing becomes so lopsided that all of it is funnelled out to these richer sections and the poorer sections are deprived of it because they have no security to offer and that any loan given to them will be considered a bad debt, then I do not see how the contradictions can be solved. Therefore, I would request the hon Minister to throw some light on what they are thinking about this matter. Otherwise it is useless to go on saying that public

sector banks are now going to give 40 per cent of their total lending to the poorer sections in the countryside. It will never in practice be given to them. It is not given to them. The whole philosophy and concept of what is meant by creditworthiness, when you are talking in terms of democracy and socialistic development and all that and the old hackneyed outdated ideas of creditworthiness have to be removed and the Government should tell us about that more clearly. Otherwise, we do not understand why we should vote money and funds for getting up some additional institutions to help only the richer people in the countryside.

श्री सतीश अग्रवाल (जयपुर) : सभापति महोदय, वित्त मंत्री जी अभी किसी कार्य से गये हैं और वित्त राज्य मंत्री जी यहां उपस्थित हैं, इसीलिए मैंने उचित समझा कि मैं हिन्दी में अपने विचार प्रकट कर दूँ।

जहां तक इस वर्तमान वित्त विधेयक का सम्बन्ध है इस वित्त विधेयक में यह व्यवस्था की गई है कि सन् 1979-80 में जिस प्रकार करो की व्यवस्था थी, मामूली संशोधनों के साथ उस व्यवस्था को अभी लागू रखा जाए। 1979-80 में जो करो की व्यवस्था थी, जो पिछली सरकार ने हम सदन में प्रस्तुत की थी और जिसके सम्बन्ध में वर्तमान वित्त मंत्री, श्री बैंकटरमण ने घोर आपत्ति डग मदन में प्रस्तुत की थी और जिसके सम्बन्ध में उस समय कर्तव्यपालन की दृष्टि से, जब मैं उधर बैठा था और वित्त विधेयक को पायलट कर रहा था तो उनके द्वारा उठाई गई आपत्तियों में से जिन आपत्तियों के सम्बन्ध में मेरी स्वयं की सहमति थी उनके सम्बन्ध में विशेष तौर से उत्तर न देते हुए बाकी सभी प्रश्नों के उत्तर मैंने दिए थे—शायद इस बात का स्मरण आपको होगा। लेकिन यहां पर जो बातें मैं रखना चाहता हूँ वह बातें ऐसी हैं जिनके सम्बन्ध में आप से अपेक्षा नहीं करता कि वित्त मंत्री या वित्त राज्य मंत्री अभी इस सदन में सभी बातों का जवाब दें। मैं उत्तर प्राप्त करने के लिए बिन्दु नहीं रख रहा हूँ, मैं विचार के लिए बिन्दु रख रहा हूँ। यदि उनको सुविधा हो तो उत्तर दें, और यदि सुविधाजनक न हो तो उत्तर न दें।

एक मौलिक प्रश्न को मैं आपके सामने रखना चाहता हूँ। हमारे देश में जो करो की व्यवस्था है, जो कर-प्रणाली है वह इतनी जटिल है कि जब तक इसका सरलीकरण नहीं किया जायेगा, कराधान की व्यवस्था जब तक व्यावहारिक नहीं बनाई जायेगी, करागोपण जब तक व्यावहारिक नहीं होगा, तब तक इस देश में करो की चोरी होती रहेगी तथा काला धन पैदा होता रहेगा।

आज आपके सामने काले धन की समस्या है। बांचू कमेटी की रिपोर्ट हमारे सामने आई। आज कीमतें बढ़ रही हैं। आज इस सदन में सम्मानित सदस्यों ने इस बात के बारे में जोर दे कर कहा है कि सीमेन्ट निर्धारित कीमत पर नहीं मिलती लेकिन काले बाजार में 40, 50 या 60 रुपये बोरी मिल जाती है। इसका अर्थ यह है कि काले बाजार में खरीदने के लिए लोगों के पास मुद्रा है। आज हमारे शासन की व्यवस्थाएँ इस प्रकार की हैं जिनके कारण काला धन बन रहा है, निरन्तर बनता जा रहा है। सरकार इसको रोक नहीं पाई। हमारी सरकार भी इसको रोक नहीं पाई थी परन्तु हम दो वर्ष के लिए थे और आपकी सरकार 28 वर्षों से थी। क्या हम गम्भीरतापूर्वक इस बात पर विचार नहीं कर सकते कि इस काले धन के जनरेशन को किस प्रकार से रोका जाए? इसको तभी रोका जा सकता है जब हम इस देश में व्यावहारिक कराधान प्रणाली का निर्माण करेंगे। अभी जो प्रत्यक्ष कर हैं उनके सम्बन्ध में बड़े व्यावहारिक कानून बने हुए हैं। प्रत्यक्ष करों के सम्बन्ध में बांचू कमेटी की रिपोर्ट आपके सामने है, चौकसी कमेटी की रिपोर्ट आपके सामने है। मैं पूछता हूँ कि चौकसी कमेटी ने जो सिफारिशें दी हैं उनके सम्बन्ध में सरकार कोई निर्णय क्यों नहीं लेती? इस सम्बन्ध में सरकार को कठोर निर्णय लेना होगा कि हम किस प्रकार से सारी प्रक्रिया को बदलें। हो सकता है कि पहले साल में आपको बड़ा भारी घाटा हो लेकिन मैं स्वयं ऐसा मानता हूँ कि कोई भी व्यक्ति जो एक लाख रुपये कमाता है वह 70 हजार टैक्स में नहीं देगा क्योंकि 30 हजार जो उसके पास बचेगा वह उसके बाकी खर्चों के लिए पर्याप्त नहीं होगा और उसके बारे में इनकम टैक्स ऐक्ट में कोई एराउन्स नहीं है। इसलिए आवश्यकता इस बात की है कि प्रत्यक्ष करों के सम्बन्ध में व्यावहारिक आधार दिया जाए जैसे कि चौकसी कमेटी ने अपनी रिपोर्ट में सुझाव दिया है कि 50 परसेण्ट से अधिक कमाधान नहीं होना चाहिए, जैसे कोई पांच लाख कमाता है तो उससे आप ढाई लाख से ज्यादा मत लें। इस प्रकार का कठोर निर्णय लेना बड़ा मुश्किल काम होगा। ऐसा निर्णय लेना कोई आसान काम नहीं है लेकिन इस दिशा में विचार किया जाना चाहिए। क्या इस प्रकार का सरलीकरण नहीं किया जा सकता है?

दूसरी बात यह है कि टैक्सेशन का जो प्रोसीजर है, जो प्रक्रिया है वह बहुत जटिल है। मेरे जैसा व्यक्ति जो तीस साल से वकालत करता है, ढाई साल मंत्री रहा और अनेक वर्षों तक संसद् और विधान सभा का सदस्य रहा और मुझ से आप कहो या मैं पहाड़िया जी तथा भीष्म नारायण सिंह जी से कठिनाई आप अपना इनकम टैक्स रिटर्न भर दीजिए तो आप उसको नहीं भर सकते हैं। आप नहीं भर सकते हैं, क्योंकि उनका परिपत्र बहुत ही जटिल है। मेरा सीदा सम्बन्ध उनसे न होने की वजह से, अधिकारियों से कहने पर भी मैं कुछ नहीं करा सका, लेकिन इस बारे में आपको विचार करना होगा कि आज इस प्रकार का इतना लम्बा परिपत्र

[श्री सतीश भट्टनाल]

होना क्या वह कागज की, स्टेनरी की बरबादी नहीं है। उस परिपत्र में अनेक कालम ऐसे हैं, जिन की कोई आवश्यकता नहीं है।

यहां पर मैं एक छोटा सा उदाहरण देना चाहता हूँ। मुझे सी० डी० एस० जमा करना है। अब मैं बैंक बुक लिए फिर रहा हूँ, और घर में बाहु कि किसी आदमी को बैंक काट कर या कैश भी दें, सी० डी० एस० जमा कराने के लिए, तो वह सी० डी० एस० जमा नहीं होगा चाहे वह कैश ले कर जाए, बैंक से कर जाए और चाहे पालियामेंट की सैन ब्रान्च में जाए तो भी वह सी० डी० एस० जमा नहीं होगा। मैं जब किसी आदमी को इन्स्ट्रक्शन दे कर सी० डी० एस० जमा कराने के लिए भेजता हूँ तो कह दिया जाता है कि उन्हीं को भेजिए।

मैं जब पिछली बार जब सरकारी दौरे के सम्बन्ध में अमरीका और इंग्लैंड गया, तो मैंने वहां सारी टैक्सेशन की व्यवस्था के बारे में जान कारी हासिल की थी। वहां मुझे अनेक लोगों ने बताया कि हमको 15—15 साल हो गए इनकम टैक्स आफिस गए हुए। न जाने की आवश्यकता है और न हमें कोई बुलाता है। लेकिन यहां तो व्यवस्था भजीब है और वह इस लिए है कि मौखिक रूप से हम और आप आदमी को बेइमान समझ कर चलते हैं और इस लिए हमने इस प्रकार की जटिल प्रणाली बना रखी है और हम इसके कारण किसी प्रकार का सरलीकरण करने के लिए तैयार नहीं होते हैं। इस कारण आवश्यकता इस बात की है कि चौकसी कमेटी ने जिस प्रकार की सिफारिशें दी हैं, जो सरकार को मान्य है, उनके बारे में गम्भीरता से विचार किया जाय। पिछली सरकार ने उस पर विचार किया और कुछ निर्णय भी लिए। लेकिन वे ग्रुप्स पड़े रहे, पूरे नहीं हो पाये जब सरकार एक समिति बनाती है, पहले तो वह समिति बनाती ही क्यों है और बनाती है तो उसकी सिफारिशें लेना, उस पर पैसा खर्च करना, उस पर निर्णय नहीं लेना, यह कोई उचित चीज नहीं है।

मैं समझता हूँ कि प्रत्यक्ष करों के सम्बन्ध में चौकसी कमेटी ने जो सिफारिशें की हैं कि 50 परसेंट टैक्सेशन का मैक्सिमम लेवल रखा जाए, इससे उपर न रखा जाए, सरकार इसको प्रयोग करके देखे। क्योंकि मैं यह मानता हूँ कि कोई भी सरकार, खास तौर से अविहसित देशों के सम्बन्ध में, बिना कराधान के नहीं चल सकती और इस लिए रिस्टासिजस का मॉडलाइजेशन आवश्यक है और आप इस सम्बन्ध में विचार कीजिए।

दूसरी बात इसी सम्बन्ध में यह है कि आप यह नहीं कह सकते हैं कि हिन्दुस्तान में एक लाख रुपये से ज्यादा टैक्स देने वालों की संख्या लगभग सी है। क्या नहीं जो आप यह कह सकते हैं कि हिन्दुस्तान भर में एक लाख से ज्यादा आमदनी वाले व्यक्ति केवल सी हैं। ऐसे व्यक्ति तो केवल बम्बई शहर में मिल जायेंगे और दिल्ली में भी मिस जायेंगे लेकिन मुझे यह कहना है कि यह सारा एक व्यवहारिक पहलू बना रहा है और उसी के कारण ये सारी चीजें बन रही हैं। इसलिए आपका जो इनकम टैक्स डिपार्टमेंट में सर्वे तथा इन्वैस्टीगेशन डिपार्टमेंट है, उसको मजबूत करने की जरूरत है। मैं समझता हूँ कि हिन्दुस्तान के अन्दर कम से कम जो आदमी गाड़ी रखता है, उसको तो इनकम टैक्स पेयर होना ही चाहिए क्योंकि कार मेटेन करने में 500 या 600 रु० लगता है और वह आदमी चाहता है कि 50 रु० भी टैक्स का न देना पड़े, क्योंकि कानूनी जटिलताओं के कारण आदमी में एक मनोवृत्ति बनी हुई है और इसीलिए ये सारी चीजें उत्पन्न होती हैं हर आदमी ईमानदारी से जब टैक्स देगा जब आपके कानून व्यवहारिक होंगे, उनका हेरफेर नहीं होगा, करप्शन उसमें नहीं होगा, परेशानियां उसमें नहीं होंगी। इस लिए इस समस्या की गम्भीरता को देखते हुए आप विचार कीजिए कि लोगों को हम कैसे इन्सैन्टिव दें ताकि लोग ईमानदारी के साथ प्रमाणिकता से अपने टैक्स को भरा करें।

उसी प्रकार से इन-डायरेक्ट टैक्सेशन, अप्रत्यक्ष कर भारत सरकार की कुल आमदनी का लगभग तीन-चौथाई है, लेकिन इसके बारे में आपको "क्वा" कमेटी की रिपोर्ट प्राप्त हो गई है। उसमें कुछ सिफारिशें की गई हैं, उन सिफारिशों को आप आधा तो रिजैक्ट कर दीजिए या लागू कीजिए। इस सम्बन्ध में पिछली बार भी भूतपूर्व वित्त मंत्री ने, जब वे लिरवरोध पक्ष में थे, इस बात की मांग की थी कि "क्वा" कमेटी की रिकमेण्डेशन आई हैं, उनको लागू किया जाए। मैं समझता हूँ कि जब उन की समय मिला है और वे इस सम्बन्ध में निर्णय भी करेंगे।

कमोडिटी टैक्सेशन का जहां तक ताल्लुक है, उसमें एक परम्परा बन गई है कि हर वर्ष जब बजट बनाने के लिए बैठते हैं तो य सोचते हैं कि दो हजार करोड़ रुपये की आवश्यकता है, दो हजार करोड़ रुपया हमको चाहिए यह रुपया हमें इन-डायरेक्ट-टैक्सेशन से इतना मिल जा जाएगा और इन्-डायरेक्ट टैक्सेशन से इतना मिल जाएगा और कमी की पूर्ति के लिए इन-डायरेक्ट टैक्सेशन का तरीका इतना आसान है कि इसके जरिए कुछ भी हासिल किया जा सकता है।

The easiest way, I must say, is to impose on the excise side.

मैं समझता हूँ कि यह कोई उचित कारण नहीं है।

I am happy that the hon. Finance Minister has come back. I am not here to make a long speech or to criticise the Minister who confines the same proposal. I was simply making certain observations just to help you in formulating your proposals. I do not want right now your reply, but, if it is convenient to you, you may reply on some of the points but if they are not convenient to you, you don't reply at all. But, please bear in mind that the whole tax structure in this country is so complicated and there is such a huge evasion of taxes and corruption, that this needs some overhaul, change, in the whole tax structure. How will you do it? If you do it, I will compliment you. So far as the taxes from the direct and indirect side are concerned, they are a component of the whole tax revenue of the Government of India—three-fourth from the indirect taxes and one-fourth from the direct taxes. Can this not be reversed? We should have revenue—three-fourth from direct taxes and one-fourth from the indirect taxes. Can it not be reversed? It cannot be. The direct taxes are always preferable to the indirect taxes. I am sure that the Government will not be able to do it. At least you will examine the reports of the Jha Committee and the Choksi Committee and see to it that the recommendations are implemented in the coming budget and you can incorporate those recommendations and give relief to the people at large.

Similarly, the procedures have yet to be simplified and tax evasion has to be checked. I know that if we are able or if the Parliament or if all of us are able to check the tax evasion, probably, there will be no necessity for the additional taxation to make up such huge deficit which is growing like anything. We did all our efforts. For example, we set up an anti-tax evasion directorate also. That has to be strengthened by the Government and all effective steps will have to be taken and some action has to be taken against those officers who are actually in collusion with the assesseees which have resulted in the erosion in tax revenue of

the Government of India. Something of that type has to be done. Unless we do that, you cannot stop the evasion. The Finance Minister also, while criticising the budget proposals last year, made a very very strong plea that since 15 per cent of our rural population controls sixty per cent of the lands in the rural areas why extend so much benefits to these 15 per cent of the people who belong to the rich category. It is the rural sector who are owning 60 per cent of the lands.

I would like the Finance Minister to examine this as to how to tax these 15 per cent people who are controlling 60 per cent of the lands. In the name of rural economy, in the name of rural sector and in the name of agricultural economy, I had been pleading that there was rural capitalism. Suppose they are 100 thousands. I do not mind as to why they should not come in the tax net. Or there may be a thousand people why they should also not be brought in in the present Finance Bill which you have introduced. You are making a provision for the set off of losses also of previous years. You are thereby adding to this deficit. I am a practising lawyer and suppose I am earning Rs. 20,000. And suppose I am having an agricultural income of Rs. 10,000. Now, you include this Rs. 10,000 for rate purposes only. I say why not that also be taxed? If I am having income from other professions and I am having agricultural income also if you include that for tax, then that will relieve the burden on the land and you would thereby make available more lands for distribution amongst the poor. If I am having income from agricultural land worth Rs. 50,000 a year on which I am not paying income tax. I am trying to convert my black money into white by showing some income from the agricultural land. This is a dubious way of avoiding taxes. You have to do away with that. If I am having agricultural income of Rs. 50,000 why should it be included only for rate purposes? This amendment has to be brought in to do away with this practice. If you are having income

[Shri Satish Agarwal]

from this or that source, just by inclusion of agricultural income for rate purposes, you are not paying tax. We are so sensitive as if there are people having cars, bungalows, etc. living a very luxurious life. This does not mean that they are living in villages in huge mansions. Shri Viridi Chand Jain knows that 90 per cent of the population in Barmer and Jaisalmer are poor. Because some are living such luxurious life and are living in villages, they do not deserve all this. This is a very vast structure. We can mobilise certain resources the State Governments can also be advised to mobilise resources from this particular sector. You will have to examine this. I am not here to tell you at what limit or what level this should be done. This is also one consideration. You had also made a strong plea last year and you are of the firm conviction that if we make investments in the public sector undertakings of the order of about Rs. 15,000 crores, we should get some return also. If we get a return of at least 10 per cent on this investment of Rs. 15,000 crores, then there is no need for any additional taxation. That was your conviction. You pleaded for it last year also. I am sure that you will stick to it this year also and try to improve the functioning of those public sector units. The Bureau is under you. But I am afraid you won't be able to do much in this connection because the different public sector undertakings are under the charge of different ministries and they feel that it is a part of their empire and the Finance Minister is there only to bring in more resources or to meet the losses of the public sectors which they are controlling. But they would not like to have any advice or guidance or interference from the Finance Minister. That has been the attitude. If you are able to mobilise more resources from the public sector undertakings you can really help a lot for building up a good economy.

So I would plead with the Finance Minister that the whole tax structure has to be rationalised and has to be

given a new content.

On the Indirect Taxes side also there are certain things which you have got to do.

I pleaded on the last occasion also. I will not speak so far as your other Bills are concerned. So, I now say this. You misunderstood me last time. That is why I am repeating it. The administrative expenditure is practically 2.5 per cent while they contribute only 1/4 of the total revenue of the Government of India whereas regarding the Indirect taxes which contribute 3/4 of the total revenue of the Government of India the expenditure comes to hardly 0.8 per cent. But there has been genuine demands that if you want to improve the functioning of the particular departments or wings, you have got to do certain things. There are competent officers but then the load is so much and stagnation is so much that you have to do something. You should make provision for some more Assistants in the service, in the cadre, as has been the case with regard to the income-tax department. So, if you are able to create the post of assistants on the indirect taxes side also, I do think it will go a long way in helping the removal of stagnation in the department and encouraging officers who are on duty and simultaneously also making for certain more facilities being given for them which will in turn bring in more revenue. You have subdivisional magistrates, tehsildars etc. getting Rs. 500 belonging to State Government, living in Govt. accommodation, or bungalows and so on and there are collectors and senior officers belonging to Customs and Excise Dept. bringing in thousands of crores of rupees from one State. They are living in rented bungalows. Please have a massive building programme also because a satisfied service is a boon for the department and our whole development strategy depends upon the mobilisation of more of resources. The major part comes from export revenues. And that too, from indirect taxes. Therefore it is essential that you look to this aspect of the matter also.

There is certain lobbying in the excise law. The previous Government promised to do something about it and you must also see that you bring in a comprehensive excise Bill which must be brought so as to plug all the lacunae in the excise administration and in the excise law. I would beg of the Finance Minister to do away with *ad hocism* and I wish to say this that your powers under customs law for giving *ad hoc* exemptions was misused prior to 1977. Try to generalise the exemptions under section 25 (1) as far as possible and utilise section 25(2) as less as possible. We try to do it. We generalise the exemptions under section 25(1) extending notification and having least possible discretion to officers or the Ministry under section 25(2) but there may be cases where exemption may have to be granted under Section 25(2) I don't deny it. But be cautious about it. There may be recommendations from the administrative ministries with regard to exemptions, on import duty on certain items and your Finance Bill contains an enlarged provision and more allocation from import duties and it means, the policy of liberalisation of imports is going to continue. Because, you have increased by Rs 156 crores or something like it I faintly recollect that I don't know the exact figure. But there is a tendency. There are lobbies in the various Ministries.

I wish to warn you, and I have gone on record in my notings on the files, that there are powerful lobbies in this country who try to manipulate favourable recommendations from administrative Ministries to get exemption from levies and duties. I request you and beg of you in the name of development of this country to be cautious about it.

SHRI K. LAKKAPPA (Tumkur): We are supported by poor people and not by black-marketeers and hoarders.

SHRI SATISH AGARWAL: Please do not give a political content to everything.

I do not want to give the name, but in one particular case I got it examined

and re-examined and then the difference came to Rs. 7 crores. This was in one case. They recommended Rs. 14 crores but on my getting it re-examined, it was reduced to Rs. 7 crores. Thus, in one case because of close scrutiny, we could save Rs. seven crores to the exchequer. I request you to be very cautious about accepting proposals from the administrative Ministries with regard to exemptions either from import duty or export duty and these must be got examined and scrutinised closely.

These are some of the observations and suggestions which have made. I do not expect a reply to all the points right now. I hope the Finance Minister will consider my suggestions with regard to Choksi Committee Report, Jha Committee Report, Comprehensive Excise Bill, simplification, and streamlining of the various procedures, strengthening of the Anti-tax evasion directorate etc. These are some of the points that I have submitted before the House on this occasion. I will bear in mind the rest of the points and may make my observations when the final Finance Bill comes before the House.

MR. CHAIRMAN: No other Members whose name appear on the list with me are present in the House. So, I will call the Finance Minister to reply. Had I known this, I would have given Shri Agarwal some more time.

SHRI INDRAJIT GUPTA: We are already running behind time. The next two items, which are quite important, have to be completed by 4.30 for which I have forgone my lunch.

SHRI R. VENKATARAMAN: Mr. Chairman, Sir, I am really thankful to the hon. Members for the various suggestions made in the course of the debate. I will briefly deal with some of them.

Shri Halder in the course of his speech said that we should nationalise all industries, all foreign investments and administer land reforms in such a way that all the means of produc-

[Shri R. Venkataraman]

tion are socialised This is a very tall order for me and I will not be able to do it, but the efforts of this Government will be to move towards a control of the resources in such a way that it does not affect the social weal and the country's economic development and growth. Whatever we may do, we want economic development, but it should not be at the cost of social justice. We would certainly try to frame our policy in such a way that while we strive for economic development, that development does not get a priority over the social justice which is the basic principle of our Constitution as well as of the Party's policy.

Shri Dhandapani, while speaking on this Bill, referred to a very important point, namely, that the IATP, the income adjusted to total population formula is not favourable to the States which have smaller population. I want to clarify the position. The main distribution of the Central assistance is through the Gadgil Formula. The IATP Formula applies to what is known as centrally sponsored schemes which are transferred to the States. In the National Development Council a number of schemes which originally centrally sponsored schemes were transferred to the States and along with that the money for that purpose was also transferred. So, in transferring that amount, the IATP formula was adopted. So far as the main distribution of the Central assistance is concerned, it is according to the Gadgil Formula. So far as states are concerned, we have not received any complaint that the distribution is not fair or equitable. One hon. Member has said about the bonus as a deferred wage and one month salary should be given to every employee including officers as bonus. As I said earlier, we cannot. We have now started on this formula of giving bonus on the basis of productivity and it is now being distributed. A formula has been arrived at satisfactorily.

AN HON. MEMBER: You said that banks are not productive centres.

SHRI R. VENKATARAMAN: So far as banks are concerned, they are governed by a separate agreement between the employees and the Banks. They do not come under this formula. That is why it does not apply. It applies only to Government departmental organisations like Railways, P&T, Defence Production Establishments. So, the present formula has been arrived at after a careful discussion with the employee's organisations and it has been accepted by them. He has also suggested that the income-tax limit should be raised.

SHRI NIREN GHOSH (Dum Dum): Whether the central trade union organisations, all of them, have accepted it.

SHRI R. VENKATARAMAN: To our best of knowledge and information, the Government staff has accepted it. Whether they have accepted it or not is not relevant to the question; the question is between the members of the Defence Establishment, Railway Establishments and the Government. They have accepted it. The hon. Member has also suggested that income-tax limit should be raised. I have already told the House in the course of my reply to the debate that I cannot commit myself to any tax proposal at this stage. It is not done. I will only say that every good suggestion that emanates from side of the House will be given a most careful consideration.

Shri Indrajit Gupta had referred to new banks for rural development. I know his special problems. In fact, both the Chief Minister and the Finance Minister of Bengal had a discussion with me. Their complaint is that even 33 per cent of the total lending which is being observed in other states is not being done, so far as Bengal is concerned; and he wanted some special efforts should be made to persuade the banks in Bengal to increase their advances to the rural

sector, to the rural population. I had a discussion with him. We have noted that request and we will give our attention to it. I know that the credit does not reach the poorer people there.

SHRI INDRAJIT GUPTA: My point was that the old concept of credit worthiness the yardstick of credit worthiness, if it continues in the old conventional way, it cannot solve this problem. The banks themselves will not give loans. They say, "These are bad debts. We have been told by Delhi not to give loan to people who will never repay their loan. So, why should we give them loan?" How do you solve this problem?

SHRI R. VENKATARAMAN: We cannot solve the administrative problems of individual banks. What I would like to do is to ask the banks to advance 33.3 per cent of the total lending which is going to be increased to 40 per cent, to the weaker sections with respect to the twenty point programme in the rural sector. If they do not do it, I will ask them: what were the reasons or hurdles which prevented them from reaching the targets which we have set. They will come forward with certain reasons why they could not fulfil. If they are able to fulfil in other states it should not be difficult to fulfil it in West Bengal. Therefore, I do not see that this will present a very great problem. Now that we are going to take it up and try to persuade the banks to increase their lending to the rural sector, it will be our duty also to clear all the hurdles in their way to make it possible for them to lend. Beyond that I cannot give any further assurance in this matter.

SHRI P. RAJAGOPAL NAIDU (Chittoor): There is only one difficulty with regard to security.

SHRI R. VENKATARAMAN: No person can ask the bank to lend absolutely without any security. He will have to have some security. It

can be tenancy; it need not necessarily be ownership of the land. We can say that his tenancy can be the security. Some such relaxation may be done. But if you ask the finance ministry to issue a directive that money should be lent by banks without any security, I think we will be running into a state of bankruptcy.

SHRI INDRAJIT GUPTA: The landless people will never get anything.

SHRI R. VENKATARAMAN: The landless may not get for the purpose of land; they will get for other purposes like small scale industry, village industry or something of that kind. I am afraid that beyond this I cannot go further. Banking is a delicate institution and if moneys are not repaid, there will be run on the banks and the banking system will collapse; we will have to be careful about it. We can see within the framework of banking some liberalisation is brought about.

Shri Satish Agarwal gave a number of suggestions. He has a lot of experience in the administration of this department and as I said earlier I have considerable regard for his competence in this matter. He admits himself that there are certain matters in which I cannot commit myself. There are certain matters where I can indicate the line of action which is possible in the ministry. I have myself gone through L. K. Jha's report; I was one of those who had long discussion with Jha when he visited Madras for the purpose of taking evidence and discussed the various aspects of excise levy. I agree that the cascading effect of indirect taxes is pushing up costs very much. I would carefully examine Jha committee report and then try to come forward with appropriate suggestions for improvement in excise administration.

I have also gone through Choksi committee report. In respect of Choksi committee report, I am unable

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to give the same kind of assurance that I gave about the Jha Committee report.

In my opinion it requires further examination and I will therefore require sometime to examine the Choksi committee report and come forward with appropriate piece of legislation. In any event I entirely agree that the Income-tax Act should be streamlined and we should have a simpler, more easily understood law. Today it is so complicated with so many amendments that an average citizen cannot understand the Act himself. We shall take up this question and see what best can be done. In fact one of our difficulties is, we as a nation are absolute puritans. The moment there is some escape, some evasion somewhere, we immediately rush to plug the hole and bring an amendment, bring a rule to control this and that. The result is that the whole Act gets cluttered up with amendments and rules. In a vast country of 2000 miles of length and breadth some lapse some where is inevitable. All that you can do is when the person is caught, he must be given a deterrent punishment so that others do not commit the same crime. But for every mistake, for everything that occurs we go on amending the law. In this way we will be left with the wilderness of the law. Therefore, I have a feeling that there should be a radical change in our approach to this question. In the Acts and rules that we frame hereafter we should be very careful to see that for the sake of one rule, for the sake of one evasion or for the sake of one avoidance which may take place we do not make the entire community suffer under the labyrinth of laws and regulations.

Shri Agarwal also said that there should be incentives for the people to pay taxes. I would like to have a separate chat with him for some ideas on this subject. Normally, a person would like to pay tax if

the tax is at a reasonable level. The principle in all taxation is that it should be cheaper to pay the tax than to avoid it. That is the principle we should adopt—that in the long run it should be cheaper for the person to pay the tax than try to avoid it. If that is what he means, that point we will bear in mind.

Similarly, in regard to indirect tax he has suggested a complete review and I have already said we will do that.

There is one point which Shri Agarwal raised. I hope his party will support the proposition when it comes to the House i.e. taxation of the richer agriculturists. I know on this matter there will be a lot of cross thinking. I know all people on this side will not agree and on that side too all will not agree. But the tax should be levied on those who have the ability to pay. It is the fundamental principle. It is one of the canons of taxation that those who are taxed should have the ability to pay and conversely where there is ability to pay they should be taxed. Where there is ability to pay, there is known asset or property, known income, these things at the moment are not subject to the same kind of levy as the other incomes and property are.

I do not know if the House will completely agree with this approach. But I am not giving my mind on this. I have only put the pros and cons on this matter. We will go into this. One of Members very strongly pleaded that only 15 per cent of the people control nearly 60 per cent of the land holdings in this country. There is no reason for continuing the concessions to them. I at any rate do not change my policies and principles because I sit on different sides of the House. We have to look into this matter and carefully go into it.

With regard to the public sector also, it shall be my endeavour to see that they give a fairly reasonable account of themselves. They may not make immediately very high profits but they must justify the investments made and we have invested more than Rs. 15,000 crores in them. We will do our utmost to see that the public sector produces certain returns commensurate with our investments. We shall try to pull it up. Mr. Agarwal had some bitter experience when he tried to do it, I know. But I hope I will not have the difficulties of the same kind and I look forward to doing something in this regard with the cooperation of my colleagues. I thank the House for all the suggestions they have made.

MR. CHAIRMAN: Motion moved:

"That the Bill be passed."

SHRI NIREN GHOSH (Dum Dum): I will make some brief points. I come to the subject of overdraft. If the Centre has the right of overdraft, an equal right should be given to the States also on a par. Or, the right of the Centre to have overdraft should go. It is leading to inflation and it is ruining the country. So, the system of overdraft should be stopped altogether. But if the Centre thinks that they have to do it, then the States should have equal right of overdraft on banks. The Centre has no right to say to the States, "You stop overdraft".

Secondly, there should be something like excess profit tax that was instituted during the war period. It should be reimposed. A tax of that pattern should be reimposed to mop up the excess profits.

There should be a ban on the export of profits from India. The profits should be ploughed back for investment inside the country.

There should be a drastic reduction of taxes on diesel and kerosene, with which the common people are concerned, for public transport etc. because 70 to 75 per cent of the prices of these commodities is due to the tax. The best course is that only the home value or the indigenous production cost should be charged from the consumers. Because of high excise duty, the poorer sections are hit hard. So, I think that at least 50 per cent reduction in duty should be there immediately so that public transport which runs on diesel becomes cheaper.

15 hrs.

You are giving subsidies to the industrial houses worth Rs. 3000 crores a year. It is so much a donation from the citizens of India to the business houses. This cannot go on. You cannot institute a Civil Supplies

MR. CHAIRMAN: The question is:

"That the Bill to continue for the financial year 1980-81 the existing rates of income-tax with certain modifications, to provide for certain exemptions from income-tax and to provide for the continuance of the provisions relating to auxiliary duties of customs and special duties of excise for the said year, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: We shall take up clause-by-clause consideration. There are no amendments. The question is:

"That clauses 2 to 5 stand part of the Bill."

The motion was adopted

Clauses 2 to 5 were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

MR. CHAIRMAN: We shall take up the third reading.

SHRI R. VENKATARAMAN: I beg to move:

"That the Bill be passed."

[Shri Niren Ghosh]

Corporation because you cannot afford to give Rs. 500 to 600 crores as subsidy. Then what right have you got to take away Rs. 3000 crores and donate to the industry in various ways. This also must go.

As regards public sector, I should say that the root cause of the malady in the public sector is the management by bureaucrats. They play ducks and drakes with public money. They come and make profit. They become bosom friends of capitalists and then they leave. That is why, the public sector suffers. Therefore, the elected workers should have control over the plants.

These are the few points I wanted to make.

MR. CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

15.02 hrs.

STATUTORY RESOLUTION RE. NOTIFICATION INCREASING THE EXPORT DUTY ON HESSIAN CLOTH AND BAGS

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): I beg to move:

"That in pursuance of sub-section (2) of section 8, read with sub-section (3) of section 7 of the Customs Tariff Act, 1975 (51 of 1975), this House approves the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. GSR 54(E) dated 18th February, 1980, increasing the export duty on hessian cloth and bags (other than carpet backing) from Rs 600 per tonne to Rs. 1000 per tonne, from the date of the notification aforesaid."

Prior to 18th February 1980, all jute goods were exempt from export duty. This exemption was granted in 1978

and 1976 in the wake of competition from synthetics. From April, 1979 cash compensatory support was also provided on major export items of jute manufacturers. However, since the middle of 1979, competition from synthetics being on a low key on account of the hike in petroleum crude prices, export of jute goods got a substantial Boost. Besides; international prices of jute goods also registered a sizeable increase. In particular, there was a spurt in the prices of hessian, the principal export item in the jute family. It was in view of this development the cash subsidy of 6 per cent which was earlier given in respect of hessian was withdrawn in August, 1979. Subsequently, in November, 1979, the cash compensatory support in respect of carpet backing was also withdrawn. The question of reviving the export duty was also reviewed. It was decided to examine the position on a later date on consideration of the fact that the industry has not fared well in the past couple of years and it was not clear whether the increase in prices was a temporary one.

At the time of the review made in February 1980, it was noticed that the international prices of hessian were still on the higher side, though they had declined from the level reached towards October/November, 1979. As against an average cost of Rs. 5,800 per tonne, the sales realisation was Rs. 8,780/- per tonne. The jute industry was thus earning a profit of about Rs 3,000 per tonne from export of hessian. The continued demand for hessian goods despite the higher prices was also indicative of the fact that the goods could bear the burden of the export duty.

In view of the above considerations, the Government decided to re-impose the export duty on hessian cloth and bags other than carpet backing at the rate of Rs. 1,000 per metric tonne so that the Exchequer could also get the

benefit from the appreciation of the hessian prices. Looking to the long-term interests involved, however, the exemption from export duty in respect of other jute goods manufacture has been continued.

I, therefore, commend this Resolution for the consideration of the House.

MR. CHAIRMAN: Shri Jyotirmoy Bosu has given notice of an amendment to the Resolution. He is not present here. So, it will not be treated as moved.

SHRI NIREN GHOSH (Dum Dum): Sir, this Resolution has been brought forward only to bluff the public. Perhaps a deal has been struck with the jute magnates. All through its history, particularly after independence, at each and every time we have seen the Union Government striking a deal with the jute magnates, giving them various concessions, at the same time, collecting crores of rupees from them for the ruling party. The Commerce Minister has been the fund-collector for the ruling party, the Congress(I). That has been the practice throughout.

Now you are talking of getting a share of the profit to the Exchequer. But you never lifted one little finger to see that the workers got their dues. It is only when the workers have been able to strike back for a long period that they have been able to get some benefit. But that is nothing compared to the profits which the jute magnates have earned. The attitude of the Union Government has all along been in favour of the jute magnates and against the working class.

They used to say that the jute mills have no future. What is the present position? As the Finance Minister knows, whenever a mill changes hands, the share prices goes up by 100 per cent. This is something peculiar in the jute industry. I put this question to

the jute magnates also. They could not answer it; rather they had no answer to it. They were dumb-founded. It means that it was always a milch cow for them. They suck it dry, completely, then in a few cases they gave up the mills. Those sick mills are now run by the Government.

While they are making extraordinary profits, the Finance Minister says that they are making Rs. 1,000 per tonne. I say that they are making a profit of Rs. 4,000 per tonne on hessian and Rs. 3,000 per tonne on carpet backing. This is the inside information and everybody knows that the jute magnates by utilising this industry have set up many industries throughout India. Through under-invoicing they have deposited perhaps more than Rs. 1000 or Rs. 2000 crores in the Geneva Bank and there is joke in Switzerland that "we have industrialised your country with your money". All that has been done in complicity with the Government at the Centre. Not only this. For putting the industry on a sound basis and for bright future they have procured the raw materials affecting the jute growers of five States of India. Up till now there is no mechanism whatsoever for 100 per cent procurement of jute direct from the growers so that all the jute magnates including Birla, Singhanian, Bangur, Kanoria, Bajoria etc., are all postmasters in the art of speculation and you ought to know that Singhanin was caught red-handed. He was president of IJMA (Indian Jute Mills Association) and in a confidential report it is said that after paying Rs. 50 lakhs to Congress(I) party, that case was hushed up. So, they are making extraordinary profits all along and you have denied the jute growers and workers their price. They do not go in for diversification, they are only going for instant profits and now they are making a profit of Rs. 3000 per tonne. You have exempted all of them. Only with a slight marginal increase in the export duty of hessian they are making a profit of Rs. 4000 and more per tonne. This I

[Shri Niren Ghosh]

assert and if necessary I would be able to prove it from inside information. So, these are the profits they are making and this has caused a public outcry. I do not know, but perhaps the industry has a bright future now since the cost of synthetics has gone up. There was some competition but not that competition in synthetics by which the industry will be ruined. Now it has become an extra bonanza for them. That is how it is running and they are big business houses and speculators and they have set up about hundred Birla manufacturing companies. What for? There are the cement factory, the engineering factory, the carbide factory, the linolium factory and what not? They are all under the name of a single concern. There are other units throughout India and they are also making money. That is why I said, this is only to bluff the country. The productivity of the workers throughout the period has gone up. Their wages *pari passu* have not gone up. They have got a golden cow in the shape of speculation from cash crop. Each year they make Rs. 30 to Rs. 40 crores, but the industry pays less wages to the workers. In a clandestine way production is diverted to the market, and they make black market profit. Production is shown to be less. Government knows all these things, and they are in full cognizance of it. Now they are making so much profit that even they cannot hide it. So, Government has come forward, in order to bluff the public, with a meagre Rs. 300 extra duty on hessian. So, I say you have made a deal with the jute industry. I would like to know how many crores you have got from the jute industry for the coming State Assembly elections. That is the moot point. Even for this meagre rise, they raised a hue and cry, but that is only in order to hoodwink the public. You have made a deal, there is no doubt about it. All the Commerce Ministers have done it, we know that from confidential and inside information.

Even the magnates themselves privately told many Members how they to the jute magnates also. They could be giving for this election. So, this is how you are treating this big business. So, export duty on all items should be raised sufficiently. All this profit should go to the public and the workers. Some such provision should be made.

SHRI INDRAJIT GUPTA (Basirat): This export duty will not come out of the pockets of the mill-owners, it will be passed on to the consumer, so that even this limited and hesitant step which the Government is taking of increasing the export duty on hessian and hessian cloth from Rs. 600 per tonne to Rs. 1,000 per tonne will not mean even a pin-prick as far as the jute mill owners are concerned. Whichever Government has been in power at the Centre has never been able to muster courage to take any firm steps against the owners of this industry which used to be our largest foreign exchange earner for years and years.

I want to ask two questions. Why has carpet packing been exempted? The figures which are available show that this huge spurt in the market price of jute goods is fully shared by carpet packing also. Carpet packing which last year was selling at Rs. 5,260 per tonne, is now selling at Rs. 12,000 per tonne. Hessian, which was selling at approximately Rs. 6,000 last year, is now selling at Rs. 9,000 per tonne. Last year there was a strike in the jute mills in West Bengal for 40 days, and at that time I remember there were some negotiations and a settlement, we were all concerned with it very much. The jute mills had again said that this burden which they would have to bear by way of slightly higher wages for the workers, some house allowance and other benefits which we got out of that strike, would cost them Rs. 15 crores per year additionally, and therefore the industry would be absolutely crippled, that its back would be broken and so and so forth

—the usual thing which all mill owners say whenever they have to part with even a pie. In six months of last year after the strike, in spite of these higher wages to the workers, these mills have earned a profit of Rs. 99 crores, in six months.

The reason for it, of course, was partly stated by the hon. Minister. There is a saying that there is no ill-wind which does not blow good for some people. This oil crisis, this petroleum crisis, this world crisis of fuel, which we are having to cope with, in a different way has brought a tremendous boost for the jute industry because their main Competitor was synthetic fibres, whose base is naphta, crude and polypropylene, which are all made out of oil and petroleum products. Now at one blow, the base of that synthetic fibre industry has been knocked out, the prices have gone up so much and the demand has revived again for jute, for hessian cloth hessian bags and carpet backing and they are taking full advantage of it.

SHRI N. G. RANGA (Guntur): The jute producers get nothing.

SHRI INDRAJIT GUPTA: They are fleeced every year. In the last two or three days, many tears are being shed for the farmers. Please cast your thought for the poor jute cultivators. You have set up a Jute Corporation of India, which is supposed to help them by stepping into the market and making raw jute purchases whenever the price fell too low. Some minimum support price is being announced every year from Delhi for raw jute. These poor jute cultivators are all poor farmers, marginal farmers, there are no big farms cultivating jute. In Eastern India, in Assam, Bengal, Orissa and Andhra, they are all small farmers. Never do they get, let alone an economic price for jute even the support price which is announced from here every year. The Jute Corporation has been a big fiasco. Targets are set for them for procurement of raw jute, which

they are never able to fulfil because they say, we are given targets for procurement, but not adequate funds, they do not have enough purchasing centres, they have no storage godowns, they do not pay the cooperatives whom they enrol as their agents for buying. On the one hand, the jute cultivators are being fleeced and on the hand, this industry is being fleeced by a group of mill owners who are nothing but speculators. You need not take my word for it. There are so many business journals and economic journalists who have been writing about this saying that this industry is run by a bunch of opportunists cut for a big kill throwing to the winds their own long-term interests or even the norms of the business game. The industry's outlook has become a casualty at the hands of some speculators who have made quick money out of this industry. Three times in our recent history, once during the Korean War, once during the hostilities with Pakistan in 1971 when all jute mills in Bangladesh were closed and could not manufacture any jute goods and now when the oil crisis has knocked the synthetics out of the market, whenever an opportunity, an unexpected opportunity, a windfall opportunity has come, these jute mill owners have gone out of the way to see that in as short a time as possible they make the maximum profit, and if ultimately that leads to driving away of the customers in the foreign markets, that does not matter, we will make money now, get rich quicker—that is their motto. This industry which was one of the biggest assets of this country, which was our biggest foreign exchange earner is being systematically and planfully ruined by this group of people who are controlling this industry now. And what does the Government do? I think, Mr. Niren Ghosh's suspicions are well founded though, of course, I do not expect the Finance Minister naturally to admit it. We are on the verge of elections, a mini-General election in nine States and they have made huge money most of which they do not

[Shri Indrajit Gupta]

show in their books, they are pastmasters at minting blackmoney. Everybody knows the notorious cases of under-invoicing of jute goods, which was caught one time, the big reputed houses in the jute industry were found to have cheated this country and cheated the exchequer by making crores of rupees by under-invoicing or over-invoicing. All that is going on still. We have said times without number, if you want to save this industry as an asset for the country's economy, the Government will have to step in and take over these mills. Whenever we say this, people like Mr. Venkataraman say that our party has got a congenital fixation about these things.

If it is a congenital fixation, I am not ashamed of it. When we see before our eyes what these people are doing to this industry, ruining it, and they have made huge profits, after so long, the Government comes forward and says timidly that the export duty on hessian will be increased from Rs. 600 per tonne to Rs. 1000 per tonne which will give them only Rs. 20 crores of revenue in a whole year.

I want to know why this duty should not be imposed with retrospective effect. Why these people should not be made to pay up to the Exchequer a part of the huge profits which they have minted since February of last year. As far as I see here, there is no retrospective effect. This is going to come in operation only from the date of the notification.

SHRI N. G. RANGA: How can it be with retrospective effect?

SHRI INDRAJIT GUPTA: They are not going to pay now also. They will pass it on to the consumer. They do not pay out of their pocket. The retrospective effect will make them pay out of their pocket, at least a part of it. I know, the hon. Finance Minister will not have the courage or the Government will not have the courage to go in for a step like this.

Secondly. I want to know why carpet backing has been exempted which is now selling at Rs. 12000 per tonne. I do not understand it. Is it in order to favour certain groups of mill-owners who have installed a number of looms for making carpet backing? I can name those groups also. We know them. They have brought enormous pressure and influence on the Government. They have got a powerful lobby. Somebody referred here, a little while ago, to powerful lobbies. The jute lobby is certainly known to everybody concerned. Therefore, I would say, please do not tinker with this problem like this. When you find that the prices are going down, you give a subsidy and when you find that the prices are going up, you put a little duty. That is all the extent of Government intervention or control that is exercised on this industry.

I have been told on good authority that the Commerce Ministry and one or two other allied Ministries are conspiring to disband altogether the Jute Corporation of India instead of finding out why it cannot operate properly, instead of strengthening it, instead of helping it to expand procurement operations, instead of providing adequate funds and helping to set up infrastructure so that they can spread out into the jute growing areas. This is what is going on. Because the Jute Corporation of India's record is a miserable failure every year, now somebody in Government circles here told me that a move is going on to see that the whole of the Jute Corporation of India is disbanded. It would mean handing over the business altogether, hundred per cent, to the tender mercy of the millowners.

I, therefore, say that this kind of a measure which is sought to be introduced here, is quite a ridiculous thing. It may bring in a few crores of rupees to the Exchequer. That is also a very miserable amount. I calculated just now sitting here that on an extra export duty of Rs. 400 per tonne, he

expects to realise Rs. 20 crores in a year. That means, he has calculated that there will be a production of 4,98,000 tonnes or, roughly, say, 5 lakh tonnes per year of these goods on which this duty is going to be levied. What about the rest of the production? I am not insisting on anything for sackig because the main market of sacking now is the home market, the domestic market. Obviously, there is no question of export duty on that. But what about carpet backing and all the different specifications of hessian which are manufactured in these mills and special types of fabric which are being manufactured in these mills? There is no competition now because synthetics have been knocked out. They are almost reverted to the previous position of a monopoly seller in the market. Why should the Government not take courage in both hands and at least do something to bring this industry under the control of the Government at all the three stages, cultivation of raw jute, manufacture inside the mills and selling to the foreign markets abroad. There is no control of any kind; there is no supervision of any kind.

We know all the mal-practices which go on in this industry. I have no time to recount them. You have to save the jute cultivator. You have to see that the production in the mills is done properly according to certain quality standards and that inferior fibre and inferior qualities of oil are not used. There is no supervision on all these things.

Still, you have to ensure that in the foreign trade, in which our jute goods play such a major part, all these mal-practices of under-invoicing and over-invoicing are stamped out. It can never be done unless the whole industry is taken over by the Government and run by them, in which case the workers would be prepared to cooperate with the Government. One or two mills had recently to be taken

over because they were closed down by the mill owners.

SHRI N. G. RANGA: Why?

SHRI INDRAJIT GUPTA: They were closed down because there was no money left. They were looted and cheated. Why else?

I would like the Minister to make a statement here as to how much money has been pumped into the mills by the financial institutions in the public sector. Without even bothering to find out whether there is any security, on the basis of fictional security and fictional stocks of raw jute when the jute mill-owners said I have got it in my godown'—they were given funds by the State Bank of India. Later on it was discovered the stocks did not exist at all. Such things can be got away with in this country simply because of the tremendous pressure and the hold on Government. All the big business houses in the country control some jute mills. Each of them has got 2, 3, 4, 5 jute mills and it is this lobby that is working here, at Delhi, which is paralysing the hand of the Government, because Government is not prepared to do anything which would irritate or annoy them. Therefore, what Mr. Niren Ghosh has suggested is nothing very extraordinary, that just now, on the eve of the elections, if Mr. Venkataraman were to take the bull by the horns, then, perhaps, the anticipated donations to the coffers of the ruling Party would be badly affected.

Therefore, there is no question of approving or disapproving this Order, because it does not even touch the fringe of the problem. I would like him to say why they are so timid and hesitant about it and why they don't bring to the Exchequer a major part of the windfall profit which the industry is now reaping.

SHRI N. G. RANGA (Guntur): Sir, I wish to sound a note of warning in regard to this Jute Corporation which came to be established in order to

[Shri N. G. Ranga]

protect the jute growers. If it is incurring losses—I am told it has incurred considerable losses during last year and the year before also—this Government should not fight shy of it and say it is going to be abolished. What has happened in regard to the textile industry? More than 100 mills were taken over by the Government in order to provide employment to a lakh of workers. Because these mills were then losing when they were being managed by private entrepreneurs, they were taken over by the Government. Now, supposing the Jute Corporation comes to be abolished and all the jute growers are placed at the mercy of these mill owners and all the tycoons that my hon. friend Mr. Indrajit Gupta has been referring to, their fate would be miserable. And how many would these growers be? Not one lakh, not one million, but many millions. Is it not the duty of the Government to come to the rescue of these millions of people and see that the bottom for the price of jute is maintained? That can be done only by fixing the minimum prices.

What has been the defect of the Jute Corporation is that, as my hon. friend Mr. Gupta has already said, it has not been provided with sufficient funds to purchase jute; and it has not been encouraged to purchase, also. On many an occasion—I know it for a fact—the jute mill owners came in the way and they did not allow them to purchase. What is more, it was not given the monopoly for purchasing, from which alone the jute mill owners should be made to purchase. The jute mill owners could be expected to pay more, if there were to be real competition between themselves and the Corporation. That competition is not there; rivalry is not there. At the same time, the mill owners have been favoured all the time, whenever it suited them, by not placing funds at the disposal of the Jute Corporation.

Therefore, I am extremely serious about this, that the Jute Corporation,

under any circumstances, should not be abolished. Let the Government go into the reasons why it has not been functioning as satisfactorily as it should. Is it because sufficient funds have not been placed at its disposal? Is it because some jute mill owners are interfering with its operations? Or is it because the Corporation itself is bowed down by its own internal inefficiency and incapacity to deal with the situation? Let them study this thing and improve the manner and the resources that are to be placed at the disposal of the Jute Corporation and ensure that the Jute Corporation is maintained there in order to protect the growers.

SHRI R. VENKATARAMAN: Both the hon. Members who spoke on the other side indirectly supported the resolution before the House. Only they wanted some heavier export duties to be levied. They were not against levying of the export duty.

One point my friend, Mr. Indrajit Gupta, made was: why is it that we have exempted the carpet backing? The reason is that the margin in carpet-backing today does not warrant an imposition of an export duty....

SHRI NIREN GHOSH: What is the margin according to you?

SHRI R. VENKATARAMAN: You can trust me to be very complete in my figures.

SHRI NIREN GHOSH: I have said that it is Rs. 3000.

SHRI R. VENKATARAMAN: It is a compliment which I can also exchange with you, but I do not want to. In November, 1979, the price was as stated by Mr. Gupta. Rs. 12,000 per tonne for carpet backing. In February 1980 it came to Rs. 8538 and in March it was Rs. 7722. The result is that now the cost of production is Rs. 7200 and the margin is only Rs. 500

SHRI NIREN GHOSH: Here comes the congenital fixation of hon. Shri Venkataraman.

SHRI R. VENKATARAMAN: I cannot answer all running commentaries. I submit in the matter of hessian—I have given the figures—the margin is around Rs. 3000 and, therefore, we have levied an export duty of Rs. 1000....

SHRI INDRAJIT GUPTA: Rs. 600 was already there.

SHRI R. VENKATARAMAN: Now the duty is Rs. 1000. The margin is Rs. 3000. Therefore the duty is Rs. 1000. Whether it is from Rs. 600 to Rs. 1000 or from Rs. 500 to Rs. 1000 does not matter. The duty to-day is Rs. 1000. Therefore, the reason why we did not levy any export duty on carpet backing is this one. Another reason why we did not levy any export levy on carpet backing is that we have a strong competition from Bangladesh. In Bangladesh the prices are competitive and we will lose the market. In our anxiety to harm certain so-called vested interests we should not harm the country itself. We cannot throw the baby with the bath water.

SHRI INDRAJIT GUPTA: 'So-called vested interests'.

SHRI R. VENKATARAMAN: That is what you have said. I repeated your statement.

SHRI INDRAJIT GUPTA: I never said the 'so-called'. The 'so-called' is your addition.

SHRI R. VENKATARAMAN: There are certain veiled innuendoes that the Government is getting collection for funds or something. If it were so, why should they levy an export duty? They should have kept it at Rs. 600 as it is and collected more money. So you have contradicted yourself. The fact that the Govern-

ment has come forward to do something which is unpopular with the industry and has raised the export duty itself shows that their accusations or allegations are baseless.

MR. CHAIRMAN: The question is:

"That in pursuance of sub-section (2) of section 8, read with sub-section (3) of section 7 of the Customs Tariff Act, 1975 (51 of 1975), this House approves the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. GSR 54(E) dated 18th February, 1980, increasing the export duty on hessian cloth and bags (other than carpet backing) from Rs. 600 per tonne to Rs. 1000 per tonne, from the date of notification aforesaid."

The motion was adopted.

15.39 hrs.

UNION DUTIES OF EXCISE (ELECTRICITY) DISTRIBUTION BILL

THE MINISTER OF FINANCE AND INDUSTRY (SHRI R. VENKATARAMAN): Sir, I beg to move: *

"That the Bill to provide for the payment out of Consolidated Fund of India of sums equivalent to the net proceeds of Union duties of excise on electricity to the States to which the law imposing the duty extends and for the distribution of those sums among those States in accordance with the recommendations of the Finance Commission, in its report dated the 28th day of October, 1978, be taken into consideration."

Hon. Members are aware, this Bill, as mentioned in the motion itself, is to give effect to the recommendations of the Seventh Finance Commission, which have been accepted by the Government. Article 272 of the Constitution provides that, if Parliament by law so provide sums equivalent to

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either whole or part of the net proceeds of excise duties may be paid and distributed among the States in accordance with the principles laid down in such a law. The Seventh Finance Commission recommended that: (i) 40 per cent. of the excise duties on all commodities other than on electricity; and (ii) the whole of the net collections of duty on electricity, in or attributable to the States, should be paid to them during the period 1979-84. This is against 20 per cent. of the excise duty on all commodities which were being shared with the States till last year on the basis of the recommendations of the Sixth Commission. A Bill to give effect to the recommendations of the Commission regarding the sharing of excise duty on commodities other than electricity was enacted by Parliament in May, 1979. The present Bill deals with the recommendations of the Commission regarding sharing of excise duty on electricity. The excise duty on electricity at the rate of 2 paise per kilowatt was levied with effect from 1st March, 1978. During 1978-79 the States were paid 20 per cent of the net proceeds of this duty. Later in the light of the views expressed by the States at the various forums including the National Development Council and the Southern Zonal Council, the Central Government took a decision to transfer the entire net proceeds of duty to the States with effect from 1-4-1979. The Seventh Finance Commission was apprised of this decision so that they could take into account its implications in their scheme of devolution to the States during the period 1979-84. The Commission fully agreed with the approach of the Central Government and recommended for the transfer of the entire net proceeds of excise duty as mentioned above. The Commission did not, however, specifically indicate the percentage for inter-se distribution of the net proceeds of electricity duty among the States, but observed that they had taken note of the information regarding the energy avail-

ability during the period 1979-84, made available to them. The percentages indicated in the Bill follow the same basis. The estimated transfers on account of the net proceeds of excise duty on electricity during the period 1979-84 is estimated at Rs. 1145.88 crores.

During the course of the debate, Mr. Chairman, I mentioned this and I pointed out that the entire duty is being transferred and that, along with the other transfers, according to the Seventh Finance Commission, will be of the order of Rs. 23,000 crores.

Sir, I move that the Bill be taken into consideration.

MR. CHAIRMAN: Motion moved:

"That the Bill to provide for the payment out of the Consolidated Fund of India of sums equivalent to the net proceeds of Union duties of excise on electricity to the States to which the law imposing the duty extends and for the distribution of those sums among those States in accordance with the recommendations of the Finance Commission, in its report dated the 28th day of October, 1978 be taken into consideration."

Shri Shamanna.

SHRI T. R. SHAMANNA (Bangalore South): Hon. Chairman, Sir, this is a very important Bill that has been placed before us which requires serious consideration.

Now, according to the excise duty collected, apportionment has been made to different States for the next five years. The quantum of money that is to be paid by the Central Government to the State Governments is in consideration of the duty that is collected.

Sir, it has become a very important subject in our country. As a matter of fact, the industrial development, agricultural development are some factors which have to be taken into consideration. Therefore, this matter should be treated in a different way. Even from the monetary help that is given in the table here, we notice that

Maharashtra gets about 13 per cent and Andhra Pradesh about $7\frac{1}{2}$ per cent. As far as my State, Karnataka is concerned it is seven per cent and odd. Of course there are many States where either on account of the fact that there is no possibility of power development or for some other reason it may be undeveloped. I find from the papers that the percentage given is too low. It is less than one per cent in some cases. The Government of India has to take special care to see that those States that will have to develop (and which have got the potentialities for development of power) should be given all necessary assistance so that as and when they are giving us more by way of duties, you may collect them. But unless you give them all scope in the initial stages it is very difficult for such States to come forward and develop. So, this is my request which I would like to place for the consideration of the hon. Minister. The Government of India in many cases in their plan and non-plan estimates have given large sums of money to State Governments. But I am sorry to say this. Even though many of the States have surplus power they feel hesitant to give power to neighbouring States. For example, Karnataka was badly in need of power and Kerala Governmen had surplus power. But on account of some controversy between the CMs of Kerala and Karnataka the CM of Kerala said that unless this matter is settled we will not give power.

AN HON. MEMBER: Kerala has been supplying electricity to Karnataka also.

SHRI T. R. SHAMANNA: There was controversy about Kasergode and about the employment aspect and they said they will not give power because of this. Since the Central Government is giving a lot of financial assistance, there must be some power in the hands of the Centre whereby they can request the States that have large quantum of power to help the neighbouring States. It is an important point to be taken into consideration.

I want the Central Government to have some power so that it may help the backward States in times of emergency. They should be able to give more than what is allotted here. It is better that certain percentage is reserved in the hands of the Central Government so that it may be used in times of emergency. It may be utilised to help the under-developed States.

Sir, industrial development and food production has been to a considerable extent handicapped for want of power. For all the 12 months there is restriction in power and there is power cut which may range from 20 to 80 per cent. You have power cut in different States Government must find out a method by which if there is no hydro power some other method can be found out, thermal or some other method, for conserving power. It is better that you reserve coal and other ingredients which are to be used when we have failure of hydro electric power. Power is needed for supply of water; for food production and various other things and for the development of industries. So top priority must be bestowed for the development of power. If there is power cut there will be less revenue to Government also by way of taxes. Power cut will mean less industrial production and less taxes to Government and the Government will be hard hit. So, step must be taken to see that due to power cut the industries do not suffer. Food production should not suffer due to want of power and the Centre should take necessary steps in this regard. Steps must be taken to see that at no time our industrial or agricultural development is hampered for want of power. In the matter of power, our policy is neither western nor of the Gandhian type. The Government must lay down a policy to see how best the power is utilised and how the Central Government can see that there is equitable distribution of power for development of different parts of the country. I therefore, urge upon the Central Government that they might reserve certain

[Shri T. R. Shamanna]

percentage and should have some scope in time of emergency to distribute it to such of the States who badly need it, and they might adjust the quantum of grants that are given here. The Central Government should give considerable financial assistance for the power development to those States which are badly in need of power, particularly those States which are having considerable difficulty in the matter of power.

I hope the Central Government will make a deep study and see how best our power resources are distributed in the best interest of the country at large and these are not particularly helpful to one State or the other.

SHRI Y. S. MAHAJAN (Jalgaon): Mr. Chairman, Sir, I rise to support the Bill, the object of which is to enhance the power resources of this country. It has been brought forward to carry out the recommendations of the 7th Finance Commission. But there is no doubt that the recommendations made by the Finance Commission or the increased financial provisions made in this Bill will not be enough to meet the requirements of the Power Boards in the different States.

We have to rely mainly on thermal power; hydel power is limited and the scientists say that there are many hazards as far as the atomic power is concerned. The main source for power are the thermal stations. In 1977, we produced 90.9 million kilowatt hours of electricity; in 1978, we produced 100.9 billion kilowatt hours, this represents an increase of eleven per cent in the generation of power. But this increase was contributed largely by the increase in hydel power of 27.3 per cent in 1978. Thus showing an increase of only 1.3 per cent in the thermal power. The progress is obviously unsatisfactory. Apart from this, we suffer from other difficulties such as bad maintenance and poor service which we render to the consumers. Different State Electri-

city Boards complain that it is because of the fact that new plants cannot be brought into operation immediately; they suffer from teething troubles. Further they say that a large part of the capacity remains under-utilised. For this the usual reason given is that there is not enough supply of coal to the power stations. The third reason, and which you will accept, is the poor maintenance of the power plants and fourthly, there are mounting transmission losses of power. We lose 32 to 35 per cent of the electricity during transmission. I have talked to the electrical engineers in my district and they say that the losses can be considerably reduced provided the technical equipment is improved, but they cannot do it because of shortage of funds. There is thus a growing need of larger resources and more capital investment in this field. Because of the shortage of power, our industries are being crippled. The farmers are also suffering heavily. The farmers get electricity during night time.

It is very strange that everybody works during the day while the farmers have to work during the night. Further, they have to suffer from interruptions of supply of electricity. I think we treat them in a very cruel manner. As far as industry is concerned, in some states the cut was nearly 60 per cent. Nothing is so necessary is to improve the capital resources of this industry. I am glad that this Bill has been brought forward so that the resources of the State Electricity Boards might be increased. But may I suggest to the hon. Minister that what he has proposed is far from adequate? He will have to provide much larger resources to this industry for its development before we can meet the minimum requirement of industry and agriculture. I hope the hon. Minister will not be satisfied only with bringing forward this Bill, but will also make some additional efforts.

SHRIMATI GEETA MUKHERJEE (Panskura): Mr. Chairman, Sir,

the Bill which has been brought will give to the States as the share of Union excise duties on generation of electricity an amount equal to the collection attributable to the State. The problem remains that in the whole of India the power generation capacity is not uniformly distributed. In fact, in the region from which I come, the eastern region, though it is quite developed industrially and its agriculture has also started using power, we have been actually discriminated against it in the matter of generation capacity. If you look at the figures of other regions, you will see the difference. As on 1-7-78, the region-wise distribution of total installed capacity is as follows: the north-eastern region has got 6595 KWH; southern region has got 6100 KWH; western region has got 5993 KWH whereas the eastern region has got 4395 KWH. But the distribution of industries in the country is not in the same proportion. According to this idea, we shall be getting less than other fortunate regions. Due to acute power shortage in the eastern region, I would request the Minister through you to consider whether this regional imbalance should be removed, and whether special steps will be taken to remove this. Our demand is growing but generation is not catching up. In this connection, while requesting for new generation units to be installed in the eastern region, particularly in West Bengal, I would like to say that some avenues will have to be found not only to rely on the thermal power stations but also to have a combination of both, despite the fact that our hydel resources are low.

16 hrs.

Apart from this, I would like to take this opportunity to point out a fact which is rather serious. Our West Bengal newspapers have reported that the Central Minister of Power has expressed his willingness to take over power generation and distribution of West Bengal. I do not know whether it is true. But

firstly it is a State subject; he has no business to make a statement like that. At the same time if he had made this statement being very confident that bringing under the Centre will relieve all the evils that our power generation system is experiencing at the moment, I would request him to oil his own machine, to look after the DVC which is the corporate responsibility of the Centre, West Bengal and Bihar and in that the Central Government has a major share. He should examine all the troubles now being faced by DVC. Because if we look after DVC well our entire eastern region will gain greatly. Instead of poking his long nose into West Bengal generation, if he can do that, I know that generation of power will improve.

16.01 hrs.

[MR. DEPUTY-SPEAKER in the chair]

I know that our State Government also will have to try hard and I hope that they will try their level best to improve the generation in their own sphere. We should say that the centre's main responsibility lies in seeing that the neglected eastern region gets the needed attention in the near future and more generating plants are sanctioned for this region.

SHRI C. T. DHANDAPANI (Pollachi): At the outset I should like to make some suggestions regarding the Union Duties of Excise (Electricity) Distribution Bill. Some provision has been made to draw some money out of the Consolidated Fund of India. The simple reason is that the Seventh Finance Commission has made some recommendations. Our hon. Minister knows well that the Finance Commissions used to make many recommendations in regard to financial allocations. Unfortunately the Central Government did not accept all the recommendations. They pick and choose according to the convenience of the Central Government. The hon. Minister himself was the chairman of a committee of the performance and working conditions of

[Shri C. T. Dhandapani]

electricity boards. In India, out of 18, except five electricity boards, all the others are incurring heavy losses. The state governments have to make good the losses of the electricity boards. I agree that the central government did, in the beginning, make some investment, in the initial stages, in the matter of erecting thermal stations or hydel power stations. But as far as generation is concerned, only the electricity boards and the state governments are responsible.

In this matter the Seventh Finance Commission was not in unanimity. The previous Finance Minister stated in this Budget speech as under:

"I feel that with our enormous investment in power, there is ample justification for claiming the contribution from those who benefit from these investments. I am, therefore, proposing to levy a duty of 2p per kilowatt hour on electricity generated."

His claim was, they have made some contribution. They wanted some contribution out of the investment benefits. But I want to say the Electricity Board or the State Government have not made any profit. In that condition how can the Central Government expect something from the Electricity Board or the State Government? But at the same time this extra excise duty is being thrown upon the shoulders of the public. So, it is being levied on the public. The local Boards or the Electricity Boards want to collect excise duty unnecessarily from the public.

There was no unanimity in the Finance Commission also. Shri H. N. Ray, the Member of the Finance Commission said:

"Our information is that most of the States have taken steps to pass on the Central excise duty burden to the consumer. Whatever justification there might or might not be for setting off the electricity duty (which accrues to the State

Government), there appears to be no justification for setting off the Central excise duty accruing by law to the Central Government from the returns which the State Government is assumed to derive during the forecast period from its investments in electricity undertakings."

The State Governments which are in a bad condition in regard to the generation of electricity, they will be deprived, whereas the States which are in a better position in regard to generation of power and electricity, they will be benefited out of this. Secondly, the State Government should be allowed to collect this. I do not know why the Central Government should come in the way. According to the item 53 incorporated in the Constitution State List—the State Electricity Board or the State Government themselves can very well collect the money from the public or they themselves can put the tax if they like. But the Central Government accrues the infrastructure, collects money and distributes to the States. It is unnecessary and unwarranted job of the Central Government, I should say.

Before I conclude I want to say something. According to the statements given here and according to the recommendations of the Seventh Finance Commission it has been stated that the allotment is going to be distributed among the States. I cannot understand so far as some States are concerned. I hope our hon. Minister will throw some light on this. In some States, for example Andhra Pradesh starts from 7.82 per cent in 1979-80 but ends with 8.58 per cent in 1983. In the same way Maharashtra starts from 13.26 per cent and ends with 14.48 per cent. In some cases, for example, Tamil Nadu starts with 7.25 per cent and ends with 6.38 per cent. I fail to understand what is the criteria for all these things. I hope our Minister will enlighten us about this case. Though it is not within the purview of this Bill, I request that this

amount which is going to be earmarked to the States should be compensated with the loans and dues to be given to the agriculturists, so that at least one section of the people, i.e. agriculturists who are the backbone of this country, will be benefited.

SHRI SATYASADHAN CHAKRABORTY (Calcutta South): Sir, I have so many things to say, but since time is limited, I shall try to be precise. My job has been made easy by Mrs. Gita Mukherjee. I would like to invite the attention of the Government to the fact that the whole eastern zone is now power hungry. Power production has been reduced. Not only the eastern region, but the whole of India is short of power. This is due to the lack of perspective planning. Even during the 30 years of Congress rule and 2½ years of Janata rule, our planners and the Government did not create the basis for power generation. Particularly in West Bengal, due to the failure of the previous Congress Governments, we are now suffering. I would appeal to the Government to see that proper steps are taken and funds are made available to the State Governments. Though this is the duty of the State Governments, the Central Government has actually encroached upon the powers of the State Governments and most State Governments are now denuded of financial resources because most of the sources of revenue are now exploited by the Central Government. The State Governments have to depend upon the sweet-will of the Central Government for resources for generation of electricity and for the development of the infrastructure in the State. I demand that there should be a change in the system of divisible pool and the Centre should make more funds available to the States, so that the States can implement their own programmes. I know from the experience of my own State that even if the State Government has the will and plan, because of paucity of resources and the reluctant attitude of the Central Government, they are not in a position to implement their programmes. So,

while discussing this Bill, I would invite your attention to this fact and request that the share of the State Governments should increase, because the State Governments have the main responsibility of running the States and for making the plan successful.

श्री मूल चन्द ठाणा (पाली) : उपाध्यक्ष महोदय, राजस्थान में आज पावर की क्या हालत है ? राजस्थान में 100 परसेंट पावर कट है। हमारे राजस्थान की हालत यह हो रही है कि पावर कट के कारण 360 इंडस्ट्रीज आज बन्द हैं और उनके अन्दर लगे हुए 4 लाख मजदूरों का ले आफ है, और न प्रोडक्शन हो रहा है। राजस्थान में कोटा में थर्मल पावर स्टेशन है, प्लानिंग डिपार्टमेंट के सामने हम सोच कई बार गए और कहा कि हमको सपना मिलना चाहिए। हमारा कोई पावर स्टेशन कम्बल ऐरिया का ऐसा नहीं है जो पूरी क्षमता पर चल रहा हो। कोटा में जो हमारा एटमिक पावर स्टेशन बना हुआ है जिसकी क्षमता 200 मेगावाट बिजली पैदा करने की है वह मुश्किल से 20 प्रतिशत बिजली आज तक दे सका है। और मान में 69 डेज केवल काम करता है। उसका एंजिन 200 मेगावाट है कोटा थर्मल पावर स्टेशन का। हम अपने यहां प्लाना में एक थर्मल पावर स्टेशन जगाना चाहते हैं, जहां की कोयला है। हमने योजना विभाग से उसके लिए मांग की है और आज मैं देख रहा हूं कि राजस्थान के लिए जो धन-गणि एलाउट की जा रही है वह केवल 3.97, 3.62, 3.55 और 3.46 है। मैं जाना चाहता हूं कि क्या रीजन्म है इसके पीछे ?

-सैवन्थ फाइनेंस कमिशन ने सिफारिश की है कि राजस्थान बिजली के मामले में पिछड़ा हुआ है, वहां पर कोई बिजली स्टेशन नहीं है। हम थर्मल पावर स्टेशन लगाना चाहते हैं। उसके लिए हम तरह से कम सपना रखा गया है, क्या आप रीजन्म इम्बैलेन्स करना चाहते हैं ? क्या राजस्थान पिछड़ा हुआ ही रहेगा ? एक तरफ तो कहते हैं कि पावर का फेयर डिस्ट्रीब्यूशन होना चाहिए और सैवन्थ फाइनेंस कमिशन ने इसका क्या क्राइटीरिया रखा है। आप आज हमारे सामने यह बिल लाकर इसे पार कराना चाहते हैं, मैं चाहता हूं कि इस पर मंत्री महोदय ध्यान दें।

SHRI R. VENKATARAMAN: Mr. Deputy-Speaker, Sir, there seems to be a misunderstanding about the Bill. This does not represent the total allocation for power in various States. This Bill deals with the limited

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purpose of distributing the money collected by way of levy of excise duty of two paise on kilowatt hour among the States according to certain proportion. Therefore, if some Members have said that the allocation for their State is not enough in this Bill, I say this is not the Bill that settles the total allocation in power in respect of each State. The total allocation in power is made by the Planning Commission and the Planning Commission will take care of the needs of various States.

I will now proceed to deal with the points raised by other hon. Members. Mr. Shamanna said that the Centre should not distribute the whole amount but retain a portion of it to be distributed at its discretion. I am afraid, the Centre cannot do it. Even at the time when this duty was introduced I was on the other side and I said, this is a duty which really belongs to the States and, therefore, it must go entirely to the States. This was taken up in the National Development Council with the various States and at different forums and, therefore, the Government of India accepted this principle that the whole amount would be distributed to them. Therefore, it cannot be kept back to be distributed at discretion.

Shrimati Mukherjee raised the point of imbalance in the power generation in the eastern region. This again is a matter which they have to take up with the Planning Commission and see that adequate provision is made for the region.

SHRI NIREN GHOSH (Dum Dum)
The Planning Commission has made a mess of India.

SHRI R. VENKATARAMAN: I have ceased to reply to you.

The next point which was raised by Mr. Dhandapani is that the Central Government does not always accept the recommendations of the Finance Commission. Here I want to inform him that the recommendations of the Finance Commission are accepted as

an award and we do not generally make any deviation from it. This is an award.

But the more important point that he made is, how is it that some States have certain figures in the beginning of 1979-80 and they go up in 1983-84, while some other States have some other figures in 1979-80 and they go down in 1983-84. The distribution of the amount is according to the power availability in each State in each year according to the power survey which has been made. Unfortunately, in Tamil Nadu, the State from which the hon. Member comes, power generation during this period is not going up as compared to other States. Therefore, its proportion will come down. This amount is distributed on the basis of power generated in each State during this period. In Andhra Pradesh it will go up from 7.82 to 8.58 because the power generation in Andhra Pradesh in 1983-84 will be more than in 1979-80. This amount is distributed on the power availability in each State, in accordance with the proportion which has been worked out. There is a load survey and power generation survey made by the Planning Commission and the Energy Ministry, on the basis of which this distribution has been arrived at, which has been accepted by all the States.

I think I have covered all the points.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the payment out of the Consolidated Fund of India of sums equivalent to the net proceeds of Union duties of excise on electricity to the States to which the law imposing the duty extends and for the distribution of those sums among those States in accordance with the recommendations of the Finance Commission, in its report dated the 28th day of October, 1978, be taken into consideration."

The motion was adopted.

MR. DEPUTY-SPEAKER: We will now take up clause by clause consideration. The question is:

"That clauses 2 to 5 stand part of the Bill".

The motion was adopted.

Clauses 2 to 5 were added to the Bill. Clause 1, the Enacting Formula and the Title were added to the Bill.

PROF. MADHU DANDAVATE (Rajapur): Sir, we cannot say "Aye" because it will be mistaken for Congress (I)!

THE MINISTER OF COMMUNICATIONS (SHRI C. M. STEPHEN): You cannot get over this allergy?

MR. DEPUTY-SPEAKER: You may not accept it, but the people of India have accepted it.

SHRI R. VENKATARAMAN: I beg to move:

"That the Bill be passed".

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill be passed".

SHRI DIGVIJAY SINGH (Suren-
dranagar): Sir, while fully supporting the Bill, I have only one suggestion to make, which could be considered by the Government. We are, after all, reimbursing Rs. 1.150 and odd crores. There was a specific understanding when this cess was levied that it would be for a certain specific period and, therefore, we are re-imbursing it to the State Governments.

We all know that perhaps one of the greatest drawbacks in rural development is the paucity and the very slow progress in our rural electrification schemes. Therefore, my suggestion is, whilst the Government of India reimburses this amount to the various State Governments, a certain condition should be stipulated that a certain amount of this reimbursed money should go in for rural electrification schemes whereby our villages, which are to a very large extent

devoid of electricity connection, could be more rapidly electrified.

SHRI P. K. THUNGON (Arunachal West): Sir, in support of this Bill I would like to say that the system of our country is unitary as well as federal. I have heard from the friends on the Opposition benches, particularly from the CPI(M) side, indirectly still harping on the point of Centre-State fiscal relationship. Their demand has been that the States which have generated more units of power should be given their due share, which means more share and increased share. Sir, as I have stated, in this great country we shall have to realise like in a family some brothers earn more, some brothers earn less, some brothers spend more and some brothers spend less, yet we are in one family. I would like to stress this point that in the States like Assam, Arunachal Pradesh and other backward States and special category States, it is very difficult to get the funds for investment though there are plenty of resources. To exploit the resources we need adequate funds. At the same time, unless we give proper powers to the Centre, proper facilities to the Centre to have more funds, wherefrom these investments in the interest of the nation can be had? Therefore, I support the Bill in full because of the fact that in our backward areas like Arunachal Pradesh, Assam, Meghalaya and other hill States there is a lot of potential for hydro electricity. We are yet to exploit it in a meaningful way and these are the great valuable assets of our nation which are yet to be exploited

With these few words, Sir, since there is no time, I would like to conclude and I full support the Bill. I thank you for giving me this opportunity.

SHRI R. VENKATARAMAN: Mr. Deputy-Speaker, Sir, I am grateful to the House for the unanimous support they have given to this Bill. I would like to take this opportunity to impress on Members from various

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States that whatever influence they have with their respective State Governments, they should try to see that the emphasis is laid on the power generation. Our greatest weakness today in our economy is the deterioration in the power generation and that has caused innumerable problems. In fact, our industrial production suffers because of the deterioration in the generation. To some extent, of course, our problem is accentuated by the monsoon in the sense that hydro power has failed, but at the same time every State should endeavour to see that it achieves a balance between hydro and thermal so that if one fails, the other can be worked to the maximum extent possible in order to keep up a level of production. This is the appeal I would like to make and I thank the House for the support given.

MR. DEPUTY-SPEAKER: The question is:

"That the Bill be passed."

The motion was adopted.

16 29 hrs.

STATEMENT RE. BONUS TO P. & T. EMPLOYEES

THE MINISTER OF COMMUNICATIONS (SHRI C. M. STEPHEN): The Government have decided to pay Bonus linked to productivity to the employees working in the P. & T. Department. An *ad-hoc* payment of 15 days wages will be made in the year 1979-80, as a measure of goodwill towards the staff for agreeing to the principle of bonus being linked with productivity. A formula for determining productivity of the employees in the Postal, Telegraphs and Telephone Branches has been evolved and will be applied for payments of bonus from 1980-81 onwards.

The regular departmental employees of the P. & T. Department including P&T Board and those of the Overseas Communication Service and Wireless Monitoring Organisation under the Ministry of Communica-

tions will be covered by the Scheme. Departmental employees drawing a maximum of Rs. 1600 as monthly wages (which includes Pay, Special Pay, Dearness Allowance and Addl. Dearness Allowance) will be eligible for the bonus. For employees drawing monthly wage of more than Rs. 750 but not exceeding Rs. 1600, bonus will be calculated at the wage level of Rs. 750.

The Casual Labour who have worked for at least 240 days for each year for three years or more will also be given an ex-gratia payment on the analogy of bonus payable to departmental employees. In their case, the payment will be computed on a uniform monthly wage of Rs. 150. They will also be paid 15 days wages in 1979-80 as a measure of goodwill.

The Government have also decided to sanction ex-gratia payment to the Extra Departmental employees linked to productivity. The quantum will be calculated on a flat monthly wage of Rs. 75. During 1979-80, they will also be sanctioned the ad-hoc payment of 15 days wages as a goodwill gesture.

The total expenditure on this account during 1979-80 is about Rs. 13 60 crores and will benefit about 7.5 lakh employees.

It is the Government's earnest hope that the grant of productivity linked bonus will provide substantial motivation towards achieving higher productivity by way of increased output by the employees and improved quality of service. The staff representatives have also reciprocated the Government's gesture and welcomed the decision.

SHRI NIREN GHOSH (Dum Dum): I want to make a submission.

MR. DEPUTY-SPEAKER: No discussion on this.

SHRI NIREN GHOSH: I am glad that the employees have got some benefit, but I want to know how the

venerable Minister has become a spokesman of the employers by linking bonus with productivity.

MR. DEPUTY-SPEAKER: The P. & T and railway workers have already welcomed it.

SHRI C. M. STEPHEN: He wants productivity. We will be the most productive team you have ever seen.

MR. DEPUTY-SPEAKER: I was a P & T employee for some time, and when I am presiding over this august House, Mr. Stephen, our Communications Minister, has announced the bonus, I am thankful to the Government.

PROF. MADHU DANDAVATE (Rajapur): I suggest that when the P & T Demands for Grants are taken up, you be in the Chair.

MR. DEPUTY-SPEAKER: I am happy about it. I thank the Government also.

16.34 hrs.

PREVENTION OF ILLEGAL ACQUISITION OF PROPERTY BILL*

श्रीमती कृष्ण साहि (बेगूसराय): उपस्थित महोदय से प्रस्ताव करती हूँ कि धनधन से सम्पत्ति के अर्जन का निवारण और तत्सम्बन्ध विषयों का उत्पन्न करने वाले विधेयक को पुर: स्थिति करने की अनुमति दी जाये।

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for prevention of illegal acquisition of property and for matters connected therewith."

The motion was adopted.

SHRIMATI KRISHNA SAHI: I introduce the Bill.

MERCY KILLING BILL*

SHRI MOOL CHAND DAGA (Pali): I beg to move for leave to introduce a Bill to provide for mercy killing of the persons who have become completely invalid and bed-ridden or suffering from an incurable disease.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for mercy killing of the persons who have become completely invalid and bed-ridden or suffering from an incurable disease."

The motion was adopted.

INDIAN MEDICINE CENTRAL COUNCIL (AMENDMENT) BILL*

(Amendments of Sections 2, 3, etc.)

SHRI V. N. GADGIL (Pune): I beg to move for leave to introduce a Bill to amend the Indian Medicine Central Council Act, 1970.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to amend the Indian Medicine Central Council Act, 1970."

The motion was adopted.

SHRI V. N. GADGIL: I introduce the Bill

CONSTITUTION (AMENDMENT) BILL*

(Amendment of Article 102, etc.)

SHRI R. K. MHALGI (Thana): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI R. K. MHALGI: I introduce the Bill.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL*

(Amendment of Sections 125 and 127)

SHRI G. M. BANATWALA (Ponnani): I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1973.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1973."

The motion was adopted.

SHRI G. M. BANATWALA: I introduce the Bill.

RESERVATION OF VACANCIES IN POSTS SERVICES (FOR SCHEDULED CASTES AND SCHEDULED TRIBES) BILL*

SHRI SURAJ BHAN (Ambala): I beg to move for leave to introduce a Bill to provide for adequate representation of Scheduled Castes and Scheduled Tribes in posts and services under the Government of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for adequate representation of Scheduled Castes and Scheduled Tribes in posts and services under the Government of India."

The motion was adopted.

SHRI SURAJ BHAN: I introduce the Bill.

SMALL FARMERS AND AGRICULTURAL WORKERS SECURITY BILL*

SHRI P. RAJAGOPAL NAIDU (Chittoor): I beg to move for leave to introduce a Bill to provide for payment by the Government to the small farmers and agricultural workers of compensation for injury by accident.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for payment by the Government to the small farmers and agricultural workers of compensation for injury by accident."

The motion was adopted.

SHRI P. RAJAGOPAL NAIDU: I introduce the Bill.

DEFECTION PREVENTION BILL*

SHRI RAM JETHMALANI (Bombay North West): I beg to move for leave to introduce a Bill to curb the evil of political defections.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill to curb the evil of political defections."

The motion was adopted.

SHRI RAM JETHMALANI: I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of Articles 19 and 41)

SHRI BAPUSAHEB PARULEKAR (Ratnagiri): I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER: The question is:

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI BAPUSAHEB PARULEKAR: I introduce the Bill.

16.39 hrs.

CONSTITUTION (AMENDMENT) BILL

(Amendment of Article 311)

MR. DEPUTY-SPEAKER: Before I call upon Shri Chitta Basu to move the motion for the consideration of his Bill, we have to fix the time limit for discussion on this Bill. I think we can fix two hours.

SOME HON. MEMBERS: Yes.

SHRI CHITTA BASU (Barasat): Mr. Deputy-Speaker, Sir, I rise to move:

"That the Bill further to amend the Constitution of India be taken into consideration."

While moving the motion for the consideration of this Bill, I would like, at the outset, to explain the principal objects for which I have moved this Bill. The principal object of moving this Bill is to protect the democratic rights of the Central and State Governments employees, who number, to-day, about seventy lakhs. I am glad that you are in the Chair, when we are discussing about the protection of the democratic rights of the Central and State Government employees, because you have an intimate knowledge about their problems and their move-

ments. My second object of moving this Bill is to remove the blot in our Constitution which deny the right to natural justice to our citizens who happen to be the employees of the Government of India or the State Governments.

Now, my object is also to remove the obstacles which stand in the way of participation of all the Central and State Government employees in the legitimate, rightful, trade union movement because the particular provision of the constitution which I seek to remove deters them from taking effective part in the legitimate, lawful, democratic trade union movement by the Central and State Government employees.

As you know, my object is to remove a particular provision of the Constitution, namely, proviso (2)(c) of article 311. Why I have chosen this particular proviso of article 311 is to be made clear at the outset. I am quite aware of the fact that the entire article 311 seeks to deny the democratic right to the Central and State Government employees. It seeks to deny them the natural justice. The Damocles' sword always hangs over their head. They are always under the constant fear of being dismissed for participation in legitimate trade union movement. It is a blot on the Constitution of our country which has enshrined fundamental rights, the right of association, is the right to speak and other fundamental rights. Therefore, this is a blot on the Constitution of our country which has enshrined fundamental rights for the citizens of this country and which I feel should be removed at the earliest opportunity.

Now, the question is why, when the entire article 311 is sought to be used as a weapon against the Central and State Government employees, I have chosen a particular proviso, namely, (2) (c). The main reason is that this is the most mischievous one and it

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should be done away with to begin with. My effort shall not end by the deletion of proviso (2)(c). My object is to start the process to democratise the Constitution, to remove certain blots on our Constitution and, particularly, to ensure the democratic rights for the Central and State Government employees. In the entire article 311, the proviso (2) (c) is the most mischievous one. Therefore, my first attack is to be concentrated on that most mischievous proviso and that is why I have chosen that particular proviso.

I am also quite aware of the fact that article 310 and article 311 are to some extent inter-related. We cannot consider article 311 without knowing the background of article 310. I may submit that article 310 is nothing but replica of the Government of India Act of 1935. You will be surprised to know that this 1935 Act was designed and framed on the basis of the British convention which is generally understood as a doctrine of "Royal pleasure" I would like to bring to your notice that certain provisions from that British convention have been bodily lifted and have been inserted in the Constitution of our country, namely, in article 310.

When colonial legacies and colonial attitudes have crept into our Constitution, everybody in this House should feel ashamed of them.

My object is not to deal with Art 310 at the moment. But you should also know what is meant by the doctrine of 'royal pleasure'. It means that Government employees are the King's or Queen's most obedient servants. That is what is meant by 'royal pleasure'. Secondly, there cannot be any contract between the King or the Queen and Government employees. Thirdly, the employment of Government servants depends entirely upon the pleasure of the King or Queen. Therefore, the servant-master relationship as conceived by the British colonial regime has found

a place in our democratic Constitution. Whatever might be the situation in Great Britain, that situation does not prevail in our country. That concept of 'royal pleasure' is a detriment or is an antidote to democracy. After all, the Central Government and State Government employees are citizens of our country. Therefore their services cannot be at the pleasure of the Governor or the President, just in keeping with the tradition or convention of 'royal pleasure'. I cannot but condemn this approach towards State and Central Government employees of our country.

I would agree that Art. 311 provides a certain amount of check or limitation, if you permit me to say so, on the application or exercise of this doctrine of 'pleasure'. To that extent it is a healthy thing. You must know what it means. Let me quote the relevant Article:

"311. (1) No person who is a member of a civil service of the Union or an all-India service or a civil service of a State or holds a civil post under the Union or a State shall be dismissed or removed by an authority subordinate to that by which he was appointed.

(2) No such person as aforesaid shall be dismissed or removed or reduced in rank except after an inquiry in which he has been informed of the charges against him and given a reasonable opportunity of being heard in respect of those charges."

It is clear that there has been a check or some kind of a limitation put on the doctrine of 'royal pleasure' which has found place in our Constitution in Art. 310. The check or limitation is that nobody can be dismissed by an authority which is subordinate to the appointing authority. That is what it says. The second limitation or check is that he should be provided with a reasonable opportunity of being

heard, he should be given a charge-sheet, he should be given the chance of explaining his position, he should be given a reasonable chance or the opportunity of being heard.

But again there was another limitation also—on the quantum of penalty—if it is so decided that there was a provision of giving another chance of hearing on the quantum of punishment. Unfortunately, the second chance has been taken away under the 42nd Constitution Amendment.

But the most undemocratic aspect of this Art. 311 is that there is no scope or opportunity for inquiries and hearings under certain circumstances. That is mentioned in proviso (2) (a), (b) and (c) of which, to begin with, I want to delete the proviso (c). What does the proviso (a) to (2) say?

"Provided further that this clause shall not apply—

(a) where a person is dismissed or removed or reduced in rank on the ground of conduct which has led to his conviction on a criminal charge."

I am inclined to concede this position. Here, there is a chance of hearing. The Court would give him a chance of explaining his position. Here is an opportunity of judicial determination. But come to proviso (b):

"Where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is not reasonably practicable to hold such inquiry."

That is, he can be barred from an inquiry if that authority is satisfied that a reasonably practicable inquiry is not possible. Who will determine as to whether there is a practicable scope or opportunity for hearing or an inquiry? It is no other agency that will determine it. Of course, it is there that it should be recorded in

writing—the reasons for not providing an opportunity of being heard or of an inquiry being held for certain practical reasons. The reasons ought to be stated or recorded. But, if there is any question as to whether that right has been properly exercised or arbitrarily exercised or exercised in a way prejudicial to the interested in the employee concerned, who is to give the final decision? It is a negation of the judicial principle. It is a negation of the principle of natural justice. The same authority will have the final say as to whether there is a possibility of providing him a reasonable opportunity of hearing for explaining his case. Then 311(3) says:

"If, in respect of any such person as aforesaid, a question arises whether it is reasonably practicable to hold such inquiry as is referred to in clause (2), the decision thereon of the authority empowered to dismiss or remove such person or to reduce him in rank shall be final."

That is, the authority which has deprived him, which has denied him the right of hearing, which has denied him the opportunity of being heard, will have the final say as to the justice and as to the reasonableness of the denial of that opportunity. This is most undemocratic. This is high-handedness. This is nothing but clothing the bureaucrats with more power to deal with people whom they do not like, to deal with persons in service whom they do not like; they used frequently this very clause to get rid of those persons whom they do not like or whom they do not like to be in service.

In case of 2(c)—I will quote it later—the opportunity of enquiry is altogether negative. You look at it—

"(c) where the President or Governor, as the case may be, is satisfied that in the interest of the security of the State it is not expedient to give to that person such an opportunity."

[Shri Chitta Basu]

That is, if the President is satisfied that in the interest of the security of the State, it is not expedient to hold such enquiry, he would not be provided with any scope of enquiry and he will be summarily dismissed and sent back home.

Sir, there has been a great deal of misuse of power under 2(c). I would, only for your information, mention some of them. I have got a long list. But, I don't want to take the time of the House to cite those examples. In 1969-70, after the dismissal of the United Front Government of West Bengal, they all had to face dismissal under Art. 311(2)(c). The reason was that there was an obliging Governor in West Bengal for the Central Administration—the then ruling party. It is in this sense that the ruling party at the Centre wanted to crush the democratic movement of the State Government employees of West Bengal which was very powerful. Therefore, they dismissed from service 13 Members—if I am not mistaken—of the employee's unions under the proviso of 2(c), Art. 311.

In 1972 when Shri Siddhartha Shankar Ray became the Chief Minister, he later, let loose a reign of terror and wanted to get rid of those people who were found to be not liable and so there was a spate of dismissal of State Government employees in 1972

In 1975, you know, Sir, during the emergency, the leaders of different employees' unions, both at the Central and at the State levels—unions and associations—were summarily dismissed. In Calcutta, the leaders of the employees' unions were crushed, arrested or detained under MISA. They suspended them from their service and he got rid of them by application of 2 (c) as it involved the security of the State as said by them. Therefore this pernicious provision of 2 (c) of 311 has been made free use of in order to crush the legitimate, democratic and, just trade union movements of the Central and

State Government employees in our country.

Now, Sir, 2 (c), in its application only, is all pervasive and it can attract each every person in the Central or State Government Services, In many cases....

MR. DEPUTY SPEAKER: Mr. Basu, I do not want to apply 311 (2) (c) to you.

SHRI CHITTA BASU: I know that. You cannot. You are a democrat. So, you cannot apply 2 (c) to my speech. You are a democrat and you are here only to protect our rights. Therefore, you cannot apply that on me.

MR. DEPUTY SPEAKER: That is true.

17 hrs.

SHRI CHITTA BASU: There were several cases in the High Courts. In no case can the Government produce any shred of evidence against employees who have been dismissed under Art. 311 (2) (c). The Calcutta High Court in a particular case, in the case of Mrinal Kanti Dass Burman, held that the Government should define what is really or actually meant by 'security of State'. I want also to briefly refer to the judgement of Supreme Court in Chittapari case of 1974. The judgement is very significant. It is held by Supreme Court that when there is a recourse to proviso of sub-article 311 it is not of course necessary to establish the guilt of the person but he must be given an opportunity on the quantum of punishment imposed on him, that is to say, he should not be given extreme punishment namely dismissal. Now, that provision has been taken away by the Forty-Second Amendment and therefore that is not applicable in case of release. It cannot be available in the case of these categories of employees. There is no scope

for any hearing at any stage. Much has been said about the authority for exercise of this power. Power under Art. 311(2) (c) has been vested at the hands of highest functionaries of our State namely President of the country and Governor of the State. Therefore it is generally assumed that it cannot be exercised *mala fide* because the highest functionaries are to exercise that authority. But in this connection, I would say about the judgment in the Sardari Lal case of 1971 where the Supreme Court held the view that the highest functionaries must be personally satisfied with the merit of the case. Sir, at a subsequent judgment by a larger bench of the Supreme Court in Samsher Singh case it was overruled and it was said that decisions are to be taken by the Ministers who are the political masters of the President or the Governor. Ultimately neither the President nor the Governor can have personal knowledge of the merit of the case to take final decision.....

PROF. MADHU DANDAVATE (Rajapur): Even Ministers are dismissed that way, Sir!

SHRI CHITTA BASU: Ultimately it is the might. It is the police note and report and such things which ultimately determine the fate of the Central Government—and State Government—employees. How can you say that the integrity and security of the State cannot be protected unless this kind of draconian are vested in the hands of the Government? I would like to point out that there are ample provisions in the host of laws of the land to deal with espionage, to deal with those elements who work against the integrity of the country, against the security of the country and so on and so forth. If any Central Government or State Government employee is dismissed or suspended or arrested on specific charge, he can be produced before the court and necessary action can be taken under the due judicial process. But here, in the name of security of the State, anybody can be punished. The Government is not re-

quired to indicate how and in what manner the security of the State is involved.

Experience shows that it has been used in a blanket manner, it has been used in order to destroy the legitimate trade union movement of the Government employees. Therefore, the question of protection of the integrity of the State and security of the State does not hold good unless they are specifically charged, they are specifically tried in a court and given an opportunity of explaining their position.

Before concluding I would only quote the ILO declaration adopted in the last 64th session in 1978:

"Employees organizations enjoy complete freedom from public authorities. Employees organisations shall enjoy adequate protection against any act of interference by a public authority in their establishment functioning and administration."

But the existence of (c) of clause (2) of Article 311 of the Constitution is violative of this declaration. Therefore, with all humility, I would plead with the House that this blot on democracy should be done away with at the earliest opportunity. It is not a question of party issue, it is a question of ensuring democratic rights to a large section of our citizens, it is a question of ensuring natural justice to a large section of our citizens and no partisan attitude should play any part in this. I hope and expect that support will be forthcoming from all sections of the House. With these words, I comment this Bill to the House.

MR. DEPUTY-SPEAKER: Motion moved:

"That the Bill further to amend the Constitution of India be taken into consideration."

SHRI MOOL CHAND DAGA (Palt): I beg to move:

"That the Bill be circulated for the purpose of eliciting opinion thereon by the 1st July, 1980." (1)

SHRI MAGANBHAI BAROT (Ahmedabad): Mr. Deputy-Speaker, Sir, I have a very painful duty to oppose this Bill and before I do so, I would submit that as a practising lawyer, I have a little experience of having at least defended some of the Government employees, particularly claiming their right under Article 311 of the Constitution of India. Therefore, with a little experience of those cases and a little experience of the provisions of Article 311 and with a little knowledge of the decisions of the various High Courts and the Supreme Court, I would like to make my submissions to the Hon. House in opposition to what the hon. Member has said in support of his Bill.

Firstly, I would like to bring to the notice of this hon. House a fallacy in the Bill which the hon. Member has brought. I would like to draw the attention of this House to the provisions of Article 311 and the particular clause which he has chosen to be deleted. There are three provisos in clause (2) of Article 311. These are:

“(a) Where a person is dismissed or removed or reduced in rank on the ground of conduct which has led to his conviction on a criminal charge...

There is no requirement of holding a departmental enquiry and the hon. Member has not asked for its deletion. Then,

“(b) Where the authority empowered to dismiss or remove a person or to reduce him in rank is satisfied that for some reason, to be recorded by that authority in writing, it is not reasonably practicable to hold such inquiry.”

In such a case also, it seems, he has no objection.. (Interruptions). I am only confining myself to the Bill that the hon. Member has brought. He has no objection to a provision which does not require holding a departmental enquiry.

To that provision, he has no objection. He does not want that to be deleted. (Interruptions). I am referring to the Bill that you have brought forward. Therefore, I think I am justified in commenting that you have no objection to the same provision in the same article in the same sub-section in the same sub-clause. Your objection is only to one clause and one sub-clause (Interruptions). My objection to the hon. Member's Bill is this. His generalisation that this provision of the

Bill affects 70 lakh employees of this country is unfounded. I would like to know how many cases fall within this sub-clause 2(c)? Perhaps the number will not cross three figure or even two figure. First of all, I would like to say why clause 3 was required to be provided and what is the legislative history. I must bring to the notice of this hon. House that in 1978 a similar Bill was brought which was a little wider than this one. It was debated in the era of those who were ruling this country then, who were claiming that the second freedom was born in this country. After 1977, under the spell of so-called second freedom in this country, a similar Bill was brought and this House in its wisdom then thought it desirable to reject it. Therefore, there are two things which I would like to mention before I deal with the merits of it. (1) This amendment itself was brought in our Constitution in 1963 in the background of particular circumstances. We had the experience of a war with China. We had the experience, for the first time, in this country that there were not enemies only outside the country, but inside the country also. We then, for the first time, realised that these espionage activities were going on in this country which required the safety of the nation and the safety of the States. Being wise from the experience of 1962, we thought it better to bring forward an amendment to the Constitution. That amendment was again challenged and was rejected in this very House in 1978. Let us first respect the wisdom of these predecessors. Why was it required to be done? In

1968, why were they then claiming all round that now that they had got freedom, this authoritarianism should be removed and that we had got a new light in this country. I think what the Government did at that time, the hon. Members were supporting that also. All the hon. Members who had brought the Bill failed to convince and persuade the government to accept it. So, the majority was against it, all those who are ruling the country to-day.

I entirely agree with my hon. friend that national interests are involved in certain matters and these are political; neither partisan nor sectional. I would like to say how the government acts, or when it does not act, the courts are free to look into it. It appears that the hon. Member thinks that somebody in his whim takes a decision, remove this man and the man is removed. I would like to say out of my legal experience in the government and also in the state that it is not so. (Interruptions) I think the West Bengal is having another experience. I am talking about my State of Gujarat. I am saying from my personal experience that the implementation position is not grim. What is done is this and I am sure that is also being done at the Centre and in the States, namely, a Secretary of the concerned department prepares a prima facie case. Then on preparation of a prima facie case, the matter is sent to what is called the Advisory Board. Then the Home Secretary of the Government presides. The Secretary (Personnel) is present there. The Law Secretary is also present there and the Secretary of the concerned department is also present there. With these four Secretaries, the highest of the secretariat applies their mind to the case. Thereafter the advice is tendered to the Governor or to the President in the respective cases. You can challenge this provision that it is not so. I can tell you that it is so. I do not know whether West Bengal has ever opposed this provision in the

Constitution. I think not. There it is all right for them to take action, it is a good measure; it is bad when it comes to other states... (Interruptions). My experience as a lawyer in a criminal case in which I appeared is this. On a day of election in Gujarat in 1975, four murders took place in a village called Chamari in Saurashtra, Bhavnagar district. Murders took place almost in equal proportion, two on this side and two on the other side. The dead bodies reached Bhavnagar hospital at about 20' clock, at the equivalent time it reached, the BBC, radio announced this incident. Learning which news a gentleman serving in England telephoned Bombay and enquired, because names were given that they were Rajputs. The gentleman was a Rajput serving there. He telephoned back Bombay to enquire. Much less Bombay, Bhavnagar town was not knowing that such a thing has happened. Let us know that during our elections... (Interruptions). I am only addressing those who have some national spirit. Those who are enemies of the country....

SHRIMATI GEETA MUKHERJEE
(Panskura): It is absolutely objectionable.

MR. DEPUTY-SPEAKER: He never meant anybody here. It is not unparliamentary. If I heard him right, think that he said that the enemies of the nation would only oppose; he never meant you; he said the enemies of the nation would oppose; you are not the enemies of the nation.

(Interruptions).

PROF. MADHU DANDAVATE (Rajapur): Let me make a submission. If you just check the record of what has been said by the hon. Member, with due respect to him, he did not refer to anyone outside this House. While speaking in this House, while addressing this House, he said that: I am only talking to those who have the national spirit and not the enemies of the country. He definitely referred to some Members of this House and it is highly objectionable. You should go through

[Prof. Madhu Dandvate]

the records. (*Interruptions*). I have the right to raise a point with the permission of the Chair and I am raising a point; I am second to none in yielding to the procedures that have been laid down. My humble request to you is this. My humble request to you is, you please go through the records and if you find that certain references and remarks are objectionable and unparliamentary, in that case I would request that they may be expunged.

SHRI MAGANBHAI BAROT: I would make a clarification. I have neither referred to any party nor to any hon. Member. But I was inviting the attention of the nationalist spirited friends and the Members of the House that what kind of espionage is going on.... (*Interruptions*) 's,

MR. DEPUTY-SPEAKER: You can continue.

(*Interruptions*).

MR. DEPUTY-SPEAKER: In view of what he has said just now that he has not meant any offence to any Member of the House, he can continue.
(*Interruptions*).

MR. DEPUTY-SPEAKER: Please sit down, please sit down.

SHRI CHITTA BASU: He has said "in the House", "inside the House".
(*Interruptions*).

MR. DEPUTY-SPEAKER: Who?

SHRI CHITTA BASU: He mentioned that he was addressing the nationalist
(*Interruptions*). inside the House.

MR. DEPUTY-SPEAKER: As suggested by Prof. Madhu Dandavate if he had said any people who have no nationalist view or approach in the House; if he has said 'in the House', I will go through the proceedings and edit it.
(*Interruptions*).

SHRI MAGANBHAI BAROT: I will resume the narration of the incident. I was saying that in this country there

are forces. I am submitting that in this country when this incident happened, within one hour the news travelled beyond the shores of this country, none in the town was knowing this but it was known to the BBC and the BBC radio announced and proclaimed to the world at large. Now I will come and tell who said and from where.

Supposing in a case of this nature the Department or a particular section of the Government, authority or Secretary comes to know that this information has been passed from some officer or an employee of this Government, of his State and passed on to some espionage agencies working in this country, an action is required, but we see that that gentleman stands at the same footing as an honest or simple and a straightforward person. I would raise some other questions.

Let us take an illustration. The question involved (as a lawyer I can address to myself) is Principle of Natural Justice. I very well know that principle. Therefore, the question is, let it be argued. It is reasonable and logic, it is to be argued. Let it be said that whereas you give the principle of Natural Justice to everyone, why not to a given person? The answer that has to be given for continuing this statement, or the provision of law is this—why in a given case, one out of million, because I do not think they are more than that—hardly one in a million is likely to be prosecuted or debarred or to be removed or dismissed in this fashion.

Let us take the case of espionage of an Embassy. I am saying academically. A foreign country wants to get information either through a military official or from someone having an excess to the secret files of the Government and there is a counterpart there. Or let us say it is *vice versa*. Now, the principle of Natural Justice is to be insisted upon. The employee concerned will ask, produce the witness to give evidence against me that I have passed on the information to him. What jurisdiction we have? I am very

humoly asking this hon. House, what jurisdiction we have. If a foreign country wants the espionage on our country's activities and some one of us—an employee passing information to that country, to some counter-part of his, and he insists upon evidence to be examined in his presence, otherwise it is violation of principle of Natural Justice, how do we call him? I am trying to answer, how is it possible?

MR. DEPUTY-SPEAKER: Please conclude.

SHRI MAGANBHAI BAROT: Sometimes it is not desirable, not in the larger interest of the national security to give information. What happens? I would like to state with my experience as a lawyer, in a departmental enquiry certain witnesses are examined and cross-examined. To that extent it is all right. But the same person when he goes to the court of law produces that evidence in the court of law. It becomes part of the public record. Are we going to say that we open our doors and keep them so wide that any enemy acting against our country's interests should by putting one or two or purchasing one or two of our employees have the information? Then that man may claim fundamental right under article 311 and prove the records before a court of law; and, that can travel beyond the shores of the country as a record of a court of law. This is impossible. No nation can survive like that. Nation's security has to be safeguarded. The courts have hailed it and our Constitution is clear about it. Charges of *mala fide* can always be made in a court of law. There is no bar. I would like to quote for the benefit of my friend what the constitutional provision is in America, the country of great liberty: It says:

"Notwithstanding the provisions of any other law, the Secretary of State may in his absolute discretion and when deemed necessary in the interest of national security, suspend without pay any civilian employee. The agency head concerned may, following such investigation and review as he deems necessary, terminate the

employment of such suspended civilian employee, whenever he shall determine such termination necessary or advisable in the interest of the national security of the United States and such determination shall be conclusive and final."

(Interruptions).

AN HON. MEMBER: It is subject to judicial review.

SHRI MAGANBHAI BAROT: No; this is conclusive and final. I have read the provision from the American Constitution. He can quote me and say that I was wrong in my quotation.

Sir, Maneka Gandhi's case is cited, saying that Government has no power to take away the liberty, etc. This is what the Supreme Court has said in that case and this would very much apply in this case as well.

MR. DEPUTY-SPEAKER: With that, I hope you will conclude.

SHRI MANGANBHAI BAROT: Yes; Sir. If the Supreme Court's observation cannot convince my friend, I do not think I can do it, because the Supreme Court judgment is the last word on the subject and it is the law of the land. The Supreme Courts says:

"There may be questions of national safety and welfare which transcend the importance of the individual's inherent right to go where he or she please to go."

This is in the passport case. If national safety transcends the individual's inherent rights, are we going to say that people involved in espionage, in selling away the interests of this country, have a higher right than the citizens of this country? Are we going to throw open the doors for them? Are we going to quote those people as witnesses? For whose protection are we asking it? I say, the lessons have been learnt by the nation in the 1962 Chinese war, corroborated by the Pakistan war of 1965 onwards. Therefore, to the extent the country's safety re-

[Shri Magan Lal Barot]

quires, you will have to suffer, so that the nation survives.

DR. FAROOQ ABDULLAH (Srinagar): Sir, I am here to oppose this amendment not because of what our learned friends have put forward, but because of the way my State of Jammu and Kashmir and Ladakh is situated. As all of you know, we have Pakistan on the one side and a large chunk of territory is still in the hands of China. In this State of ours, we have constant problems of espionage. I am sure my learned friends here know of the recent army espionage case. Our problem is that these persons who work in the Government have access to information which none of us has. Some of the information is vital for our very existence and particularly for the State of Jammu and Kashmir and Ladakh. If my friend thinks that espionage is a fundamental right of the trade unions then obviously we should be prepared for the troubles that might come in our State of Jammu and Kashmir tomorrow. I want to make this completely clear that we have people in that State who still have leanings towards one side or the other and are in the Government offices. I do not know what is happening in West Bengal, I may be pardoned for that. But I know in Jammu and Kashmir and Ladakh because of this article, great watch is kept and these officers know for certain which we the Members forget that the fraternity of these people is very strong. The Home Secretary, the Personnel Secretary, the Law Secretary are friends of each other and have great interest in their brethren and will not harm them if the thing that has been brought to their notice is not correct. That is why, I plead, before you take such a major decision of amending this particular provision, please remember that in our State of Jammu and Kashmir you are playing with fire because these people have the information which can lead to greater destruction. They can tell the enemy the movements of the Army, where our tanks are situated, where our great fighters are situated so that they know

exact¹ where they should fire their guns. In the world of today, you do not need men to walk in, you merely push a button and guide these missiles to the areas where these things are. I say that before we amend this provision, please take into consideration the national security. This is the only thing that I wanted to bring to the notice of the House. I hope, all of us who are sitting here, will always consider the Nation greater than our Parties.

SHRI AJOY BISWAS (Tripura West): Hon. Deputy-Speaker, Sir, I rise to speak in support of the Bill introduced by hon. Chitta Basu. Sir, I am not only supporting this, but I am certain that 80 lakhs of Central and State Governments employees also will support this Bill. The Government employees know the real meaning of this draconian provision of the Constitution because they are directly affected by this provision. The State and Central Government employees have been agitating against this provision for the last two decades. The State Governments employees came to Delhi in 1968 and 1973 in thousands to tell the Government to delete this provision. The State Government employees had to go on a token strike in 1974 against this provision. So, I am sure that the entire State and Central Governments employees are against this provision. Why? Will you say that all the State Government, and Central Government employees are anti-national?

Sir, already the State and Central Government employees have demonstrated in different parts of the country, because time and again article 311 had been used against the leaders of both Central and State Government employees to curb their trade union activities. I know it better because I come from Tripura, where 27 leaders of State Government employees were dismissed or removed under article 311(2)(c). Almost all the dismissed employees were accepted leaders of the State

Government employees. Ten of them were arrested under MISA during the emergency and put behind the bars. It was inhuman that the dismissal orders were served inside the jail. When the leaders of the employees were outside the jail, they were served dismissal orders by the police officers. Three contingents of police personnel went to the houses of the leaders of the employees in the late hours of the night and served the dismissal orders. Can you say that all the leaders of the State Government employees acted against the security of the State? Certainly not.

In West Bengal the same method was applied in 1972 and 1975. 29 leaders of State Government employees were dismissed under article 311(2)(c). In Assam and Andhra Pradesh the employees were victimised under the same article. While a murderer has got the right of self-defence, the Government employees are denied even that right. Actually, the Government employees are now being treated as second class citizens, as slaves. The Government employees have been deprived of all political and trade union rights. This position has continued even 32 years after independence. Is this in conformity with democratic norms, I ask. This suits only an authoritarian regime, and you are trying to establish that. For that reason, hon. Members have opposed it. If any employee is guilty, he can be prosecuted and punished by existing laws of the land. Even in the capitalist countries the employees are enjoying political and trade union rights. Are you prepared to follow that? Are you prepared to follow even the path of the capitalist system? You are not following that. You are following the path of the British regime. The British came to our country only to exploit our people and so the British needed such type of black laws and provisions. If you want to serve the capitalists and

oppressors, you also need all these black laws and you are doing that. For the last 32 years, Article 311(2) (c) has been used against the leaders of the Central trade union organisations. I request the Government and all Members of this House to realise that there are draconian provisions in the Constitution and these should be deleted from the Constitution to protect the democratic values of the country.

श्री राज बितास पासवान (हाजीपुर) : उपाध्यक्ष महोदय, भ्रमी जो बिल हमारे सामने है उसके सम्बन्ध में मैं दो बातें मुख्यतः कहना चाहता हूँ। मैं समझता हूँ कि माननीय बिता बसु ने जो बिल यहां रखा है उसकी मंशा कुछ और है। उनके दिमाग में शायद यह बात घूम रही है कि कहीं फिर कोई ऐसी नीबट न आ जाए जिसके माध्यम से जो सरकारी कर्मचारी हैं, और खास कर के जो राजपत्रित अफसर हैं वह सरकार के हाथ की कठपुतली न बन जायें। मैं देख रहा था जिस समय कांस्टीट्यूट असेम्बली बैठी थी। और उस समय जो डिस्कशन हुआ था उसमें यह स्पष्ट मान्यता थी कि जो सिविल सर्वेंट्स हैं जो सरकारी कर्मचारी हों उनको इतना अधिकार दिया जाय, सेक्योरिटी दी जाय कि वह सरकार के गलत काम में भागीदार न बनें। इसके दो पक्ष हैं। मैं देहात की बात कहता हूँ कि एक सरकारी कर्मचारी है गजेटिड अफसर उसको यह पावर है कि यदि कोई हरिजन है, गरीब है और वह जिस जमीन पर बसा हुआ है, मकान है उसको प्रिविलेज्ड पर्सन्स होमटर्नेसी एक्ट के मुताबिक परचा दे दें। देहात में यह होता है कि रात तक वहां घर है और ज्यों ही परचा के लिए हरिजन एप्लाई करता है तो वह घर न रह कर जमीन हो जाती है। यदि कोई अफसर गरीब का हितैषी है तब तो वह जा कर कहेगा कि नहीं गरीब का घर था इसको परचा दे दो। और यदि कोई अफसर गरीब का विरोधी है तो वह कह देगा कि नहीं इस जगह घर था ही नहीं, खेत था। इस प्रकार उसको परचा से वंचित कर दिया जाता है।

जहां तक नेशनल सेक्योरिटी की बात है चाहे किसी पक्ष के माननीय सदस्य हों किसी भी पार्टी से सम्बन्धित हों कोई नहीं चाहता कि हम भारत की आजादी को खतरे में डाल दें। और जब कभी मौका पाता है तो ट्रेजरी बजेट में जो लोग बैठे हुए हैं उन्होंने सुरक्षा को खतरे में डालने की कोशिश की है, कम से कम प्रपोजीशन वालों ने नहीं। 1962 के पहले प्राप देखिए कि हिन्दुस्तान कहां था। यही हिन्दुस्तान

[श्री राम विलास पामवान]

या जो मि० बाऊ-एन-साई को बल्ड में इन्ट्रो-ड्यूस कराना या कि भीट मि० बाऊ-एन-साई ग्राहम मिनिस्टर आफ बाइना। 1962 के बाद स्थिति क्या हुई कि आपको दूसरे के मार्फत बिदेशों में इन्ट्रोड्यूस होना पड़ता था। इसीलिए मैंने कल भी कहा था कि देश के लिए तीन चीजों की आवश्यकता है, देश में नेता भी हों, नीती भी हो और नियत भी हो। जब तक यह तीनों साथ नहीं होंगे तब तक देश आगे नहीं बढ़ेगा।

जहाँ तक सरकारी कर्मचारियों का मामला है, मेरा जैसा धादमी शुरू से ही अफसर-शाही की खिलाफत में रहा है। हम जानते हैं कि अफसर को ज्यादा पावर देने का मतलब है कि वह कल हम ही लोगों को जेल में बन्द करेगा। जितनी उम्र नहीं है, उससे ज्यादा जेल में रहा हूँ। हम अफसर को कुछ कहेंगे तो वही अफसर कहेंगे कि जेल में बन्द करो।

हरिजन एटोसिटीज की बात कही गई कि डी० एम० और एम० पी० इसके रिस्पॉन्सिबल होंगे और उनको मस्पेंड और डिमिशन दिया जायेगा। पूरे हिन्दुस्तान में एक जगह भी ऐसा केस नहीं मिला है जिसमें किसी डी० एम० या एम० पी० को डिमिशन दिया गया हो। क्योंकि आई० ए० एस० अफसरों का एक गिरोह बना हुआ है पूरे हिन्दुस्तान में। फाइल हाइएस्ट अफसर के पास जायेंगे और हाइएस्ट अफसर आई० ए० एस० ही होता है। एक आई० ए० एस० अफसर के खिलाफ दूसरा आई० ए० एस० अफसर कभी कुछ नहीं लिखेगा। कोई भी अफसर किसी भी कन्स्ट, बेईमान और धूमखोरी करने वाले अफसर के खिलाफ कभी रिपोर्ट नहीं लिख सकेगा, क्योंकि उन सबका एक गिरोह बना हुआ है। इस लिए मैं इस मन का हूँ कि अफसरों के ऊपर लगाम लगनी चाहिए। अफसर तो भ्रष्टा घोंडा होता है। हम पार्लियामेंट के मੈम्बर यहाँ लम्बे चौड़े भाषण देते हैं, मालूम होता है कि हम ही सबसे बड़े तीसमारखा बन गये हैं, लेकिन जब यहाँ से बाहर जाइये तो बस मैं भी आपके लिए कोई जगह नहीं मिलती है। अपने-अपने प्लैटो में चलकर जाना पड़ता है। जब अफसर यहाँ से निकलते होंगे तो उनके लिए एम्पला कार खड़ी मिलती है और वह उममें फुर्र करके निकल जाते हैं। यहाँ बैठ कर हम लोग अफसरशाही के खिलाफ बोलें, उनको गालियाँ दें, कुछ करें, लेकिन जब हम व्यवहारिकता में जाते हैं तो हमको पता चलता है कि अफसर की हस्ती क्या है और हमारी हस्ती क्या है।

यदि मੈम्बर आफ पार्लियामेंट या स्टेट ऐसेम्बली के मੈम्बर की प्रतिष्ठा को बचाना है तो निश्चित रूप से चाहे जितने भी अधिकार

अफसरों को हों, लेकिन उन्हें मੈम्बर आफ पार्लियामेंट और स्टेट ऐसेम्बली के मੈम्बरों के नीचे रहना चाहिए। तभी मੈम्बरों की प्रतिष्ठा बच सकेगी। सिर्फ अफसर को गाली देने से और उनको क्रिटीसाइज करने से काम नहीं चलेगा।

मैंने आपसे कहा कि अफसरशाही के खिलाफ हम हैं, जमकर खिलाफत करते हैं लेकिन मैं यह भी जानता हूँ कि जो करप्ट होता है, बेईमान होता है, तो चाहे कोई मंत्री भी हो, किसी की हिम्मत नहीं होती है कि वह अफसर को कुछ कह सके। चाहे इस पक्ष के लोग हो या उधर के पक्ष के लोग हो। हम भी कल तक ट्रेजरी बेंचज पर बैठे थे, और फिर ट्रेजरी बेंचज पर चले जायेगे, लेकिन हम देखते हैं कि वर्तमान कानून और विधान के तहत हम किसी अफसर को कभी भी सजा नहीं दे सकते हैं।

इस लिए एक प्वाइन्ट जिम्का यूटिलाइजेशन किया जाना चाहिए और जैसा चित्त बसु जी ने कहा, नेशनल सिक्योरिटी के नाम पर इस पर हमें इमानदारी में बहम चलानी चाहिए, जमकर बहस चलानी चाहिए। गजेटिड अफसर ही क्यों, नान-गजेटिड क्यों नहीं, आई० ए० एस० ही क्यों, पब्लिक सर्विस कमिशन का ही अफसर क्यों, चाहे कोई भी ए० बी० सी० डी० कर्मचारी हो, अगर वह राष्ट्रद्रोही है, सचमुच में जामूसी का काम करे तो निश्चित रूप से उसे सजा मिलनी चाहिए। लेकिन यह भी नहीं होना चाहिए कि वह अफसर जनता पार्टी का राज्य हो तो वह जनता पार्टी का काम करे, जनता पार्टी का स्टैनो बन कर काम करे, लोकदल की सरकार हो तो लोक दल का स्टैनो बन कर काम करे और अगर कांग्रेस पार्टी की हुकूमत हो तो कांग्रेस पार्टी का स्टैनो बनकर उसके अनुसार ही काम करे। यदि उसी लाइन पर काम वह करे तो हम उसको करार कर दें कि यह राष्ट्र विरोध है, यह एंटी-नेशनल एलीमेंट है। इस आधार पर यदि काम चलेगा तो फिर आपकी मांगी अफसरशाही से न तो उनका भला होगा और न देश का भला होगा।

इस लिए मैं आपसे कहना चाहता हूँ कि इस पर गम्भीरता पूर्वक विचार करना चाहिए। एक तरफ हम अफसरशाही पर जो कि भ्रष्टाचारी की तरह है जो किसी खेत में जरिए जाये तो खेत को खा जाता है, तहसनहस कर देता है, उस पर लगाम लगावे और इस ही और हमारी राष्ट्रीय सुरक्षा भी प्रक्षुण रहे देश की सिक्योरिटी बरकरार रहे। इन दोनों चीजों को साथ लेकर हम चलेंगे तभी इसका निदान होगा इन शब्दों के साथ मैं आपको धन्यवाद देता हूँ।

SHRI SHIVRAJ V. PATIL
(Latur): Mr. Deputy-Speaker, Sir,
the wording of the Article can be
scrutinised by us. It reads:

"where the President or the
Governor, as the case may be, is
satisfied that in the interest of the
security of the State, it is not ex-
pedient to hold such inquiry."

This power is made available not to
any officer, but to the President, who
is the first citizen in the country and
to the Governor who is the first
citizen in the State and that power
has to be utilised after the President
or the Governor is satisfied that not
holding the inquiry is in the interest
of the security of the State. Here,
we have to protect the interest of
the security of the State and for
protecting that, if the inquiry with
respect to a person who is removed
is not held, I think, we would not
say that injustice is done to him. It
is done only after the satisfaction of
the President or the Governor. The
President or the Governor is not a
small person, he is a responsible
person. He has to see that the
interest of the nation as a whole is
protected. Therefore, there should
not be any objection to not holding
the inquiry, if he is satisfied that the
security of the nation requires that
there should not be any inquiry,
when a person is removed, when this
Article was framed, there was a big
controversy. There were persons
who wanted that this Article should
not be in the Constitution because
they thought that if this Article is in
the Constitution, too much of protec-
tion will be given to the civil ser-
vant, and if that is so, the policies
that would be formulated by the
elected representatives will not be
implemented. But then there were
certain other persons who wanted
that this Article should be in the
Constitution and that is why this
Article is there in the Constitution.
I am not quarrelling over the exis-
tence of this Article in the Constitu-
tion. But what I am trying to em-

phasise is that we are here not only
to the protect the interests of per-
sons who are in the civil service, of
course, they are also citizens of this
country and their interests should
also be protected, but the interest of
the nation as a whole is more impor-
tant than the interest of an indivi-
dual as such. That is why it is
necessary that an Article of this
nature should be in our Constitution
and we can use this Article only
when it is absolutely necessary, when
the security of the nation is in ques-
tion and that is why I would like to
say that my hon. friend, Shri Chitta
Basu, should not press this Bill and
I think he would understand the
ratio decidendi behind this Article
and I hope he would withdraw his
Bill.

SHRI NARAYAN CHOUBEY
(Midnapore): Mr. Deputy-Speaker,
Sir, I support the Bill moved by my
comrade Chitta Basu.

The entire game of the Treasury
Benches is to divert the attention of
the whole House from the main
point to a particular point, whether
the man is a traitor, whether the man
is sending out some information
from the country, as if this article
has been used only for that purpose.
Supposing that be so, if a man is not
in public service, if a man is not in
Government service and, if he sends
information to Pakistan or Bangla-
desh or America or this or that coun-
try, this article is not meant for him.
There is no question of his losing the
job. The entire theme is being made
in such a fashion as if this article is
meant only to safeguard the national
interest which is utterly wrong.

I am supporting this Bill because
our country is a democratic country.
It is in imperialist colonies that men
had been and still are detained with-
out any trial. It is there that a man
is dismissed from service without
assigning any reason. But ours is
a democratic State. We have got our
Parliament; we have got our courts

[Shri Narayan Choubey]

of law. And they are supposed to be sacred. Why such a draconian system here in our country? It is because the party in power wants to pressurise the Government employees to serve their motivated interest. If any Government servant wants to work independently according to law but not according to the dictate of the leaders of the ruling party, he is removed from service on the ground that the Governor or the President has been pleased to dismiss him from service. And he does not know the offence he has committed. Is it not a queer democracy in the biggest democratic country of the world? Our democracy is not a young democracy. It is now 33 years old. On whose report does the President or the Governor act; take action? It is either on the report of a Minister or a Government officer whose only fair record is to be the *chamcha* of the ruling party.

** ** ** **

SHRI MAGANBHAI BAROT: I object to this (*Interruptions*).

SHRI NARAYAN CHOUBEY: You may object. They can know their charges. They can go to court; they can defend themselves. But not a railwayman, not a defence employee, not a secretarial worker who organised trade union movement.

(*Interruptions*).

MR. DEEPTY-SPEAKER: Mr. Narayan Choubey, Mr. Sanjay Gandhi is a member of the House. When you mention his name.....

(*Interruptions*).

SHRI INDRAJIT GUPTA: (Basirhat): He has not levelled any charges against them. (*Interruptions*).

SHRI NARAYAN CHOUBEY: I have not made any allegations against them. I know these friends of the opposite.

SHRI MAGANBHAI BAROT: I am on a point of order. Mr. Sanjay

Gandhi and Mr. Bansi Lal are two hon. Members of this House. (*Interruptions*).

SHRI NIREN GHOSH (Dum Dum): Under what rules?

MR. DEPUTY-SPEAKER: It is for me to say whether it is a point of order or not.

18.00 hrs.

SHRI MAGANBHAI BAROT: They are not present but allegations are being made, as criminals, against them. I respectfully say that these must be expunged.

SHRI NARAYAN CHOUBEY: No allegation has been made.

MR. DEPUTY SPEAKER: He has not made any allegation? Then it is all right. Carry on. (*Interruptions*.)

He says he has not made any allegation. Please! I am on my legs.

Your point of order was that he was making some allegations against two Hon. Members of the House. He has said he has not made any allegation. Therefore, carry on. (*Interruptions*.)

He has said he has not. Please sit down.

SHRI INDRAJIT GUPTA: You can satisfy yourself from the record whether any allegation has been made. No allegation has been made.

SHRI NARAYAN CHOUBEY: In 1972 hoards of Government employees in West Bengal were removed by means of this Article, and again they have been taken back into service. No harm has been done to this country and they are serving this country as well honestly as many people have been doing. Not only that. I can cite an example. Comrade K. G. Basu was removed from service by this Article

****Expunged as ordered by the Chair.**

but, thanks to the people of West Bengal, they sent him, elected as an MLA, to serve the country. So they are not traitors. No allegation is there. But Bansilal was not removed by means of Art. 311(2)(c). (Interruptions.)

MR. DEPUTY-SPEAKER: According to our friend, all those removed under Art. 311 have become MLAs in West Bengal. Therefore, he must have welcomed Art. 311.

SHRI NARAYAN CHOUBEY: The test of the pudding lies in the eating. And what is the practice? In practice, this has been used never against any real corrupt employee. He gets promotion. They have always been against T.U. leaders, against such Government employees who fight for justice, who form and lead Trade Unions.

Lots of such famous Trade Union leaders as K.M. Bhadra, K. M. Bhat-tacharya, P. B. Kotayya, R. L. Reddy, Mahadev Chaitanya and others have lost jobs on the South Eastern Railway by this draconian law. But never has a bad man been touched.

So, should our Government employees be treated more shabbily than the criminals? Is it justice? Is it democracy?

We want the repeal of the Section to make our Constitution really democratic. We hope for support from all sections, including the ruling Party which professes democracy and socialism, of course the Indira brand.

श्रीमती कृष्णा साहू (बेगुसराय) : उपाध्यक्ष महोदय, संविधान में संशोधन करने के लिए जो विधेयक हमारे माननीय सदस्य, श्री चित्त बसु, ने प्रस्तुत किया है, मैं उसके विरोध में खड़ी हुई हूँ। मैं इसका विरोध इस लिए नहीं कर रही हूँ कि वह विरोध पक्ष से संशोधन लाया गया है, बल्कि मैं इसका विरोध इस लिए करती हूँ कि वह जनहित में नहीं है, राष्ट्रहित में नहीं है।

आप सभी जानते हैं कि जब सरकारी पदाधिकारी या कर्मचारीगण राष्ट्र विरोधी कार्य में

संलग्न हो जाते हैं तो तत्क्षण और तत्काल कार्यवाही करनी होती है। यदि उसमें विलम्ब होता है तो उससे हमारे राष्ट्र में काफी गड़बड़ी पैदा होती है और राष्ट्र की सुरक्षा भी खतरे में पड़ जाती है।

समापति महोदय, आप सभी जानते हैं कि हमारा जो नामल प्रोसीजर है या जो संविधान में संशोधन की बात उन्होंने उठाई है, यदि यह सदन उसको मानता है तो यह एक लांग-टर्म-प्रोसीजर हो जायेगा और इतना समय लग जायेगा कि उससे हमारा बहुत नुकसान हो जाएगा राष्ट्र सर्वोपरि है, राष्ट्र से व्यक्ति ऊँचा नहीं होता है, राष्ट्र की सुरक्षा के लिए ही हम सभी यहाँ उपस्थित हुए हैं। इस लिए मेरा आग्रह है कि हमारी सरकार को इतनी शक्ति तो प्रदत्त रहनी ही चाहिए कि जब देश की आन्तरिक सुरक्षा खतरे में हो तो तत्काल सरकार कार्यवाही कर सके, प्रशासनिक दृष्टिकोण से भी यह होना बहुत जरूरी है। राष्ट्रपति या राज्यपाल को संविधान में जो भी शक्ति प्रदत्त है, वह बिलकुल उपयुक्त है।

आप सभी जानते हैं, पहले जब जनता पार्टी और लोकदल का शासनकाल था, तो इस सदन में विचार-विमर्श हुआ था और सभी माननीय सदस्यों ने इसको यहाँ सदन में रिजेक्ट कर दिया था, क्यों उसे रिजेक्ट कर दिया था? यह इस बात का प्रमाण है कि उस समय भी यह सब को मान्य नहीं हुआ। आज फिर ऐसा लगता है कि हमारे माननीय सदस्य, श्री चित्त बसु, की दिव्यशक्त आज खुल गये हैं। मैं आप लोगों से निवेदन करना चाहती हूँ कि राष्ट्र के व्यापक हित में और इस लिए कि हमारा राष्ट्र सर्वोपरि है, इस संशोधन को इस सदन द्वारा मान्यता नहीं देनी चाहिए। आप सभी जानते हैं, प्रजातंत्र की दुहाई देकर फण्डामेंटल राइट्स की बात उठाकर उस के विरोध में बहुत सारी राष्ट्र विरोधी बातें होती हैं और यह हम सब लोगों के लिए खतरे का कारण बन जाती है।

इस लिए मैं इस सदन से आग्रह करती हूँ कि इस संशोधन को नहीं माना जाये।

श्री हरीश रावत (भलमोबा) : डिप्टी स्पीकर साहब, माननीय सदस्य श्री चित्त बसु, ने अभी बड़े चित्ताकर्षक तरीके से एक अव्यवहारिक बिल की यहाँ पर बकालत की।

श्रीमान् 1962 में जब देश के ऊपर चीन ने हमला किया, तो विभिन्न परिस्थितियों के चलते हुए भी यहाँ पर संविधान में यह संशोधन किया गया और इसके द्वारा राष्ट्रपति महोदय और गवर्नर महोदय को कुछ विशेषाधिकार दिए गए ताकि वे विशेष तरीके से ऐसे क्षणों के

[श्री हरीश रावत]

खिलाफ, जो राष्ट्र के विरोध में, जो राष्ट्र की स्वतंत्रता के विरोध में कार्य करते हैं, कार्यवाही कर सकें।

मान्यवर, इस देश में जहाँ देश भक्तों की सम्पी कौज है, जहाँ पर राष्ट्र को सबकुछ समर्पित करने वाली सिविल सरबेज की कौज है, वहाँ पर इस से भी इकार नहीं किया जा सकता कि थोड़ी बहुत संख्या कालीभेड़ी की भी है जो पैसे के लोभ में या विचारधारा के लोभ में देश की स्वतंत्रता के साथ सौदा कर सकते हैं, देश की स्वतंत्रता के साथ खिलवाड़ कर सकते हैं। इसी बात को समझकर इस दृष्टिकोण से 1963 में इसी सदन के उस समय के मनीषी संसद सदस्यों ने इस संविधान संशोधन को स्वीकृत कराया और उसको राष्ट्र की सहमति प्राप्त हुई। मैं यह पूछना चाहता हूँ, माननीय चित्त बसु से, जिस समय उन्होंने इस संशोधन विधेयक को यहाँ पर प्रस्तुत किया, क्या भाज वे उन परिस्थितियों को भूल गए हैं जो सन् 1963 में थी? भाज भी देश की सीमाओं पर खतरा मँडरा रही है, जो 1963 में था। भाज भी पाकिस्तान को और से हमारे ऊपर हमला होने का खतरा है, चीन की ओर से हमारे ऊपर हमला होने का खतरा है। यही नहीं भाज देश के अन्दर कुछ ऐसे विचार पनप रहे हैं, जो इस देश को खतरे में डाल सकते हैं। भाज आर० एस० एस० के तत्व, आनन्द मानी तत्व, जमायते इस्लाम के तत्व, कुछ जातियों पर आधारित साम्प्रदायिक तत्व, इस देश की स्वतंत्रता के साथ खिलवाड़ करने की कोशिश कर रहे हैं। विदेशियों के इशारों पर यहां के अधिकारियों को खरीदने की कोशिश की जा रही है। मैं ऐसा महसूस करता हूँ कि 1963 में जो यह संविधान संशोधन किया गया, वह वास्तव में, बहुत व्यवहारिक था और देश को इसकी बहुत ज्यादा आवश्यकता है।

मेरे लायक दोस्त ने यहां पर यह आशंका प्रकट की कि इस का राजनीति के लिए दुरुपयोग किया जाता है। मैं उन को बतलाना चाहता हूँ कि 1975 में कुछ अधिकारियों के खिलाफ जिनको बंगला देश की लड़ाई के बाव इस बात का बोधी पाया गया कि उन्होंने राष्ट्र त्रुटि में कुछ काम किया है, ऐसे 71 लोगों के खिलाफ कार्यवाही करने की बात चली और एक प्रक्रिया के माध्यम से, जिसका मेरे योग्य साथी श्री मगन भाई बरोट ने जिक्र किया, केवल 8 लोगों के ऊपर एक्शन लिया गया। यह इस बात का प्रमाण है कि सरकार बड़ी सज्जता के साथ इस धारा का उपयोग करती है और यह अपने आप में इस बात को आहिर करता है कि इस पर आशंका का भव कोई कारण नहीं रह जाता है।

मैं अपने साथी श्री चित्त बसु से निवेदन करना चाहता हूँ कि हमारी माननीया प्रधान मंत्री जी एक से अधिक बार संसद से बाहर भी इस बात को आहिर कर चुकी हैं कि हम राजनीतिक दलों के विरोध में या ऐसे लोगों के विरोध में जिन्होंने उन के इन्टेरेस्ट को सब किया है, केवल राजनीतिक उद्देश्यों से कोई कार्यवाही नहीं करेंगे। हम बदले की भावना से काम नहीं करेंगे और मैं भी प्रधान मंत्री जी की इस बात की संसद के सामने ताईश करता हूँ कि भाज बदले की भावना से काम करने का भवसर नहीं है। भाज इस राष्ट्र की सीमाओं की सुरक्षा का सवाल है, इस राष्ट्र को धागे बड़ाने का सवाल है। एक दूसरे के प्रति हम सब को आशंका का वातावरण नहीं रखना चाहिए सहयोग के वातावरण में जीने की कोशिश करनी चाहिए।

मैं अपने साथी श्री चित्त बसु साहब, जिनका चित्त शायद कुछ सीलीन है, जो शायद अपने बोधों से परेशान हैं, जो यह समझते हैं कि जिस तरीके से उनकी मार्क्सिस्ट कम्युनिस्ट पार्टी जिसको उनकी अपनी पार्टी का समर्थन प्राप्त है, पश्चिमी बंगाल में बदले की भावना से काम कर रही है, शायद इन्दरा जी की सरकार भी केन्द्र में उसी भावना से काम करेगी, ऐसा नहीं होगा। हम राष्ट्र के हित में एक समन्वित भावना से, एक दोस्ती की भावना से, काम करेंगे। हमारी पार्टी की सरकार इसी भावना से काम करेगी।

इन शब्दों के साथ, यहां पर माननीय चित्त बसु साहब ने जो संशोधन विधेयक रखा है, मैं उस का विरोध करता हूँ, उस को व्यवहारिक और राष्ट्र के हित में नहीं समझता हूँ। मैं उनसे प्रार्थना करता हूँ कि वह इस सम्मानित सदन के सदस्य हैं, उन को इस अव्यवहारिक बिल को वापिस ले लेना चाहिए।

MR. DEPUTY-SPEAKER: Mr. Parulekar. You will please take 4 minutes only.

SHRI BAPUSAHEB PARULEKAR (Ratnagiri): Sir, this being a very important Bill, I would like to have some more time.

MR. DEPUTY-SPEAKER: Please try to finish within that time.

SHRI BAPUSAHEB PARULEKAR: Mr. Deputy-Speaker, Sir, I rise to support the Bill brought forward by my esteemed colleague, Shri Chittabasu. We sometimes wilfully do our

duty and sometimes we do the painful duty. Sometimes, when the persons have committed heinous offences and when, we have to defend them, we do the painful duty. Sometimes when we know that a person is innocent, we say that we are doing our wilful duty. My esteemed colleague and my hon. friend, Shri Magnbhai Barot openly started saying 'I am doing a very painful duty'. Maybe, he is not convinced that the Bill which is presented is in the proper form. I do not know whether he is holding any brief. But, he expressed himself at the commencement that in fact he wanted to support the Bill but, for certain reasons, he had to oppose it.

Coming to the objections raised by him, Sir, I would like to say that Art. 311(2) (a) & (b) stand on the same footing as (c). That is what I would respectfully bring to the notice of the hon. Members of this House. In case of (a) the culprit can be tried in a Criminal Court of Law. Under (b) satisfaction is not related to the guilt but it is not reasonably practicable to hold an enquiry if the witnesses are not available or if the witnesses are dead or if the witnesses turn hostile, it is not practicable to hold an enquiry. In that case, it is mentioned in the Constitution that, if the Officer is satisfied that no enquiry will be held, it is because there is no evidence which has to be led. The third objection of this Bill is that the public enquiry in a court of law might entitle them to file the documents in the courts. I invite the attention of the hon. Members to the fact that these inquiries are not held in the open court. There are official who hold the inquiry. And even if the matter goes ultimately to a court of law, my esteemed and learned friend knows very well, that under Section 123 of the Evidence Act, these officials can claim privilege, for not producing certain documents. So, these arguments. are of no use.

Coming to the Bill proper, I agree entirely with Mr. Chitta Basu, who said that the principles embodied in Article 310 and Article 311 (c) are the same. But, the effect is different.

It is no doubt 'doctrine of pleasure' because we have accepted the English doctrine that the employee is serving at the will of the master. But the effect is different. Under Article 310 he is asked to go out of service. But we don't call it dismissal or removal. We call it termination. He is entitled to a fresh job even in the Government service. We have before us the example of termination of service of Mr. Ganguli, who was the Chairman of the Railway Board. The President should say 'I am satisfied that you are not required in our service' and he walks out but he is not barred. That is not the case with reference to 311 (c), where he goes out with a stigma. He is not entitled to a fresh job. He has to go and sit at home. Therefore, we have to be very careful about it.

Then, my esteemed friend Mr. Shivaraj V. Patil referred to the powers being given to the President and Governor. And also some of my colleagues referred to the assurances. Now with reference to 'assurances' I can say this. When MISA was first discussed here and the Bill was passed, an assurance was given by no less a person than the Prime Minister that this will not be used and utilised against the political workers. But we know what has happened afterwards. So, mere assurance is not sufficient. Therefore we have to consider the spirit of it.

Coming to (c), the word satisfied, I am sorry to mention, is very wide. If I may be permitted to say, it is very mischievous.

Powers are given to the President and the Governor. They are the high dignitaries in our country. Every one of us has respect for them. But the word 'satisfied' is very wide. I do not know how these persons are satisfied. What is the sort of independent machinery available to them for being satisfied? They entirely rely upon report submitted by the Government. That is all. We have the latest example. There is the word 'satisfied' in

[Shri Bapusaheb Parulekar]

Article 356(3) which says that if on the report of a Governor or otherwise the President is satisfied, he can dissolve the Assembly. We find that in half an hour's time the President was satisfied as to the need for the dissolution of nine State Assemblies. That is the kind of satisfaction we have. We don't know what information he collected from other sources other than the report which was presented by the honourable Home Minister.

I would like to quote one more thing. The word 'satisfied' was also included in MISA and authority was given to police officers and district magistrates to detain persons if they were satisfied. Sir, no tests are laid down for being satisfied. My esteemed friend Mr. Shankarrao ji Chavan, the hon. Member, is not here. During the MISA period he was at the helm of affairs in the Maharashtra State. I was in Nasik Jail. The district magistrate of Nasik issued a detention warrant against one very senior lawyer Mr. Krishna Rao Godavadar on the 23rd November 1975. And the warrant was, 'I, so and so District Magistrate, am satisfied that Mr. Krishna Rao Godavadar, your activities are detrimental to the interest of the nation and therefore I am detaining you.' This detention order was taken by the police to the house of Mr. Krishna Rao Godavadar. The door was locked. His son came out. He asked 'what is the matter?' The police officer said 'we have come to detain your father Mr. Krishna Rao Gadavadar because the district magistrate is satisfied that his activities are detrimental to the interest of the State'. He said 'I am very sorry; you have to take a very long journey, because, my father is dead and gone two months before your order.'. So, this is what happened during the emergency. And, Sir, I was a witness to all that. Even in the Parliament Street Police station, after the emergency was lifted, thousands of signed detention warrants were found. So, that was the

'satisfaction' of the person concerned. It is the Government which ultimately makes the recommendation. If the Government feels that some 'X' officer is not supporting the policies and feels that he should be removed, that is the end of the matter. If there is cross-examination you say, disclosure of it would not be in the interest of the nation. It is with this intention that this particular clause is added. Then my hon. friend said about this. There are many instances and many people have been removed. I entirely support this particular Bill and it is high time that we did away with (c) of clause (2) of Article 311, which we should have done long time back.

Some time back, such a Bill was brought before this House, but that was rejected by the House. If we have committed a mistake, I do not think, that we all should repeat it. We can rectify that mistake now.

Lastly, a reference was made by Shri Barot and he said that so long as clause (2)(b) is there in Article 311, the Bill for deletion of (2)(c) is inconsistent. If this is the only objection, I can bring forward such a bill and we can delete (2)(b) also.

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI P. VENKATASUBBAIAH): Mr. Deputy-speaker, Sir, I am thankful to all the Members who have participated in this discussion and have either supported or opposed the Bill moved by my hon. friend, Shri Chitta Basu. Many facts have been brought out during this discussion and it would not be irrelevant for me to say that such a Bill was moved in the previous Lok Sabha also by another Member opposite, Shri Bhagat Ram and there was a detailed discussion about the desirability of keeping this particular clause or deleting it. There has been a fresh discussion and my friend, Shri Chitta Basu has confined himself

only to one clause, namely deletion of 311(2)(c).

All of us, whether on this side or that side of the House, are second to none in so far as safeguarding the interests and integrity of the country is concerned. There can be no dispute about it. We are all equally interested in safeguarding the interests and security of the State.

Shri Chitta Basu made certain points, but throughout his speech, it appeared that he is more obsessed that this particular clause will be used, misused or abused against certain trade union activities, against such of those trade union organizations, who owe allegiance to his party or to those parties who are similar in thinking and ideological rapport with his party. I may humbly inform him that every political party has its own trade union movements and organisations. It is not the monopoly of any political party alone. In the Fundamental Rights in the Constitution, it has been clearly stated that every citizen of this country has a right to form association or union and again it is conditioned by clause (4) of Article 19:

"Nothing in sub-clause (c) of the said clause shall affect the operation of any existing law in so far as it imposes or prevents the State from making any law imposing in the interests of the sovereignty and integrity of India or public order or morality, reasonable restrictions on the exercise of the right conferred by the said sub-clause."

This is the restriction that has been imposed. Nobody is prevented as long as he is a free citizen of the country. Nobody is prevented to form his own associations and also nobody is prevented from expressing his opinion freely and frankly.

Shri Chitta Basu mentioned about Article 310 and said that he could understand if there was a sort of restriction operating on the de-

fence services through that Article. Article 310 relates to the employees in the defence services. Article 311 relates to several categories of Government employees. And Article 311 says: "Dismissal, removal or reduction in rank of persons employed in civil capacities under the Union or a State." I do not want to repeat it. If you go through these (a) and (b) you will find that there are sufficient safeguards imposed through the Constitution to protect the rights of the Government employees. Here the point is only very limited. Clause (c) is intended only for such of those Government employees who are indulging in subversive activities, who act against the national interest of the country. This only pertains to that particular issue that has been introduced in the Constitution.

Several hon. Members have expressed their opinions on this matter and I do not feel that Shri Chitta Basu being a very seasoned parliamentarian and also a trade union leader should see the wisdom of retaining this particular clause in the constitution in the context of the security and integrity of the country. In all these cases. I may mention in this connection, that certain cases were launched; certain people were removed. When it had been proved that they were associated with certain organisations which had been banned by the Government; and the number of those people, for the information of this House, was only 71. When the ban was removed, 63 of them had been reinstated by the previous government. Even the previous government could not exonerate eight of them because the charges against them were fool-proof. It was established that they were acting against the interest of the State. Again I may add for the information of the hon. House that just the government is not prepared to remove any Government servant on fictitious charges or on false charges. There has been a process that has been established and modalities have been written. According to that process only the Government employee who is

[Shri P. Venkatasubbiah] suspected to have been indulging in subversive activities, this elaborate process is being conducted so as not to leave a grain of doubt that he has been unjustly punished. The information reaches a particular department in which this Government employees is working. They will go into those charges. If they feel that there is a *prima facie* case, they will refer it to a High Powered Committee, the Committee of responsibility consisting of the Home Secretary, the Secretary of Law Secretary of Personnel and the Secretary of the concerned department. After that, they will go into the whole matter. If they feel satisfied, again they will refer it to the Minister of Personnel and after the Minister of Personnel goes into this matter then it is referred to the concerned Minister when he dispenses with the services of this Government servant. This process has been applied in all the cases. I may mention for the information of Shri Chitta Basu that there were very few cases and only one case had been dealt with and we have been very careful in this respect. I can assure the hon. Members that this government is as zealous as anybody else in safeguarding the legitimate interest of the citizens of this country and also the government employees who are working in the Government Departments. I may also assure the hon. House that there will be no occasion to use this clause for political ends. We have been very careful in adopting this policy and have been looking carefully into all these matters. Some of the hon. Members are lawyers. Unfortunately I am not a lawyer but I have to speak as Minister in charge of this Bill and only from the common sense point of view I am speaking. I may assure the House that this government under the leadership of Prime Minister Indira Gandhi is zealous of safeguarding the democratic and sovereign rights. I may say with all the sincerity at my command that the interests of the country are supreme; the interests of the individual are subsidiary to the interests of the

country. Only to safeguard the sovereignty integrity and the interests of this country this clause is essential. I request Shri Chitta Basu to withdraw this Bill. Sufficient attention has been focussed by this discussion. He has done his duty; he will be able to satisfy his people in some places that he has discharged his responsibility as a representative in the Lok Sabha. I appeal to him to withdraw this Bill. I also appeal to Shri Daga not to press for his amendment for circulating this Bill. There is no purpose served by circulating this Bill. I appeal to both friends to withdraw their motions.

SHRI CHITTA BASU: I am thankful to the Members of this House who have taken part in this debate. I am also thankful for the kind intervention of our good friend Mr. Venkatasubbiah, the Minister of State for Home Affairs. I am particularly thankful to him that he has assured the House that no action will be taken, which is politically motivated, against the legitimate and just democratic trade union right of the central government and state government employees. I hope that in future his government will stand by that assurance. The record in the past has been contrary to this kind of assurance. MISA is a glaring instance... (Interruptions)

PROF. MADHU DANDAVATE: When Jayaprakashji could be a threat to the security of the country, we could also be; I understand that.

SHRI CHITTA BASU: I am sorry to note that a consistent effort has been made by some hon. Members who have taken part in this debate to distort the very spirit of the Bill. The question of espionage has been brought in; the question of political situation that was prevailing in 1962 and 1970 or during the Pakistani invasion of India or Chinese invasion of India was brought in. I can assure the hon. Members and the nation outside that we who are sitting in opposition are second to none in defending the integrity and security of the nation and are prepared to sacrifice to the extent necessary for the cause of the nation. But if some

person who is not in the service of the government indulges in acts of espionage or anti national activities in the states, there are enough local measures to take action against those persons engaged in espionage. Then why a particular clause is needed in the Constitution which is applicable only in relation to the Government employees? If you can cope with that situation, when the person concerned is not a Government employee, which works against the interest of the nation, then why it should be particularly mentioned in relation to the Government employees? Therefore, this argument is not tenable. Even to-day I want to mention and I would, therefore, request the hon. Minister to take a note of it. He may be knowing the system of police verification that is in vogue in almost all the States for recruitment in Government service. Is it not a denial of right? A person can be employed or cannot be employed on that basis of a report given by the police. There are instances when a young man during his student life did take part in students union activities and this is the reason for which he is not given employment under the Government. I am surprised that some hon. Member with the ruling party in West Bengal. You will be glad to know that West Bengal Government has given complete trade union rights to the employees of the State Government irrespective of their political affiliation. (*Interruptions*). It is only your people who create disturbances and chaos. It is your people who are enjoying the Government patronage, enjoying the trade union rights offered by the State Government of West Bengal. They create disturbance, continue with the subversive activities in the generation of power, etc. etc. 17,000 young men were employed by Shri A. B. A. Ghani Khan Chaudhuri for whom there was no job. They had not got elementary training. They are enjoying job facilities and all the rights even to-day even though they are engaged in anti-Government activities there. There is a flow of trade union rights there. I think this

is not also proper to say or proper to bring this in the course of the debate.

I would like to refer to our distinguished friend Shri Maganbhai Barot. It appeared to me when I listened to him that he was not satisfied with the length I am prepared to go to. He would have been satisfied if I brought forward a Bill eliminating Article 311 as a whole. He complained against me—why I have concentrated only on 311, why not on (b) or why not on (a) and why not the entire 311. If he agrees, if the House so agrees to delete this 311(c) which is the most mischievous one, I am prepared to join Bau Sahib and request him to bring about another motion or the Bill to delete the entire 311. Kindly read article 311(2) (c):

“Where the President or Governor, as the case may be, is satisfied that in the interest of the security of the State it is not expedient to give to that person such an opportunity.”

Sir, you will bear with me that here the satisfaction is in relation to the expediency of holding an enquiry; the satisfaction is not in relation to the dismissal. Here, the satisfaction is in relation to the expediency of holding an enquiry, but the effect is that he is dismissed. In the absence of any enquiry, he is automatically dismissed. Therefore, this is the most Draconian aspect of the clause. There is no scope of enquiry. He is dismissed forthwith. The satisfaction is there in relation to the enquiry, but taking advantage of that, he is outright dismissed. As you have heard, in the court these cases could not be argued. He himself agreed that in many of the cases, they have been acquitted. Therefore, if this provision cannot stand the test of the court, what is the necessity of retaining it in the Constitution? It is not possible for the Government to produce a shred of evidence regarding the involvement of the security of the State. But yet they maintain this thing only to terrorise

[Shri Chitta Basu]

the employees and only to indulge in anti-trade union activities. Therefore, I appeal to the House to see the effect of this clause. The effect of the clause is not merely to withhold the enquiry. I could have understord that. But the effect is summary dismissal Mr. Barot said, even after the exercise of the powers under this clause the doors of the court are open. Again, he says that he cannot hold an enquiry because in the public interest, it will not be expedient. But if that partiular employee can go to the court, as he says, which I very much doubt, those evidences will be again made a public document. Therefore, even from that point of view, the retention of this article is nt deemed necessary. It is only to satisfy certain bureaucratic tendencies and to retain the colonial legacy in our Constitution that this provision is there. This is of no practical use even frm the side of the Government. Therefore, I would request the House to take into account all these factors and accept my Bill.

MR. DEPUTY-SPEAKER: Mr. Daga, are you withdrawing your amendment?

SHRI MOOL CHAND DAGA: Yes, Sir.

MR. DEPUTY-SPEAKER: Has he the leave of the House to withdraw his amendment to the consideration motion?

SOME HON. MEMBERS: Yes.

Amendment No. 1 was, by leave withdrawn.

MR. DEPUTY-SPEAKER: Since the Minister has given an assurance, are you still pressing your Bill?

SHRI CHITTA BASU: Sir, do not stand on three legs. I am pressing for it.

MR. DEPUTY-SPEAKER: Before I put the Motion for consideration, this

being a Constitution amendment voting has to be done by division.

Let the lobbies be cleared.

The lobbies have been cleared.

The question is:

"That the Bill further to amend the Constitution of India, be taken into consideration."

The Lok Sabha divided

Division No. 2

18.46 hrs.

AYES

Acharia, Shri Basudeb
Basu, Shri Chitta
Biswas, Shri Ajoy
Chhangur Ram, Shri
Choubey, Shri Narayan
Choudhury, Shri Sifuddin
Dandavate, Prof. Madhu
Ghosh, Shri Niren
Goswami, Shrimati Bibha Ghosh
Kodiyan, Shri P K.
Lawrence, Shri M. M.
Maitra, Shri Sunil
Modak, Shri Bijoy
Mukherjee, Shrimati Geeta
Parulekar, Shri Bapusaheb
Saha, Shri Gadadhar
Shailani, Shri Chandra Pal
Shejwalkar, Shri N K.
Yadav, Shri Chandrarit
Yadav, Shri Vijay Kumar

NOES

Ahmed, Shri Kamaluddin
Ansari, Shri Z. R.
Bansi Lal, Shri
Chaudhuri, Shri A. B. A. Ghanj Khan
Daga, Shri Mool Chand
Das, Shri A. C.
Dev, Shri Sontosh Mohan
Gamit, Shri Chhitubhai
Gandhi, Shrimati Indira

Jaffar Sharif, Shri C. K.
 Jai Narain, Shri
 Jamilur Rahman, Shri
 Jha, Shri Kamal Nath
 Mahala, Shri R. P.
 Murthy, Shri Kusuma Krishna
 Naidu, Shri P. Rajagopal
 Pahadia, Shri Jagannath
 Pandey, Shri Kedar
 Pardhi, Shri Keshao Rao
 Parmar, Shri Hiralal R.
 Patel, Shri C. D.
 Patel, Shri U. H.
 Patil, Shri Shivraj V.
 Patil, Shri Veerendra
 Patnaik, Shri J. B.
 Phulwariya, Shri Virda Ram
 Pullaiah, Shri Darur
 Rao, Shri M. Satyanarayan
 Rawat, Shri Harish
 Sathe, Shri Vasant
 Shantaram, Shri
 Sharma, Shri Nawal Kishore
 Shiv Shankar, Shri P.
 Stephen, Shri C. M.
 Swami, Shri K. A.
 Thungon, Shri P. K.
 Tur, Shri L. S.
 Venkataraman, Shri R.
 Venkatasubbaiah, Shri P.

MR. DEPUTY-SPEAKER: Subject to correction, the result* of the Division is: Ayes 20; Noes 39

The Motion is not carried by a majority of the total membership of the

House and by a majority of not less than two-thirds of the members present and voting.

The Motion was negatived.

18.54 hrs.

CONSTITUTION (AMENDMENT) BILL

(Amendment of articles 102 and 103)

MR. DEPUTY-SPEAKER: Before I call upon Prof. Madhu Dandavate to move the motion, we have to fix the time limit for discussion of this Bill. Shall we fix a total of two hours for this?

SEVERAL HON. MEMBERS: Yes

PROF MADHU DANDAVATE (Rajapur): Sir, I beg to move:

"That the Bill further to amend the Constitution of India be taken into consideration."

I am very sorry that at the fag end of the day I have to move this Bill for the consideration of the House.

The subject matter of the Bill is of great importance because of the existing political situation, and I am sure that if the House applies its mind to it, this Bill will turn out to be a non-controversial one.

If the present political atmosphere which is polluted by defections continues the entire experiment of parliamentary democracy is likely to fail. Therefore though technically I am moving the Bill as a private Member, really speaking this Bill reflects the will of the people all over the country.

If you go the urban and rural areas in our country, you will find that the

*The following Members also recorded their votes:

AYES: Sarvshri Satyasadhan Chakraborty, Sushil Bhattacharya Hannan Mollah and Rubchand Pal;

NOES: Sarvshri Zail Singh, Ranjit Singh, Sunder Singh, D. L. Bhatia Chintamani Jena, Uttam Rathod, Krishan Datt, Hakam Singh, Maganbhai Barot, Prof K. K. Tiwary and Shrimati Channupati Vidya.

[Prof. Madhu Dandavate]

people are disgusted with the atmosphere of political defections, and they want that this sovereign Parliament should devise some method, some technique, by which we can destory this polluted atmosphere of defections, and the nation can be saved for parliamentary democracy and its working. It is only with this perspective and objective that I have placed before the House this Bill for its consideration.

I hope the House will not look at the Bill in a partisan manner. If you really judge the Bill on its merits, I have not the least doubt that there will be complete unanimity on the contents of the Bill.

Whether we belong to the opposition or the ruling party, the disease of political defection has affected every section of the political life of the country and, therefore, I think this is a Bill on which there should be no partisan attitude at all, there should be no controversy at all. There can be, no doubt, a healthy debate. In fact, a national debate has been going on on this issue, and Shri Jaya Prakash Narayan, who represented the conscience of the nation, who was one of the foremost politicians and personalities in the country, who initiated the debate and dialogue and discussion on this burning problem of political defections....

SHRI P. RAJAGOPAL NAIDU (Chittoor): But he said it was political polarisation.

PROF. MADHU DANDAVATE: I know very well what he said, because I have with me the views that were expressed and printed in the Report of the Committee on Defections which was headed by Mr. Chavan, the then Home Minister. And this Committee was actually formed in this very House, and you will be probably shocked and

surprised to know that Mr. Venkatasubbaiah was responsible for moving the resolution and getting it passed. As a result of that resolution, this Committee on Defections was formed. I will read the resolution that was adopted

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI P. VENKATASUBBAIAH): Why should I get a shock?

19 hrs.

PROF. MADHU DANDAVATE: It might not be a pleasant shock.

As I was pointing out, this Committee on Defections was formed on the basis of the resolution moved by Mr. Venkatasubbaiah on 8th December, 1967. Distinguished personalities were Members of the Committee. There were legal experts, there were top-ranking parliamentarians, there were people like Jaya Prakash Narayan, there were men like Setalvad and Prof. Ranga, and some of the Members of the Constituent Assembly were also Members of this Committee. And the deliberations of this Committee cut across party lines. The findings of the Committee are very interesting. Various representatives of a different political parties had expressed their points of view in detail.

MR. DEPUTY-SPEAKER: I think you may continue your speech on the next day allotted for Private Members' business.

1901 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Saturday March 15, 1980/Phalguna 25, 1901 (Saka).