

# **LOK SABHA DEBATES**

## **(English Version)**

**Second Session**  
**(Fourteenth Lok Sabha)**



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# LOK SABHA DEBATES

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## LOK SABHA

Friday, July 23, 2004/Sravana 1, 1926 (Saka)

The Lok Sabha met at Eleven of the Clock

(MR. SPEAKER *in the Chair*)

### OBITUARY REFERENCE

MR. SPEAKER: Hon. Members, I have to inform the House of the sad demise of one of our former colleagues. Shri Jang Bahadur Singh Patel.

Shri Jang Bahadur Singh Patel was a Member of the Eleventh and Twelfth Lok Sabhas from 1996 to 1999 representing the Phulpur parliamentary constituency of Uttar Pradesh.

An active parliamentarian, Shri Patel was a Member of the Committee on Finance during 1996-97. He also served, during 1998-99, on the Committee on Transport and Tourism, the Committee on the Welfare of Scheduled Castes and Scheduled Tribes, and the Consultative Committee, Ministry of Tourism.

An agriculturist and advocate by profession, Shri Patel was also a devoted social worker. Inspired by the Philosophies of Baba Saheb Ambedkar and Dr. Ram Manohar Lohia, Shri Patel dedicated himself to the cause of uplift of weaker sections of the society. He was a member of the Dalit Shoshit Samaj Sangharsh Samiti from 1979 to 1984. He also actively participated in social and cultural activities.

Shri Jang Bahadur Singh Patel passed away on 18th July, 2004 at Allahabad, Uttar Pradesh, at the age of 57.

We deeply mourn the loss of this friend and I am sure the House would join me in conveying our condolences to the bereaved family.

The House may now stand in silence for a short while as a mark of respect to the memory of the departed.

11.01 hrs.

*(The Members then stood in silence for a short while.)*

11.02 hrs.

### OBSERVATION BY THE SPEAKER

#### Business Before The House

*[English]*

MR. SPEAKER: Before the Question Hour begins, may I have your kind attention? Hon. Members, before we start the Question Hour, I wish to once again request with all humility and most earnestly all of you and more particularly all the hon. leaders on all sides of the House for your kind co-operation with the Chair in the discharge of his onerous duties and functions as the Presiding Officer of this great institution. Though I feel pained, I wish to forget what has happened in the House during the last few days.

Today, there are many important subjects to be discussed. The issue of our nationals being held as hostage in Iraq, the issue relating to the grave flood and drought situation in the country, the problems of backward districts as also the issue relating to the internal security are due to be discussed, and I am sure....

PROF. VIJAY KUMAR MALHOTRA (South Delhi): Sir, the hon. Leader of Opposition wants to make a submission. Kindly listen to him. ...*(Interruptions)*

SHRI PRABODH PANDA (Midnapore): You are not allowing even the Speaker to complete his observation. This is not fair...*(Interruptions)*

PROF. VIJAY KUMAR MALHOTRA: We know that these are the subjects to be discussed\*. He must listen to the Leader of the Opposition. He wants to say something.\*...*(Interruptions)*

SHRI PAWAN KUMAR BANSAL (Chandigarh): You are interrupting the Speaker when he is making an observation. They have crossed the limit...*(Interruptions)*

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\*.....\* On 16.8.2004, Shri Santosh Kumar Gangwar on behalf of Prof. Vijay Kumar Malhotra withdrew these remarks made by him. The remarks made by Prof. Malhotra were accordingly treated as withdrawn.

[Translation]

PROF. VIJAY KUMAR MALHOTRA: The Leader of the Opposition wants to say something and he is telling that he will speak first...(Interruptions)

SHRI PAWAN KUMAR BANSAL: He is not permitting hon. Speaker to speak...(Interruptions)

[English]

You are not allowing the Speaker also to complete his observation....(Interruptions)

[Translation]

There should be some limit....(Interruptions)

[English]

PROF. VIJAY KUMAR MALHOTRA: \* He is giving sermons. \*...(Interruptions)

THE MINISTER OF WATER RESOURCES (SHRI PRIYA RANJAN DASMUNSI): Will the hon. Speaker be interrupted?... (Interruptions)

[Translation]

SHRI PAWAN KUMAR BANSAL: We will not allow hon. Speaker to be interrupted...(Interruptions)

[English]

SHRI PRIYA RANJAN DASMUNSI: When the Hon. Speaker is being interrupted...(Interruptions)

[English]

## WRITTEN ANSWERS TO QUESTIONS

### Smuggling of Silk from China

\*262. SHRI D.P. SAROJ:

SHRI MANSUKHBHAI D. VASAVA:

Will the Minister of TEXTILES be pleased to state:

(a) whether a large quantity of silk is being smuggled into the country from China;

(b) if so, the volume and value of the silk smuggled during the last three years;

(c) the steps taken to stop this illegal activity;

\*.....\* On 16.8.2004, Shri Santosh Kumar Gangwar on behalf of Prof. Vijay Kumar Malhotra withdrew these remarks made by him. The remarks made by Prof. Malhotra were accordingly treated as withdrawn.

(d) whether this smuggling of silk affects the interest of Sericulturist in the country;

(e) if so, the details thereof; and

(f) the amount earmarked for sericulture development during each of the last three years, State-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) There have been reports of raw silk originating from China illegally entering the country mainly from Nepal and Bangladesh borders. There can be no definite information about the quantity and value of such silk. However, going by the demand for mulberry raw silk, estimated at 25000 MT per annum, and the supply through domestic production of 13930 MT (Prov.) (2003-04) and liberalized imports of 9616 MT (Prov.) (2003-04), it can be surmised that it is not significant.

(c) Imports have been liberalized and all restrictions removed. Import duties have been lowered to increase imports to meet the demand for silk goods. In addition, all units of Directorate of Revenue Intelligence concerned with prevention of smuggling are maintaining strict vigil and making all out efforts to prevent the smuggling of silk.

(d) and (e) Illegal import of silk can hurt the farmers and downstream processors and deprive them of fair prices for their products.

(f) The details of total plan funds allocated for sericulture development during the last three years is given below:

Rs. in crores			
Year	2001-02	2002-03	2003-04
Plan Funds	89.77	89.29	89.68

For the development of sericulture, the Central Silk Board, Bangalore has been implementing centrally sponsored schemes in collaboration with State Governments, the major one being the Catalytic Development Programme (CDP). Details of State-wise and year-wise funds released/spent under Catalytic Development Programme (CDP) during the last three years is annexed as statement.

**Statement**

*Details of State-wise and year-wise funds released/spent under Catalytic Development Programme (CDP) during the last three years*

Rs. in lakhs

Sl. No.	Name of State	Funds Released/Spent During		
		2001-02	2002-03	2003-04
1.	Karnataka	650.51	1506.05	764.24
2.	Tamil Nadu	132.28	62.32	152.33
3.	Jammu and Kashmir	71.90	260.14	313.61
4.	Andhra Pradesh	350.53	1505.86	878.68
5.	West-Bengal	101.92	65.41	48.47
6.	Maharashtra	67.73	92.22	104.47
7.	Madhya Pradesh	31.57	52.59	76.17
8.	Orissa	48.74	50.62	81.04
9.	Bihar	7.00	106.27	38.30
10.	Jharkhand	8.09	103.35	83.77
11.	Uttar Pradesh	52.03	22.86	52.91
12.	Uttaranchal	22.72	213.41	112.29
13.	Kerala	19.23	38.49	82.30
14.	Gujarat	0.05	—	—
15.	Punjab	3.50	—	—
16.	Haryana	—	—	—
17.	Himachal Pradesh	—	1.45	349.62
18.	Rajasthan	—	—	—
19.	Chhattisgarh	—	12.13	125.23
20.	Sikkim	3.25	15.16	16.45
21.	Assam	164.87	119.03	315.28
22.	Arunachal Pradesh	12.03	2.62	48.79
23.	Manipur	—	0.05	24.00
24.	Meghalaya	72.98	33.11	87.39
25.	Mizoram	39.27	84.49	106.97
26.	Nagaland	22.82	2.49	32.31
27.	Tripura	45.42	36.56	28.01
Total		1928.44	4386.68	3922.63

### Foreign Investors

\*263. SHRI UDAY SINGH:

SHRI ADHIR CHOWDHARY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the attention of the Government has been drawn to the news item captioned "Security, terrorism worry foreign investors" appearing in the Hindu dated 28 June, 2004;

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

(c) whether the foreign investors are hesitating to invest in the country due to terrorism and inadequate security;

(d) if so, the details thereof;

(e) whether the government have formulated any plan to promote foreign investments in the country and also to remove fear/insecurity from the minds of foreign investors;

(f) whether exchange rate volatility, hardening commodity prices and hardening interest rates in the country are also responsible for discouraging foreign investors; and

(g) if so, the remedial action taken or proposed to be taken by the Government in this regard?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Yes, Sir. The news item is based on a survey carried out by the Federation of Indian Chambers of Commerce and Industry (FICCI) on the Experience of Foreign Direct Investors in India. The report states that India seems to have become a more attractive investment destination, and India is perceived as a fairly safe place to work in by foreign investors. According to the Survey, among the global factors, security and terrorism concerns are likely to have a negative impact on future FDI inflows.

(c) and (d) No, Sir. FDI inflows depend upon a number of factors, both internal as well as external. Global economic environment, corporate strategy of transnational corporations, and domestic economic situation play a major role.

(e) The Government has put in place a liberal, transparent and investor friendly FDI policy and has been undertaking promotional measures to attract investments into the country. In the Budget Speech for 2004-05, the Government has proposed setting up of an Investment Commission to engage, discuss with and invite domestic and foreign businesses to invest in India.

(f) and (g) According to the FICCI Survey, the management of the external value of Rupee by Reserve Bank of India has inspired confidence amongst foreign investors. However, according to the survey, certain global factors could impact future FDI inflows into India and these factors include exchange rate volatility, higher interest rates in home countries and hardening of commodity prices.

[Translation]

### Annual Growth Rate of Industries

\*264. SHRI RAMJI LAL SUMAN Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether annual growth rate in certain industries has declined and in certain industries it has increased during the recent years;

(b) if so, the names of ten industries in which annual growth rate has been maximum after 2000-2001;

(c) the names of ten industries in which the annual growth rate has declined most;

(d) whether the Government have ascertained the reasons for low growth rate; and

(e) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Yes, Sir.

(b) and (c) Based on disaggregated available data, the names of industries which have recorded maximum and minimum growth rates during the years 2001-02 to 2003-04 are:

**Ten Industries showing maximum annual growth rate after 2000-01:**

(1) Wheel Mounted Dump Loaders, (2) Electric Generators (including Alternator), (3) Ampicillin, (4)

Passenger Cars, (5) Corrugated Boxes/Cartons, (6) Refrigerators (Domestic), (7) Ship Building and Repair, (8) Control Panels/Boards/Disks, (9) Switchgear (Circuit Breakers) and (10) Bicycle Tyres.

**Ten Industries showing most decline in annual growth rate after 2000-01:**

(1) Well/off Shore Platforms, (2) Cutting Tools (Lathes etc.), (3) Dissolved Acetalene Gas, (4) Oxygen, (5) Cigarettes, (6) Ball and Roller Bearings, (7) Industrial Explosives, (8) Laboratory and Scientific Instruments, (9) Complete Tractors and (10) Tractor Tyres/Animal Driven Vehicle Tyres.

(d) and (e) Performance of a few industries may not reflect the true performance of the whole of the industrial sector. A better assessment of industrial performance can be gauged by the trends in overall Index of Industrial Production (IIP) compiled by the Central Statistical Organisation (CSO). Overall growth in industry in terms of IIP has gathered pace in recent years with growth accelerating from 2.7% in 2001-02 to 5.7% in 2002-03 and further to 7.0% in 2003-04. This momentum has been maintained in the current year as well with overall industrial growth showing an increase of 7.5% during April-May 2004-05 as compared with 5.3% during April-May 2003-04.

Government has put in place various policies to promote industrial growth. These include delicensing of industrial capacity, liberalisation of foreign trade regime and rationalisation of duty/tax rates in case of customs, excise and corporate taxation. Since the initiation of economic reforms, performance of individual industries is the outcome of a number of factors, which among others include demand and supply conditions, relative prices of inputs and outputs, import competition, exchange rate movements and the macroeconomic framework. Changes in these factors impact different industries differently. Besides, demand conditions in major importing countries also impact performance of industries in which exports constitute a significant proportion of production.

*[English]*

### **Special Package for Tobacco Farmers**

\*265. SHRI SREENIVASULU REDDY:

SHRI SHAILENDRA KUMAR:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the tobacco farmers in Andhra Pradesh and other tobacco producing States are committing suicide due to low support price of tobacco and other related reasons;

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

(c) whether the Government propose to announce special package for these farmers by giving higher support price, concessional agricultural inputs etc.;

(d) if so, the details of the package;

(e) whether the tobacco growers are also demanding that traders may be allowed to purchase tobacco directly from them and auctioning system be abolished; and

(f) if so, the reaction of the Government thereto alongwith reasons therefor?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) (i) Two tobacco growers in Andhra Pradesh are reported to have committed suicide. Available information suggests that the growers did not incur losses on tobacco cultivation. Reportedly, the growers cultivated other crops which might have caused them losses.

(ii) One tobacco grower in Karnataka is reported to have committed suicide due to personal reasons.

(c) and (d) The prices of Flue Cured Virginia tobacco on auction floors have been consistently above the Minimum Support Price during the last three years.

(e) No, Sir. No representation from growers or their associations demanding abolition of the Auction system has been received.

(f) Does not arise.

[Translation]

### **Mobilisation of Money from Foreign Countries**

\*266. PRO. RASA SINGH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has allowed the Indian companies to mobilize money from foreign countries;

(b) if so, the reasons therefor alongwith the names of the companies which have been allowed;

(c) the amount mobilized by each of the above companies and the manner in which this amount has been utilized;

(d) whether this amount has been utilized for the purpose other than that for which mobilized; and

(e) if so, the action taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Indian companies are allowed to mobilize money from external sources to augment domestically available resources. This can be in the form of:—

1. Debt through External Commercial Borrowings (ECBs) and Foreign Currency Convertible Bonds (FCCBs); and
2. Equity through Foreign Direct Investment (FDI) including through the Global Depository Receipts (GDRs) route.

This has to be in accordance with guidelines/policies on ECBs and FDI respectively. Details of amounts raised through the various routes is given below:—

(USD Million)			
Year	ECBs	FCCBs	FDI (including GDRs)
2001-02	2933	20.00	6131.00
2002-03	2823	153.00	4660.00
2003-04	3173	208.94	3429.28 (Provisional)

The information relating to amounts mobilised by each company is voluminous. Data in respect of FDI

approvals/inflows is published in the monthly SIA Newsletter of Department of Industrial Policy and Promotion, which is also available at their website—[www.dipp.nic.in](http://www.dipp.nic.in). The company-wise database for ECBs is published at the website of the Reserve Bank of India (RBI)—[www.rbi.org.in](http://www.rbi.org.in)—since February, 2004.

(d) and (e) For amounts raised towards capital by Indian companies, reporting requirement to RBI is as per the regulations notified under the Foreign Exchange Management Act, 1999 (FEMA). For amounts raised as debt, the designated Authorised Dealer (AD) is required to ensure that raising/utilisation of ECB is in compliance with ECB guidelines at the time of certification. Any contravention of the ECB guidelines may invite penal action under the provisions of FEMA.

[English]

### **Export of Services**

\*267. SHRI BIR SINGH MAHATO : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the services export was about one fifth of external trade in the previous year;

(b) whether export of services is now nearabout 32% of our total exports and only six countries in the world have the service export higher than us;

(c) the steps being taken by Government to gear up the exports of more services than goods;

(d) which of the Indian services are being identified for bringing them upto the world standards; and

(e) the details of the facilities provided to service exporters?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Export of services was about 15% of our external trade i.e. exports as well as imports, in 2003-04.

(b) The share of the services sector in exports was about 31% in 2003-04. As per a WTO Report, India was ranked 20th in the year 2003 among leading world exporters of services.

(c) to (e) The Government treats both the goods and services sectors at par as far as its export

promotion strategy/policy is concerned. Under para 3.8 of the Export-Import Policy, 2002-07, all provisions of the Policy shall apply mutatis-mutandis to such export of services as they apply to goods. Some of the steps taken by the Government recently to boost export of services include providing Duty Free Credit Entitlement facility to service exporters, allowing import of Capital Goods at concessional rate of import duty, conferring Export House/Trading House/Star Trading House/Super Star Trading House Status on service exporters on the basis of their total foreign exchange earnings in the preceding 1/2/3 licencing years which confers on them various facilities as incentives for exports as per para 3.7.2.1 of the Exim Policy (2002-2007). Financial assistance is also provided to service exporters under Market Access Initiative (MAI) and Market Development Assistance (MDA) Schemes of the Department for export promotional/developmental activities.

Though all out efforts are being made to develop and boost the export of all tradable services, Government have, in consultation with FICCI, CII and FIEO, identified the following 13 services where India has competitive edge for special thrust to bring them upto the world standards:

1. Accounting and Book Keeping
2. Project Exports
3. Medical Services
4. Communication including Telecom Services
5. Educational Services
6. Audio-Visual/Entertainment Services
7. Financial Services including Banking, Insurance and Securities
8. Tourism and Travel Related Services
9. R and D Services
10. Environment Services
11. Transport Services
12. Consultancy and Management Services
13. Computer Related Services

Government of India have recently approved in principle holding of International Congress on Trade

in Services scheduled for 2005 to be organised by FIEO to provide a platform to Indian service exporters to meet the international service seekers which will boost the export of services. To improve the presence of Indian software and services companies from the Small and Medium Enterprises (SME) sector in the USA and thereby enable the Indian IT SMEs to put in intensified export promotion thrust there so as to increase India's software and services export to the US market in a big way, the Government has approved in principle Electronics and Computer Software Export Promotion Council (ESC)'s proposal for setting up an Export Facilitation and Business Support Centre in New Jersey, USA under the MAI Scheme.

#### **World Bank Assistance**

\*268. SHRI P.K. VASUDEVAN NAIR: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank Vice-President for South Asia held a series of discussions with the Central and State Governments' regarding its new country assistance strategy which has set focus on every area from poverty reduction to education and health sector;

(b) if so, the details thereof;

(c) whether any policy has been finalised in this regard; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Yes, Sir. The World Bank Vice-President for South Asia Region visited India from June 16th to June 25th, 2004. He held discussions with officers of Central Ministries and Departments, as well as the Chief Ministers of Maharashtra and Uttar Pradesh regarding progress of the current portfolio of the projects in respective states and sectors funded by World Bank. He also discussed future World Bank assistance under the Country Assistance Strategy proposed by World Bank for a 4-year period upto June 2008.

(c) No, Sir.

(d) Does not arise.

### **Industrial Investment**

\*269. DR. RAMKRISHNA KUSMARIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total investment made by the Government in the industrial sector during each of the last two years in various States;

(b) the extent to which the investment is proposed to be increased in this Sector during the next two years; and

(c) the effective measures being taken or proposed to be taken by the Government to remove regional imbalances in industry sector?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Under the liberalized industrial policies, investment in the industrial sector depends upon the commercial judgment of the entrepreneurs.

(c) The initiative for industrial development of backward areas lies primarily with State Governments. However, the Government of India has been supplementing their efforts through various incentives and schemes like Growth Centre Scheme, Integrated Infrastructure Development Scheme, Transport Subsidy Scheme and Special Packages for states.

### **Patenting of Ancient Heritage in Foreign Countries**

\*270. SHRI KIRTI VARDHAN SINGH:  
Shrimati NIVEDITA MANE:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware that the ancient heritage of India has been patented in foreign countries;

(b) if so, the details of the our heritage items and traditional items having been patented in foreign countries;

(c) the steps taken/being taken by the Government to check the patentisation of ancient heritage of our country by the foreign countries; and

(d) the precautions taken in this regard?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Patents are granted under the sovereign prerogative of countries according to their respective patent laws, and are effective only in the country of grant. In order to qualify for grant of patent an invention, whether process or product, has to meet the criteria of patentability, namely, novelty, inventiveness and industrial applicability. Indian goods and items, which are already in public domain, cannot be patented. Data on goods and items patented worldwide is not maintained.

(b) and (c) As patents are essentially private rights they are normally challenged in accordance with the patent laws of the country concerned, by the persons whose interests are affected or jeopardized. As and when information is received about patents being obtained on certain items which are not considered patentable, and which affect Indian interests, steps are taken to assess whether the grant of such patent can be challenged under the patent laws of the country concerned. Earlier a patent granted in the United States of America on the use of turmeric in wound healing was successfully challenged and was also cancelled by the Patent Office of the country concerned. Similarly, a patent on the fungicidal property of neem, granted in Europe, was successfully challenged. The claims of the patent on Basmati Ricelines and grains granted in the United States of America which had the potential of affecting India's commercial interest were also challenged. The said claims were subsequently cancelled by the United States Patent and Trademark Office and the title of the patent was also amended.

(d) In order to protect traditional knowledge from being patented, provisions have been incorporated in the Indian Patent law through the Patents (Amendment) Act, 2002, to include anticipation of invention by available local knowledge, including oral knowledge, as one of the grounds for opposition as also for revocation of patent. An invention which, in effect, is traditional knowledge or which is an aggregation or duplication of known properties of traditionally known component or components has also been made non-patentable. Apart from these, Government is also developing a digital database of traditional knowledge in the field of medicinal plants in order to prevent patents being granted incorrectly on such knowledge.



### **Package for Textile Processing Units**

\*271. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of TEXTILES be pleased to state:

- (a) whether any package for textile processing units is under consideration;
- (b) if so, whether this sector's performance has been dismal and needs to be strengthened;
- (c) if so, whether Government is also promoting the setting up of textile parks in the country; and
- (d) other steps being taken by the Government to improve the position of textile processing units?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) No, Sir.

(b) The textile-processing sector in the country is fragmented as well as dominated by small processing units. The output is sometimes substandard, and value realization and cost competitiveness in the international market is also low. Therefore, Government have identified processing stage as the weakest link in the entire production chain.

(c) Yes, Sir.

(d) Improvement is a continuous process, and Government is aware of the need for this. The following steps are being taken to improve the position of the textile processing units:—

- (i) Technology Upgradation Fund Scheme (TUFS) provides the interest subsidy of 5% on all modern machines for processing;
- (ii) Government of India through Ministry of Textiles is promoting Apparel Parks and Power-loom Weaving Parks. Entrepreneurs can also set up processing plants in these parks.
- (iii) Textile Sector Infrastructure Development Scheme (TCIDS) has been introduced for plugging critical infrastructure gaps to make the textile processing units globally competitive. The central assistance under the Scheme, subject to maximum of Rs. 20.00 crores is available to the extent of 100% of the critical components of the projects in respect of Common Effluent Treatment Plant,

improving water supply and drainage facilities whereas other components are funded on 75:25 basis between Centre and State/reputed agencies concerned.

- (iv) In order to promote the installation of modern textile processing machines in Indian process houses, import of such machines is permitted at a concessional rate of basic import duty of 5%.
- (v) The rate of depreciation for investment in high tech processing machines covered by TUFS has been increased from 25% to 50%.
- (vi) High-tech processing machines are permitted under zero duty Export Promotion Capital Goods (EPCG) Scheme. The Scheme covers second hand capital goods with a vintage of 10 years.
- (vii) Higher weightage has been provided for consideration of investment in high-tech processing machines for allotment of Manufacturers Exporters Entitlement (MEE) Quota for yarn and fabrics. For New Investors Entitlement (NIE) quota for garment exporters also, inter-alia, the investment in high-tech garment processing machines is considered.
- (viii) In order to take care of quality requirement and facilitate eco-friendly production of processed fabrics, eco-testing and quality testing facilities have been created throughout the country with an investment of over Rs. 60.00 crores, so that the testing facilities are available within the reach of majority of manufacturers/exporters of textiles and textiles items. The Scheme of creating such testing facilities is still on.
- (ix) The Textile Committee, Mumbai provides technical consultancy for certification of textile processing units under ISO 9000 and ISO 14000 Environmental Management System.

### **Hawala Transactions**

\*272. SHRI RAM KRIPAL YADAV:  
SHRI KASHIRAM RANA:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that a large sum of money has been deposited in Indian Banks through Hawala transactions from Pakistan;

(b) if so, whether this money is being used by terrorist outfits through their contact in many places of India;

(c) whether these banks have taken action against guilty persons;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No Indian bank has reported to RBI any instance of deposit of a large sum of money through Hawala Transactions from Pakistan.

(b) to (e) Do not arise.

#### **New Scheme to Unearth Black Money**

\*273. DR. M. JAGANNATH:

SHRI MOHAN RAWALE:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government propose to formulate any scheme to unearth black money and ill-gotten wealth;

(b) if so, the details thereof;

(c) the amount the Government expect to mop up by the implementation of the scheme; and

(d) the concessions which are likely to be extended to the persons who hold black money for disclosing this black money and wealth?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No specific scheme is proposed at present.

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

*[Translation]*

#### **Rise in Prices of Coal, Petrol and Diesel**

\*274. SHRI NITISH KUMAR:

SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the cost of production in several industries is likely to increase as a result of recent hike in the prices of coal, petrol and diesel;

(b) if so, the estimated increase in the cost of production in industries, particularly cement, steel, automobile, construction industry etc. as a result of this price increase;

(c) the percentage of increase in the consumer price as a result of increase in this cost of production;

(d) whether this price increase would adversely affect the production in these industries; and

(e) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) Energy is an essential input and an increase in the price of fuel would affect the cost of production. However, the impact on different industries would vary according to the input proportion and type of fuel used in each industry. It is, therefore, not possible to determine the exact quantum of price increase for different industries.

(c) The percentage increase in Consumer Price Index (Industrial Workers) for the month of May 2004, over May, 2003 has been only 2.83 percent.

(d) and (e) The nature and the extent of impact on production would largely depend upon the technology mix, cost reduction strategies and energy saving measures adopted by industries. Further, as these are manufactured through different process routes by different manufacturing units, it is not possible to quantify the overall impact of rise in prices of coal, petrol and diesel on cost of production even within an industry.

*[English]*

#### **Review of Loan Policy**

\*275. SHRI B. MAHTAB: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to review and simplify its policy in respect of providing loans to poor unemployed youths, labourers, under-privileged, small and marginal farmers, SC/ST and OBCs through banks and financial institutions;

(b) if so, the details thereof;

(c) the number of applications for grant of loans pending in each of the nationalised banks under various self-employment schemes, State-wise; and

(d) the steps taken by these banks for early clearance of these applications?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) Review and simplification of guidelines/policies relating to schemes for the poor and weaker sections is an ongoing process.

(c) The details of pending applications under Prime Minister Rojgar Yojana, state-wise and pending applications under Swarnajayanti Gram Swarajgar Yojana and Swarna Jayanti Shahari Rojgar Yojana, bank-wise as on 31.3.2004, are at statement I and II respectively.

(d) The following steps have been taken to ensure early clearance of pending applications:—

- (i) Time frames have been laid down for receiving applications from the District Industry Centres (DICs) by banks and thereafter sanction and disbursement of loans by banks.
- (ii) Banks have been instructed to dispose of applications for loans upto Rs. 25000 within 2 weeks and upto Rs. 2 lakh within 4 weeks, provided the loan applications are complete in all respects.
- (iii) Banks have been asked to issue 'No dues certificate whenever required, within 15 days, other-wise it is deemed to have been issued.
- (iv) Discussions are held by the concerned nodal Departments with the bank branches in Block Level Bankers' Committee (BLBC) meetings to ensure early sanction of pending applications.
- (v) Regular review meetings are held at District and State Levels to monitor the progress of these schemes.

**Statement-I**

*State-wise details of pending applications under PMRY Scheme as on 31.03.2004*

Name of the State/UTs	No. of Pending Applications
1	2
Andhra Pradesh	6160
Assam	2143
Bihar	4452
Gujarat	736
Haryana	1404
Himachal Pradesh	178
Jammu and Kashmir	395
Karnataka	6852
Kerala	3432
Madhya Pradesh	7546
Maharashtra	9960
Manipur	134
Meghalaya	100
Nagaland	23
Orissa	7921
Punjab	1974
Rajasthan	4600
Sikkim	19
TamilNadu	2828
Tripura	1247
Uttar Pradesh	8938
West Bengal	3425
Andman and Nicobar	49
Arunachal Pradesh	536
Chandigarh	50
Dadra and Nagar Haveli	0
Goa	12

1	2	1	2
Mizoram	0	Jharkhand	1380
Pondicherry	47	Chhattisgarh	1997
Lakshadweep	7	Uttaranchal	787
Daman and Diu	0	Not Specified	259
Delhi	862	All India	80723

**Statement-II**

*Details of pending applications under SGSY and SJSRY Schemes in the Public Sector Banks as on 31.03.2004*

Name of the Bank	No. of Pending Applications	
	SGSY	SJSRY
1	2	3
State Bank of India	4396	2787
State Bank of Bikaner and Jaipur	4332	1016
State Bank of Hyderabad	32	146
State Bank of Indore	236	0
State Bank of Mysore	0	0
State Bank of Patiala	18	350
State Bank of Saurashtra	376	0
State Bank of Travancore	445	53
Allahabad Bank	194	120
Andhra Bank	25	0
Bank of Baroda	1940	1082
Bank of India	0	0
Bank of Maharashtra	1096	101
Canara Bank	156	518
Central Bank of India	133	822
Corporation Bank	26	33
Dena Bank	31	0
Indian Bank	315	1877
Indian Overseas Bank	137	0

1	2	3
Oriental Bank of Commerce	57	67
Punjab National Bank	0	0
Punjab and Sind Bank	197	160
Syndicate Bank	332	309
Union Bank	383	213
United Bank of India	0	669
UCO Bank	998	0
Vijaya Bank	115	70
<b>Total</b>	<b>15970</b>	<b>10393</b>

[Translation]

#### **Indo-China Agreement**

\*276. SHRI PRADEEP GANDHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and China have agreed to strengthen economic co-operation;

(b) if so, the details thereof;

(c) whether both countries have signed trade agreement in this regard; and

(d) if so, the details thereof?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Yes, Sir.

(b) to (d) During the visit of the Prime Minister to China between 22-27 June, 2003 the following agreements relating to trade were signed:—

- (i) A Memorandum on Expanding Border Trade;
- (ii) A Protocol of Phytosanitary Requirements for Exporting Mangoes from India to China; and
- (iii) A Declaration on Principles for Relations and Comprehensive Cooperation including, inter-alia, the following elements pertaining to trade:—

— The importance of the Ministerial meeting of the Joint Economic Group (JEG)

— Setting up of a compact Joint Study Group (JSG) composed of officials and economists to examine the potential of complementarities between the two countries in expanding trade and economic cooperation.

[English]

#### **Scheme for Small Textile Mills**

\*277. SHRI RAO SAHEB DANVE PATIL:  
SHRI ANANTA NAYAK:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has any proposal to formulate a scheme to improve the conditions of small textile mills of the country, particularly in Maharashtra;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether the Government has also set up powerloom service centres in the country;

(e) if so, the details thereof; State-wise; and

(f) the details of services rendered by these service centres during the last three years in Orissa and other States?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) At present,

*Government has no proposal to formulate any new scheme for improvement of conditions of small textile mills of the country including Maharashtra.*

*(d) In forty four major powerloom clusters in the country, Powerloom Service Centres (PSCs) have been established to provide various services including*

*design, training, consultancy, skill upgradation and testing facilities etc. to the powerloom weavers.*

*(e) State-wise detail of powerloom service centres is furnished in statement enclosed.*

*(f) Details of services rendered by these service centres during the last three years in Orissa and other States is as follows:—*

Type of Services	2001-02		2002-03		2003-04	
	Orissa	Other States	Orissa	Other States	Orissa	Other States
(a) No. of persons trained.	—	1,294	27	1,852	1	7,032
(b) No. of samples tested	50	10,839	43	42,961	—	61,578
(c) No. of designs developed	—	3,137	—	1,504	—	2,792
(d) No. of consultancy provided	16	8,244	104	6,146	11	4,829
(e) Seminar/Workshop organized	1	242	6	162	—	136

**Statement**

*State-wise details of Powerloom Service Centres*

Name of the State	Name of the PSC	Name of the administering agency
1	2	3
Maharashtra	1. Ichalkaranji	Bombay Textile Research Association, Mumbai
	2. Madhavnagar-Vita	
	3. Solapur	
	4. Bhiwandi-I	Synthetic and Art Silk Mills' Research Association, Mumbai
	5. Bhiwandi-II	
Tamil Nadu	7. Karur	South India Textile Research Association, Coimbatore
	8. Komarapalayam	
	9. Palladam	
	10. Sankarankoil	
	11. Somanur	
	12. Salem	
	13. Trichengode	
	14. Erode	
		Office of Textile Commissioner, Mumbai

1	2	3
Gujarat	15. Ahmedabad	Ahmedabad Textile Industry's Research Association, Ahmedabad
	16. Dholka	
	17. Sachin	Manmade Textiles Research Association, Surat
	18. Pandesara	
	19. Surat	
	20. Umargaon	
Karnataka	21. Bangalore	Karnataka State Powerloom Development Corporation, Bangalore
	22. Doddaballapur	
	23. Gadag-Betageri	
	24. Belgaum	
Uttar Pradesh	25. Gorakhpur	Northern India Textile Research Association, Ghaziabad
	26. Kanpur	
	27. Meerut	
	28. Tanda	
	29. Maunath Bhanjan	Office of Textile Commissioner, Mumbai
Madhya Pradesh	30. Indore	Ahmedabad Textile Industry's Research Association, Ahmedaba
	31. Jabalpur	Madhya Pradesh State Powerloom Weavers' Co-operative. Federation
	32. Burhanpur	Office of Textile Commissioner, Mumbai
Andhra Pradesh	33. Hyderabad	Office of Textile Commissioner, Mumbai
	34. Nagari	
Rajasthan	35. Bhiwara	Northern India Textile Research Association, Ghaziabad
	36. Kishangarh	Office of Textile Commissioner, Mumbai
Punjab	37. Ludhiana	Northern India Textile Research Association, Ghaziabad
	38. Amritsar	Office of Textile Commissioner, Mumbai
Haryana	39. Panipat	Northern India Textile Research Association, Ghaziabad
West Bengal	40. Ranaghat	Office of Textile Commissioner, Mumbai
Orissa	41. Cuttack	Office of Textile Commissioner, Mumbai
Bihar	42. Gaya	Office of Textile Commissioner, Mumbai
Assam	43. Guwahati	Indian Jute Industries' Research Association, Kolkata.
Kerala	44. Kannur	Office of Textile Commissioner, Mumbai

*[English]***Wheat Export by STC**

\*278. SHRI AJOY CHAKRABORTY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the State Trading Corporation is exporting wheat to other countries;

(b) if so, the quantity exported to various countries during the last three years, country-wise;

(c) the details of revenue earned during the same period;

(d) whether the STC suffered a huge loss due to exporting of poor quality wheat during last three years;

(e) if so, the total amount of loss incurred by the corporation;

(f) whether any enquiry has been conducted and the guilty officials identified; and

(g) if so, the action taken against the guilty officials?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) Yes, Sir.

(b) and (c) State Trading Corporation of India Ltd. has exported about 30 lakhs metric tonne (MT) of wheat during the years 2001-02, 2002-03 and 2003-04. Country-wise exports of wheat and value are as under:—

*Country-wise Export of Wheat by STC*

Sl.No.	Countries	2001-02	2002-03	#2003-04
1	2	3	4	5
1.	Bangladesh	497,686	430,483	385,655
2.	Iraq	27,500*	39,850	—
3.	Yemen	94,029	43,291	124,930
4.	UAE	74,904	—	172,253
5.	Oman	—	—	63,278
6.	Sudan	64,268	14,850	34,325
7.	Thailand	11,265	12,239	—
8.	Indonesia	125,100	47,334	109,213
9.	Philippines	49,188	—	13,500
10.	Vietnam	822	47,303	54,124
11.	Myanmar	1,784	—	—
12.	Singapore	—	19,327	—
13.	Malaysia	—	35,566	48,380
14.	Egypt	27,500	—	—
15.	Armenia**	750	—	—
16.	Aretatria (W. Africa)	—	—	12,009
17.	Taiwan	—	—	50,074



1	2	3	4	5
18.	Tanzania	—	—	33,919
19.	Srilanka	21,986	—	48,738
20.	Bahrain	—	—	14,631
21.	Jordan	—	—	75,800
Total		996,782	690,243	1,240,829
Value (in Crore of Rs.)		480.49	357.86	715.33

\* Diverted to other Destinations.

\*\* Exported under Govt. Aid.

# Figures for 2003-04 are provisional and unaudited.

(d) No, Sir.

(e) to (g) Do not arise.

#### **Financing of PMRY Schemes**

\*279. SHRI ARJUN SETHI:

PROF. M. RAMADASS:

Will the Minister of FINANCE be pleased to state:

(a) whether the nationalised banks are demanding 100% mortgage/collateral security upto 5 lakhs for financing PMRY schemes totally violating the RBI guidelines;

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

(c) the steps taken by the Government to check violation of RBI guidelines and to improve linkage between banks and unemployed youths?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) According to Reserve Bank of India (RBI) of India (RBI) guidelines, under PMRY, no third party guarantee/collateral is necessary for loans to individual upto Rs. 1 lakh in business and Rs. 2 lakhs in Industry sector and Rs. 5 lakh to partnership firms for industry sector. Some complaints against nationalized banks demanding collaterals in deviation of RBI guidelines have been received. Such complaints are taken up with the concerned bank and RBI.

(c) RBI has reiterated instructions to all Scheduled Commercial Banks vide their circular dated 19th August, 2003 for adherence to guidelines. In addition, following steps have been taken by the Government and the Reserve Bank of India (RBI) to ensure observance of RBI guidelines and to improve the linkage between banks and unemployed youth:—

- (i) Banks have been advised to carry out scrutiny of rejected applications by a higher authority from their controlling/Head Office.
- (ii) Banks have been instructed to dispose of applications for Loans upto Rs. 25000 within 2 weeks and upto Rs. 2 lakh within 4 weeks, provided the loan applications are complete in all respects.
- (iii) Time frames have been laid down for receipt of applications from the District Industry Centres (DICs) to banks and thereafter sanction and disbursements of loans by banks.
- (iv) Banks have been asked to issue 'No dues certificate' whenever required, within 15 days, other-wise it is deemed to have been issued.
- (v) Banks have been instructed to set-up training institutes jointly with the State Governments by utilizing the existing infrastructure of the Industrial Training Institutes (ITIs) and Small Industries Service Institutes (SISIs).

- (vi) State Governments have been advised to identify viable activities jointly with banks at the district level.

#### **Scheme for Jute Industry**

\*280. SHRI SANTASRI CHATTERJEE:

SHRI PRABODH PANDA:

Will the Minister of TEXTILES be pleased to state:

(a) the schemes being implemented for the development of conventional jute industry;

(b) the work executed and funds allocated under these schemes during each of the last three years;

(c) whether corruption is prevailing in the implementation of the schemes; and

(d) if so, the details thereof and the remedial measures taken by the government in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) The Ministry of Textiles executes a number of developmental schemes for the upgradation of the conventional jute industry in the country.

- (i) The Jute Manufactures Development Council (JMDC), a statutory body under Ministry of Textiles implements the JMDC Incentive Scheme for Modernization of Jute Industry. The JMDC also provides assistance for Market Discovery, Market Intelligence and Market Development for jute products both in the domestic and international markets. It also provides assistance to Indian Jute Industries Research Association (IJIRA) and Institute of Jute Technology (IJT) for conducting R and D

projects and training programmes for the jute industry.

- (ii) The National Centre for Jute Diversification (NCJD), an autonomous body under Ministry of Textiles implements the following schemes:

- Jute Service Centre Scheme
- Jute Raw Material Bank Scheme
- Design Development Scheme
- Market Support Scheme
- Jute Entrepreneurs Assistance Scheme
- NGO Assistance Scheme
- Schemes for North East Region

These schemes aim at dissemination of technological know-how for commercialization of diversified jute products, extending technical guidance, financial assistance and training for setting up of units for manufacture of diversified jute products, enhancing market acceptability of jute products by organizing quality orientation, design development and awareness programmes.

- (iii) The benefits under the Technology Upgradation Fund Scheme (TUFS) for the textile sector administered by the Ministry of Textiles since April, 1999 are also applicable to the jute and jute textile sector.

(b) (i) JMDC Incentive Scheme for Modernisation of the Jute Industry (JMDC ISMJI) came into effect from 8th July, 2002. The Scheme is aimed at facilitating capital investment for upgradation and/or modernizing technology in jute industry by providing 15% incentive on the amount invested either from own source or bank financing.

#### *Status of funds distributed for JMDC ISMJI during the last three years*

Year	Expenditure under JMDC ISMJI (Rs. in Lakhs)
2002-03	0.00
2003-04	55.12

(ii) The JMDC has spent the following amounts on market development, IJIRA and IJT during the last three years :

Name of the Schemes/Institution	Funds allocated yearwise (Rs. in Lakhs)		
	2001-02	2002-03	2003-04
IJIRA	10.91	10.53	16.57
IJT	82.60	105.00	90.00
Market Development	1802.67	2417.73	3313.64

(iii) Status of funds allocated to NCJD for Schemes during the last three years :

Name of the Schemes	Funds allocated yearwise (Rs. in Lakhs)		
	2001-02	2002-03	2003-04
Jute Service Centre Scheme	151.51	195.77	310.12
Jute Raw Material Bank Scheme	55.61	55.90	51.75
Design Development Scheme	8.46	42.66	66.63
Market Support Scheme	28.90	70.51	107.74
Jute Entrepreneurs Assistance Scheme	170.51	170.42	90.78
NGO Assistance Scheme	17.50	81.12	1.50
Schemes for North East Region	0.00	0.00	54.63

(iv) The following amounts of disbursement have taken place during the last three years under TUFs to the Jute sector in the country.

Year	Disbursement under TUFs (Rs. in Lakhs)
2001-02	922.00
2002-03	109.00
2003-04	2346.00

(c) and (d) No instance of corruption in implementation of the schemes has come to the notice of the Government.

#### **Ban on Exit Poll**

\*281. SHRI KAILASH MEGHWAL:

DR. LAXMINARAYAN PANDEY:

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

(a) whether the Government proposes to ban exit poll and also the misleading advertisements by political parties during elections;

(b) if so, the details thereof;

(c) whether the Government is contemplating to bring a legislation in this regard;

(d) if so, the details thereof; and

(e) the time by which the same is likely to be introduced in the Parliament?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) No, Sir.

(b) Does not arise.

(c) No, Sir.

(d) and (e) Do not arise.

#### **Funds for Centrally Assisted Schemes**

2276. SHRI ABDULLAKUTTY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is any mismatch between funds allocated and disbursed for the development of various projects, centrally assisted schemes, State-wise;

(b) if so, the reasons thereof;

(c) whether the Government regularly receives the utilisation certificates from the State Government with regard to the funds disbursed to carry out the schemes; and

(d) if not, the details on defaulting States for the last three years and the action initiated thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) and (b) The department of Industrial Policy and Promotion has been implementing various schemes for promotion of industries such as transport Subsidy Scheme, Capital Investment Subsidy Scheme, Central Interest Subsidy Scheme, Central Comprehensive Insurance Scheme and Growth Centre Scheme.

Besides, the Department of Commerce is currently implementing a scheme titled "Assistance to States for Development of Export Infrastructure and Allied Activities" for providing assistance to State Govt. for bridging gaps in export related infrastructure. Funds are allocated to the States based on their export performance.

(c) and (d) Normally, funds are released either on re-imbursement basis or as advance payment under the scheme. In case of advance payments, subsequent instalments are released only on receipt of the utilisation certificate for the amount released.

As on date, no proposal for release of fund is pending in the Department of Industrial Policy and Promotion for want of utilisation certificate.

#### **Creation of Economic Zones**

2277. SHRIMATI D. PURANDESWARI : Will the Minister of FINANCE be pleased to state:

(a) whether the Government has proposed to create economic zones to attract investment from Non-Resident Indians (NRIs) in hospitals, educational institutions, shopping malls, software and industrial zones;

(b) if so, the details thereof;

(c) whether States have agreed to promote the said concept; and

(d) if so, the details thereof?

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

(b) to (d) Do not arise.

#### **Industrial Units in Assam**

2278. SHRI ANWAR HUSSAIN : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of projects and industrial units set up in Assam and North East States during last three years;

(b) whether there has been any specific policy of the Government to set up industries in Assam and other North East States;

(c) if so, the details of the industrial development in the States with regard to this policy;

(d) whether the incentives meant for Assam and North East States have been diverted to other States thus making North East States unattractive for industrialists and investors;

(e) if so, the reasons therefor; and

(f) whether the Government has taken fresh initiative with regard to the industrial development in North East States?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) to (c) Setting up of projects and industrial units in a State is primarily the responsibility of the State Government and the Central Government only supplements their efforts for the development of industries.

The Government announced a new North-East Industrial Policy (NEIP) and other concessions for promoting industrialization in the North-Eastern Region including the State of Assam on 24th December, 1997. The Industrial Policy for the Region aims at attracting investors by giving them the following incentives/concessions/subsidies:—

- (i) Excise and Income Tax exemptions for a period of 10 years.
- (ii) Subsidies such as Transport Subsidy, Capital Investment Subsidy, Central Interest Subsidy and premium for Comprehensive Insurance Scheme.
- (iii) Promoting infrastructure development through Schemes like Growth Centre of Department

of Industrial Policy and Promotion and Integrated Infrastructure Development Centre (IIDC) of Ministry of Small Scale Industry.

- (iv) A financial institution namely, North Eastern Development Finance Corporation (NEDFC) has been established as a Special Purpose Vehicle for development of the North-Eastern region and is the nodal agency for disbursement of subsidies in the Region.

The details of projects (large and medium) set up in North-East States after the NEIP are given in the statement enclosed. These details show that impact of the various incentives under the NEIP on the industrialization in the North Eastern Region has been encouraging.

(d) and (e) After NEIP, Government have announced special packages of fiscal incentives for the States of Jammu and Kashmir, Sikkim, Himachal Pradesh and Uttaranchal. Except for Sikkim which is now a part of NER, the packages for other States are diluted and are not wholly the same as the one for NEIP.

#### **Statement**

##### *List of Projects (Medium and Large) after NEIP*

State	No. of Units	Capital Formation (Rs. in crore)	Employment
Assam	400	874	30664
Meghalaya	32	101	2595
Tripura	23	12	364
Arunachal Pradesh	5	10	140
Nagaland	1	Nil	Nil
Manipur	Nil	Nil	Nil
Mizoram	Nil	Nil	Nil
<b>Total</b>	<b>461</b>	<b>997</b>	<b>33763</b>

### **Opening of Branches of NABARD**

2279. SHRI A.K. MOORTHY : Will the Minister of FINANCE be pleased to state:

(a) whether a proposal for opening of branches of National Bank for Agriculture and Rural Development in every district headquarter is pending for consideration by the Government;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) National Bank for Agriculture and Rural Development (NABARD) has opened District Development Managers, (DDM) Offices in the districts of different States in a phased manner over a period of time. As on 31st March, 2004, 338 DDM offices were operating in the country. Twenty eight districts in the country have been identified for opening of such offices during the year 2004-05.

### **Plan to Promote Polyester Industry**

2280. SHRI ANANTA NAYAK: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has formulated any action plan to promote polyester industry in the country;

(b) if so, the details thereof;

(c) whether the producers of polyvastras are being encouraged for the purpose; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) There is no separate promotional plan for polyester industry. However, promotion of polyester industry is governed under the general provisions of the Industries (Development and Regulation) Act, 1951. Manufacture of polyester and polyester fibres is not currently under the list of items for compulsory licensing.

(c) and (d) Polyvastra producers are supported under the Programme of Khadi, Rebate/Market Development Assistance (MDA) scheme, Interest Subsidy Eligibility Certificate Scheme (ISEC) providing subsidized rates of interest on bank loans and Product Development Design Intervention and Packaging (PRODIP) Schemes for improved designs.

*[Translation]*

### **Complaints against Chairmen of Nationalised Banks**

2281. SHRI SANTOSH GANGWAR: Will the Minister of FINANCE be pleased to state:

(a) the number of complaints against the working Chairmen-cum-Managing Directors of various nationalised banks received by the Government from 1999 till date;

(b) whether the Government has completed the investigation into all these complaints; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Government receives complaints from various sources against top executives including Chairman-cum-Managing Directors of nationalised banks. Most of the time, the complaints are anonymous/pseudonymous and as per the instructions of Central Vigilance Commission no action is required to be taken on anonymous/pseudonymous complaints. However, Government takes immediate action on complaints containing verifiable facts and examines them in consultation with Reserve Bank of India and Central Vigilance Commission. During the period 1999 to 2004 till date, Government has received 28 complaints against CMDs of some nationalised banks and all the complaints have been examined in consultation with RBI and CVC and replies have been sent wherever necessary. The receipt of complaints and their examination/disposal is an on-going process.

*[English]*

**Functioning of Cotton and Man Made  
Fibre Mills in Andhra Pradesh**

2282. SHRI ASADUDDIN OWAISI: Will the Minister of TEXTILES be pleased to state:

(a) the total cotton and man made fibre mills functioning in public and cooperative sectors separately in Andhra Pradesh as on date;

(b) the production capacity and actual production of these mills during each of the last three years;

(c) whether the Government is aware that these mills require modernisation to meet their production target; and

(d) if so, the details thereof and the steps taken or being taken by the Government for modernisation of these mills?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) The total number of public and co-operative sector cotton/man-made fibre textile mills (Non-SSI) functioning in the state of Andhra Pradesh, their installed capacity as on 31.05.2004 and their production during the last three years is given below:—

Management	No. of Mills (as on 31.05.2004)	Installed Capacity (as on 31.05.2004)			Production (Mn. Kg.)		
		Spindles (Nos)	Rotors (Nos)	Looms (Nos)	2001-2002	2002-03	2003-04 (P)
Co-operative	2	47392	Nil	Nil	Nil	0.28	1.77
Public	Nil	Nil	Nil	Nil	Nil	Nil	Nil

(P: Provisional)

(c) and (d) For modernisation of the whole of textile and jute industries of the country, Government has launched the Technology Upgradation Fund Scheme (TUFS) which is in operation since 1st April, 1999. The Scheme provides for a reimbursement of interest @ 5% point on the interest charged by the lending agency on a project of technology upgradation in conformity with the Scheme. Under this Scheme applications for loans for the purpose of modernisation of a unit are received by Banks/Financial Institutions which apply their prudential norms before sanctioning the loans. In order to provide a network of financial organisations for sanction and disbursement of loan so as to have a wider reach to the industry in the country, the designated nodal agencies namely Industrial Development Bank of India, Small Industries Development Bank of India and Industrial Finance Corporation of India have co-opted around 250 Banks/Financial Institutions. Government do not specifically identify textile mills which require modernisation. It is

(Source: Office of Textile Commissioner, Mumbai.)

the duty of the mill/unit to assess its requirement for modernisation and approach the concerned Bank/Financial Institution for a loan in this regard. This Scheme is open for all viable modernisation projects of public, co-operative and private sector textile mills.

**Acceptance of Tenders**

2283. SHRI VIJOY KRISHNA: Will the Minister of FINANCE be pleased to refer to the answer given to Unstarred Question No. 4902 dated 20.12.2002 regarding C and AG report on acceptance of tenders and state:

(a) whether the information has since been collected;

(b) if so, the details thereof;

(c) the action taken by the Government thereon;

(d) if not, the reasons for delay; and

(e) the time by which it is likely to be collected?

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

(b) and (c) Tenders for supply of 3 tugs and 2 pilot crafts for operation at newly created Ennore Port were called by Chennai Port Trust in October, 1997. The lowest tenderer refused to extend validity of tender for a further period at the quoted price and increased their quoted price by 20% which tantamount to post tender revision. As per the conditions of the bid document, bidders were neither required nor permitted to modify their bids. Thus the offer of the lowest bidder was treated as invalid and the Chennai Port negotiated with the next lowest offer. The second lowest tenderer had quoted a price of Rs. 57.03 crores which was reduced during negotiations to Rs. 55.14 crores (Excluding taxes). The Port actually benefited by Rs. 1.89 crores due to negotiations with the second lowest bidder. Hence, no action against anybody is being contemplated.

(d) and (e) The question does not arise.

#### **Expansion of Coal Mines**

2284. SHRI PARSURAM MAJHI: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the Government has proposal for the expansion of the coal mines under the Mahanadi Coalfields Limited (MCL);

(b) if so, the additional coal bearing areas identified by the Government;

(c) whether any progress has been made in the forest clearance for those additional areas; and

(d) if not, the current position in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) Yes, Sir. Mahanadi Coalfields Limited have sanctioned four expansion opencast (OC) coal projects for implementation during X Plan, namely Hingula-II, Lingaraj, Bharatpur Phase-II and Lakhanpur. Project Reports for two more expansion projects namely Belpahar OC and Samleshwari OC are under preparation.

(b) The area acquired earlier for the original projects will suffice the requirement for expansion projects.

(c) and (d) The forest and required and status of forestry clearance of these expansion projects are as below:—

Name of Project	Incremental Capacity (MTY)	Forest land required (Ha)	Status of forestry clearance Application
1. Hingula-II Expn. OC	2.00	Nil	Not Applicable
2. Lingaraj Expn. OC	5.00	5.27	Under process of submission by MCL.
3. Bharatpur Expn. OCP-Phase-II	6.00	38.10	Under process of submission by MCL.
4. Lakhanpur Expn. OC	5.00	Nil	Not applicable
5. Belpahar Expn. OC	1.50	40.00	Under process of submission by MCL.
6. Samleshwari, Expn. OC	1.00	149.42	Submitted to conservator of Forests, Sambalpur in March, 2004.



### Upgradation and Modernisation of Pragati Maidan

2285. SHRI S.K. KHARVENTHAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government propose to upgrade and modernise Pragati Maidan, Delhi;

(b) if so, the details thereof and the amount earmarked for the same;

(c) if not, the reasons therefor;

(d) whether any complex is being up or proposed to be set up on the lines of Pragati Maidan to conduct trade fairs in the States; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) to (c) India Trade Promotion Organisation (ITPO), is engaged on a continuing basis in the upgradation and modernisation of facilities at Pragati Maidan.

(d) and (e) Regional Trade Promotion Centres (RTPCs) have been set up by ITPO at Chennai, Bangalore and Kolkata jointly with the State Industrial Development Corporation of the concerned State Government. ITPO has also been entrusted with the construction of a RTPC at Guwahati.

### Non-Implementation of Fast Track Courts

2286. SHRIMATI JAYABEN B. THAKKAR: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether several State Governments have failed in implementing the Centre's much hyped scheme of fast track courts for quick disposal of crores of pending cases with subordinate judiciary;

(b) if so, the details and reasons for non-implementation of above scheme, State-wise; and

(c) the steps being taken or proposed to be taken by the Union Government for speedy implementation of the scheme in various States?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Most of the States have established Fast Track Courts as per the target fixed by the Eleventh Finance Commission. However, some of the States have not achieved the targets.

(b) The State-wise details of such Fast Track Courts is shown in the statement enclosed.

(c) The Central Government has been closely monitoring the establishment of Fast Track Courts and has urged the States to set up the remaining Fast Track Courts at the earliest. The Supreme Court of India has also been monitoring the establishment of Fast Track Courts in the case of Brij Mohan Lal Vs. Union of India and Ors. In its order dated 6th May, 2002, the Supreme Court has directed all the States to set up the remaining Fast Track Courts within three months.

### Statement

#### *Status of Fast Track Courts as on 19th July, 2004*

Sl. No.	Name of the State	No. of FTCs Sanctioned	No. of FTCs Notified by the States	No. of FTCs Functional in the States
1	2	3	4	5
1.	Andhra Pradesh	86	86	86
2.	Arunachal Pradesh	5	3	3
3.	Assam	20	20	20
4.	Bihar	183	183	112
5.	Chhattisgarh	31	31	31

1	2	3	4	5
6.	Goa	5	5	5
7.	Gujarat	166	166	165
8.	Haryana	36	15	15
9.	Himachal Pradesh	9	9	9
10.	Jammu and Kashmir	12	12	
11.	Jharkhand	89	89	89
12.	Karnataka	93	93	93
13.	Kerala	37	27	27
14.	Madhya Pradesh	85	85	47
15.	Maharashtra	187	187	187
16.	Manipur	3	2	2
17.	Meghalaya	3	3	3
18.	Mizoram	3	3	3
19.	Nagaland	3	2	2
20.	Orissa	72	72	32
21.	Punjab	29	17	17
22.	Rajasthan	83	83	83
23.	Sikkim	3	2	
24.	Tamil Nadu	49	49	49
25.	Tripura	3	3	3
26.	Uttaranchal	45	45	45
27.	Uttar Pradesh	242	242	242
28.	West Bengal	152	152	118
Total		1734	1686	1488

[Translation]

**Payment of Wages Due to Labourers**

2287. DR. SATYANARAYAN JATIYA: Will the Minister of TEXTILES be pleased to state:

(a) the details of wages due to the labourers of NTC mills in Madhya Pradesh which are at present lying closed; and

(b) the measures taken by the Government to settle their dues for the payment of the arrears?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) In NTC (MP) Ltd. Indore, five mills out of seven have been closed and MVRS benefits have been given to all the eligible employees who were on the rolls of these mills. The employees who were retained for residual work have been paid wages upto May, 2004.

Sl.No.	Name of the Unit	No. of employees	Amount paid (Rs. in lacs)
1.	Swadeshi Textile Mill, Indore	616	1611.73
2.	Kalyan Mal Mill, Indore	1444	3529.90
3.	Hira Mills, Ujjain	874	2143.29
4.	Bengal Nagpur Cotton Mills, Rajnandgaon	1202	3049.16
5.	Indore Malwa United Mill, Indore	1792	4159.13
Total		5928	14493.21

All dues of these employees including wages were settled and paid.

[English]

### Disparity in Interest Rate

2288. SHRI MILIND DEORA: Will the Minister of FINANCE be pleased to state:

(a) whether small borrowers get raw deal from banks as the benefits of lower interest rates have been passed on to the top borrowers;

(b) if so, the details thereof;

(c) whether difference between minimum and maximum rates for demand loans has widened to 6.25 to what prevailed in the quarter ended March, 2004 with rates in March, 2003;

(d) whether the difference between the lending rates of public sector and private sector banks is also widening; and

(e) if so, the steps taken to remove the discrimination in rates vis-a-vis the small borrowers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The lending rates of the commercial banks have been deregulated since October 1994. Commercial

Banks are now free to determine their lending rates on alternative forms of credit including demand and terms loans subject to the approval of their Boards. However, banks are required to announce their Benchmark Prime Lending Rate (BPLR). Since the Prime-lending rate serves as a benchmark rate, banks are allowed to lend at sub-PLR rates to the creditworthy borrowers including exporters. However, BPLR continues to be the ceiling for loans upto Rs. 2 lakhs, which presently is in the range of 10.25 to 11.5% for Public Sector Banks.

(c) and (d) RBI has reported that the spread between the maximum and minimum lending rates widened between March 2003 and March 2004, although there is a general decline in lending rates, both for demand and term loans. However, the decline is sharper for public sector banks (PSBs) vis-a-vis private sector banks. The range of lending rates for various banks group for advances across tenors excluding 5% of business contracted at extreme rates as also advances at which the bulk of business (at least 60%) is contracted between the two period is furnished below:

Bank Group	(at 5% contracted)		(60% contracted)	
	Demand Loans March 2003	Demand Loans March 2004	Demand Loans March 2003	Demand Loans March 2004
PSBs	6.00-16.00	4.00-15.00	8.50-15.75	4.00-15.50
Private Banks	5.40-19.00	4.50-19.50	5.40-17.50	5.00-17.50

(e) RBI has advised banks to announce the maximum and minimum lending rates alongwith PLR for customer protection and meaningful competition.

### **Illegal Mining in Dhanbad**

2289. SHRI KINJARAPU YERRANNAIDU: Will the Minister of COAL AND MINES be pleased to state:

(a) whether illegal mining has been going on in Dhanbad/Eastern Coalfields coal mines; and

(b) if so, the steps taken by the Government to curb such activities?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) Yes, Sir. Cases of illegal mining have also been reported from Dhanbad in Eastern Coalfields Ltd. Illegal mining activities are carried out stealthily and clandestinely by outsiders from abandoned/closed/disused mines or from outcrop regions.

(b) Subsidiary companies of Coal India Ltd. have been taking the following steps to prevent illegal mining in their leasehold areas in coalfields :

- (i) Intelligence collection.
- (ii) Dozing off/filling up of unauthorized mining sites wherever possible.
- (iii) Erection of fencing walls in abandoned/disused openings.
- (iv) Round the clock patrolling by own security force and CISF.
- (v) Surprise/checks/raids by security force/CISF.
- (vi) Whenever unauthorizedly mined coal and implements used in unauthorized mining are seized during the course of raids, the same are handed over to local police and FIRs lodged.
- (vii) Close liaison is kept with District Authorities seeking their help and cooperation in curbing unauthorized mining.
- (viii) Black listing of the trucks seized carrying coal from such operation.

However, Deptt. of Coal had already written to Chief Secretaries of Coal producing states requesting

for considering framing, if not already done, suitable rules under provisions of the Mines and Minerals (Development and Regulation) Act, 1957 for strengthening the arms of District Authorities in their drive against illegal mining.

[Translation]

### **Capital Investment by NRIs**

2290. SHRI AJIT JOGI: Will the Minister of FINANCE be pleased to state:

(a) whether the pace of capital investment by the Non-Resident Indians is very slow;

(b) if so, the reasons therefor; and

(c) if not, the foreign investment made by NRIs during the last three years, year-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Government has put in place a liberal FDI policy and most of the sectors have been placed under the automatic route, except for a small negative list. In addition, NRIs/PIOs are permitted 100% investment on non-repatriation basis in companies, firms and proprietary concerns, excluding prohibited activities viz., agricultural/plantation activities/real estate business/construction of farm houses/development rights and nidhi companies and chit funds. However, the Quantum of investment has fluctuated as detailed below during the last three years:

US \$ in million

Year (Jan.-Dec.)	Amount of NRI Investment approved	Amount of inflow of NRI Investment
2001	135.10	55.66
2002	75.09	5.57
2003	101.17	45.34
2004*	190.15	0.11

\*(Jan-April, 2004)

### **Extension of Runway**

2291. SHRI SUSHIL KUMAR MODI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether extension of runways at various airports in the country is under consideration of the Government;

(b) if so, the details thereof;

(c) whether the extension of the runway at the Patna Loknayak Jaiprakash Narayan Airport for the purpose of starting the international flights from it was scheduled to be completed by October 2003 but has not been done so far;

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

(e) the steps proposed to be taken by the Government to undertake the extension work of the runway?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Airports Authority of India (AAI) has plans for extension of existing runways at eighteen airports in the country. The work is at various stages of implementation.

(c) to (e) Extension of runway for starting International flight has not been taken up at Loknayak Jaiprakash Narayan Airport, Patna due to non-availability of land and obstructions already existing in the approach funnel of runway. The work would be taken up subject to removal of all the identified obstacles by the State Government.

[English]

### **Pending Proposals of Kerala**

2292. SHRI C.K. CHANDRAPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether any proposal from Kerala Government to NABARD for strengthening the infrastructure facilities for paddy cultivation in Kole Lands in Trichur, Kerala is pending for clearance;

(b) if so, the estimated cost of the proposal;

(c) the reasons for keeping the proposal pending; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) National Bank for Agriculture and Rural Development (NABARD) has reported that no proposal for the strengthening of infrastructural facilities for paddy cultivation in Kole Lands in Thrissur District of Kerala is pending with it.

(b) to (d) Do not arise in view of (a) above.

### **FI's Assistance to Assam and N.E. States**

2293. SHRI M.K. SUBBA : Will the Minister of FINANCE be pleased to state:

(a) the percentage of funds invested by AIFIs in the North Eastern Region particularly Assam vis-a-vis all India during 1998-99 to March, 2003 and during 2003-04;

(b) the reasons for such low investments in the development of Assam and the N.E. by all the major Financial Institutions of India; and

(c) the steps being taken by the Government to give Assam and other North Eastern States their due share from the development funds of these Institutions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Information received from the FIs is enclosed at statement enclosed.

(b) and (c) Lack of infrastructure facility, small market, remote geographical location coupled with law and order situation of the North-East have affected the flow of investment in the region. Priority is accorded to the development of the North-East region. Flow of funds depend on the conducive investment climate and peaceful situation. The FIs have extended financial assistance to all eligible and viable projects of the region.

## Statement

		(Rs. Crore)									
		IIBI		EXIM BANK		IDBI		SIDBI		IFCI	
		1998-2003	2003-04	1998-2003	2003-04	1998-2003	2003-04	1998-2003	2003-04	1998-2003	2003-04
Assam		2.9	0.6	—	—	24.54	39.0	13.71	4.88	29.36	0
		(0.04%)	(0.02%)			(0.19%)	(0.84%)	(0.21%)	(0.15%)	(0.22%)	
NE		5.9	10.9	1	2	26.98	39.0	28.6	8.85	3.80	0
		(0.08%)	(0.48%)			(0.21%)	(0.84%)	(0.44%)	(0.26%)	(0.03%)	
All India		6999.8	2252.2	—	—	12850	4656.0	6479.76	3353.91	13127.5	278.18

### **Visit of Directors of Banks Abroad**

2294. SHRI CHANDRAKANT KHAIRE: Will the Minister of FINANCE be pleased to state:

(a) the number of whole time Directors of public sector banks and financial institutions visited abroad during the last one year;

(b) the total amount of forex incurred during their each trip;

(c) the duration of each trip abroad; and

(d) the benefit derived by the institution from these trips?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Information is being collected and will be laid on the table of the House.

### **Housing Loan**

2295. SHRI MANI CHARENAMEI:  
SHRI RUPCHAND MURMU:

Will the Minister of FINANCE be pleased to state:

(a) the name of the public sector banks giving housing loans at present;

(b) whether the Government have a proposal to liberalise the sanction of housing loans and also to reduce the rate of interest with retrospective effect;

(c) if so, the details of the plan of the Government in that regard;

(d) whether housing loan is not given to customers residing in hilly areas/unsurveyed areas/districts in the country particularly in Manipur; and

(e) if so, the reasons therefor and the steps taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) All Public Sector Banks (PSBs) are providing housing loans. The names of the PSBs are Allahabad Bank, Andhra Bank, Bank of Maharashtra, Bank of India, Bank of Baroda, Canara Bank, Central Bank of India, Corporation Bank, Dena Bank, Indian Bank, Indian Overseas Bank, Oriental Bank of Commerce, Punjab

and Sind Bank, Punjab National Bank, Syndicate Bank, State Bank of India, State Bank of Mysore, State Bank of Indore, State Bank of Travancore, State Bank of Hyderabad, State Bank of Patiala, State Bank of Saurashtra, State Bank of Bikaner and Jaipur, UCO Bank, United Bank of India, Union Bank of India and Vijaya Bank.

(b) No, Sir.

(c) Does not arise.

(d) No, Sir.

(e) Does not arise.

### **Bhopal to Jeddah Flight**

2296. SHRI KAILASH JOSHI: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether All India Muslim Tehwar Committee submitted a memorandum for a direct flight from Bhopal to Jeddah for Haj Pilgrims of Madhya Pradesh to the Government;

(b) if so, the details thereof;

(c) the details of other organisations which submitted the memorandum in this regard;

(d) the reaction of the Government thereto; and

(e) the time by which such flights are likely to be started?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Yes, Sir. All India Muslim Tehwar Committee had submitted memoranda to the Government requesting operation of direct haj charter flight from Bhopal to Jeddah for the Haj pilgrims of Madhya Pradesh.

(c) Similar requests were also received from the Mayor of Bhopal and Madhya Pradesh State Backward Classes Commission.

(d) Due to logistical reasons, it has not been found possible to include Bhopal as an embarkation point for Haj flights.

(e) Does not arise.

[Translation]

### **Closing of Kosa Seeds Production Projects**

2297. SHRI HANSRAJ G. AHIR: Will the Minister of TEXTILES be pleased to state:

(a) whether Kosa (Tasar) seeds production project run by the Central Silk Board located in Chandrapur district headquarters of Maharashtra is on the verge of closure;

(b) if so, whether any effort is being made to ensure employment to the employees and workers working in the said project;

(c) whether silk worms are dying due to air pollution from Wakoli (W.C.L.) and other factories; and

(d) if so, the action taken or likely to be taken by the Government to save the above project from the air pollution?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir. Central Silk Board (CSB) has established two tasar Basic Seed Multiplication Cum Training Centres (BSMTC) in Chandrapur and Bhandara of Maharashtra state. The BSMTC in Chandrapur is not performing well as due to pollution caused by the coal mines and paper mills located in the vicinity of this centre there is increase in the tasar silkworm mortality. Therefore, Central Silk Board has decided to shift basic seed production activities from Chandrapur to BSMTC Bhandara.

(b) The employees and workers working in the BSMTC, Chandrapur are being redeployed in the nearby units of Central Silk Board.

(c) and (d) Pollution caused due to coal mines and paper factories in the vicinity of BSMTC Chandrapur has increased the tasar silkworm mortality. Therefore, Central Silk Board would concentrate its basic seed production activities in Bhandara.

### **Regularisation of Daily Wagers**

2298. SHRI BACHI SINGH RAWAT 'BACHDA': Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government propose to regularise the services of the persons working as daily wagers for the last two years at various airports in the country;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) Does not arise.

(c) Engagement of daily wagers is resorted to only in unforeseen circumstances to meet contingencies and for short term contractual obligations. Daily wagers have no right for permanent absorption.

[English]

### **National Housing Bank**

2299. SHRI KIRIP CHALIHA: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India has decided to withdraw its equity from the National Housing Bank;

(b) if so, the reasons therefor;

(c) whether the activities of NHB will adversely suffer following RBI's decision; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. RBI has suggested that based on Narasimham Committee Report, it would be appropriate that RBI should not own the institutions it regulates. This would enable RBI to concentrate more on its Regulatory and Supervisory functions.

(c) No, Sir.

(d) Does not arise.

### **Revival package for ECL and other Coal Companies**

2300. SHRI SUNIL KHAN:

SHRI TATHAGATA SATPATHY:

SHRI BHUVANESHWAR PRASAD MEHTA:

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



(a) whether the Government is considering revival package for Eastern Coalfields Limited, Bharat Cooking Coal Limited and Central Coalfields Limited as reported in Hindu dated 6th July, 2004;

(b) if so, the details thereof;

(c) the reasons for their sickness;

(d) the total investment required for the revival;

(e) the time limit and source of funding;

(f) whether NALCO production capacity is also to be enhanced; and

(g) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) and (b) Yes, Sir. Eastern Coalfields Limited (ECL) and Bharat Coking Coal Limited (BCCL) have been referred to the Board for Industrial and Financial Reconstruction (BIFR) as sick industrial companies under Section 15 of the Sick Industrial Companies (Special Provision) Act, 1985. Central Coalfields Limited (CCL) has been earning profit for the last two years. Revival plans of ECL and BCCL are with the BIFR. These have been found supportable by the Department of Coal. The same are also under consideration of the Government. The revival plan of ECL among other things, seeks to augment underground and opencast production, outsourcing of 17 small OC patches, waiver of unsecured loan of Rs. 519 crores, conversion of current account balance of Rs. 1532 crores into equity by CIL with back to back support from Government of India. The revival plan of BCCL seeks to augment production through implementation of some quick yielding OC project, replacement of old equipment, modernisation of underground mines and implementation of at least one Mega Project etc.

(c) The main reasons for the sickness of ECL and BCCL are that these companies have large number of underground mines with difficult geo-mining conditions. These mines are of uneconomic size with low productivity and not amendable to mechanisation. Further, the legacy of a large manpower at the time of nationalization together with revision of salary and manpower beyond payment capacity, insufficient investment in equipment, non-availability of land etc. are also the reasons for consistent losses resulting in sickness of the company.

(d) and (e) In case of ECL the estimated capital investment to achieve the targeted production of coal as mentioned in the Revival Plan is Rs. 2956.83 crores during the period from 2003-04 to 2012-13. The company will earn a profit before tax of Rs. 330 crores at the end of 2008-09 and will have a positive net-worth at Rs. 27.84 crores in 2008-09. In case of BCCL an aggregate financial support of Rs. 5805 Crores is envisaged. The net-worth of the company will be positive by Rs. 33 crores at the end of the year 2010-11. While substantial portion of the funding as envisaged in the revival plan will be done by Coal India Limited, the remaining balance is sought to be provided as back-to-back support by Government of India to CIL.

(f) and (g) NALCO has submitted a proposal for second phase expansion of its Bauxite mines, Alumina refinery, Aluminium smelter and Captive Power Plant (CPP) capacity at an investment cost of Rs. 4091.51 crore at July, 2003 price level to be financed entirely by the Company's internal resources and commercial borrowings. The Public Investment Board in its meeting dated 6.2.2004 has cleared the project. Capacity of various facilities after the proposed expansion will be as under:

(Tonnes per annum.)

Sector	Present Capacity	Capacity after proposed expansion
Bauxite mine (Tonnes per annum.)	48,00,000	63,00,000
Alumina refinery (Tonnes per annum.)	15,75,000	21,00,000
Aluminium smelter (Tonnes per annum.)	3,45,000	4,60,000
Captive Power Plant (MW)	960	1200

### **IFCI-PNB Merger**

2301. SHRI MANOJ KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether Industrial Finance Corporation of India-Punjab National Bank merger formalities are being delayed;

(b) if so, the reasons therefor;

(c) whether IFCI employees have again represented to the Government to revive the IFCI;

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

(e) the time by which a final decision is likely to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The financial performance of IFCI represents a risk to the financial system as a whole. The option of the merger of IFCI with other financial institutions and public sector banks has been considered in this light. IFCI is a company registered under the companies Act 1956. Government has no shareholding in IFCI. The merger of IFCI with any nationalized bank/FI, and its pace depends on the decision of the Board of Directors of IFCI.

(c) The IFCI Employees' Association have been representing seeking merger of IFCI with IDBI.

(d) The Government are of the view that operations of IFCI are unsustainable and represent a risk to the stability of financial system as a whole.

(e) The decision regarding merger would be taken by the Board of Directors of IFCI depending on their analysis of the entity, which offers maximum synergy.

### **Fraud by Daewoo Motors**

2302. DR. P.P. KOYA: Will the Minister of FINANCE be pleased to state:

(a) whether a major fraud in the Indian Corporate history was committed by Daewoo Motors India Ltd. and its parent company in Korea in which the Indian Banks have sunk over Rs. 1,500 crores, has recently come to light;

(b) if so, the details thereof alongwith the estimated amount involved therein;

(c) the modus operandi of the company in siphoning off the creditors' money; and

(d) the steps taken by the Government for recovery of the creditors money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Reserve Bank of India (RBI) has informed that no fraud in respect of Daewoo Motors India Limited has so far been reported to RBI by any of the commercial banks. However, State Bank of India and other member banks/financial institutions of the consortium have classified the account of Daewoo Motors as NPA and cases have been filed in Debts Recovery Tribunal at New Delhi and Mumbai. An investigation into the affairs of Daewoo Motors India Limited was ordered by the Ministry of Company Affairs under Section 235 of the Companies Act and an official of the Serious Fraud Investigation Office was appointed as Inspector. The examination of Inspection Report received in the Ministry of Company Affairs has been completed.

### **Tea Auction System**

2303. SHRI BIKASH CHOWDHURY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the recommendations of the Ferguson Committee to improve the tea auction system;

(b) whether these recommendations have been implemented; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVA): (a) Concerned with the fall in auction prices of tea and such fall not getting reflected in the retail prices, a study of the primary marketing system for tea was conducted through M/s A.F. Ferguson and Co. The major recommendations of the Ferguson Committee with respect to the auction system, include discouraging divisibility of lots and proxy bidding, fixing maximum sample limits, defining lot sizes in terms of

weight rather than volume, introduction of ex-estate sale and introducing electronic auction system.

(b) and (c) Based on the recommendations of M/s A.F Ferguson and Co. the Government notified the Tea Marketing Control Order, 2003 on 01.01.2003 in replacement of the TMCO 1984. Necessary directions regarding the changes in the auction rules were issued by the Tea Board for a more transparent and efficient price discovery mechanism. Electronic auctions for tea have been launched in Coimbatore and in Guwahati under the new internet based India Tea Portal of Tea Board. This is part of a scheme which covers other auction centres at Siliguri, Kolkata, Kochi and Coonoor also.

### **Grounding of Jet Airways**

2304. SHRI AVTAR SINGH BHADANA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government has seen newspaper report captioned "Jet Grounded before takeoff", appearing in the 'Hindustan Times' Delhi on 15th June, 2004;

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

(c) whether Jet Airways have taken Security clearances from Government before seeking permits from non-SAARC Countries;

(d) if not, whether the Government would reconsider the security clearances already given to Jet Airways for operating on SAARC routes;

(e) whether any investigation has been initiated on Jet Airways on alleged financial irregularities, sources of funding, legality and status of ownership of the airline;

(f) if so, the details thereof; and

(g) the action taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) A national policy on civil aviation is being drafted. The question of permitting domestic airlines to operate globally will be addressed in the new policy.

(c) and (d) Jet Airways has only been designated for operating to Sri Lanka, Nepal and Bangladesh.

(e) to (g) The matter is under examination of the Government.

[Translation]

### **Unclaimed Deposits in Banks**

2305. SHRI SURESH CHANDEL:

SHRI ANIRUDH PRASAD ALIAS SADHU YADAV:

Will the Minister of FINANCE be pleased to state:

(a) the total amount of money deposited in various accounts of nationalised banks for which there are no claimants as on December 31, 2002;

(b) the total amount of the nationalised and other commercial banks lying in dead account with the Reserve Bank of India till March, 2004;

(c) whether the money lying in dead saving accounts is paid to its real heirs;

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

(e) the utilisation of the amount lying in dead accounts for the last twenty years; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Reserve Bank of India (RBI) has reported that the total amount of money deposited in various accounts of nationalized banks for which there are no claimants as on 31.12.2002 is Rs. 425.24 crore.

(b) RBI has reported that the total amount of unclaimed accounts lying with the nationalized banks and other scheduled commercial banks as on 31.12.2003 is as under:—

Bank Group	Amount in crore (Rs.)
SBI Group of Banks	145.67
Nationalised Banks	504.21
Private Sector Banks	50.31
Foreign Banks	42.01
Total	742.20

(c) and (d) As per extant guidelines, the money lying in dead saving accounts is paid to legal heir, if claimed.

(e) and (f) RBI has reported that the amount lying in dead accounts forms part of banks' liability and deployed in normal course.

#### **Target for issuing Kisan Credit Cards**

2306. SHRI THAWARCHAND GEHLOT:

SHRI NIHAL CHAND:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has set any target for 2004-2005 for issue of Kisan Credit Cards;

(b) if so, the details thereof; and

(c) the steps being taken by the Government to achieve the target?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) As at the end of March, 2004, 4.14 crore Kisan Credit Cards (KCCs) had been issued by commercial banks, co-operative banks and Regional Rural Banks in the country. Many farmers remained ineligible for reasons such as default in payment to financial institutions, lack of clear title deeds, etc. Though no specific numerical target has been set for issue of KCCs during the year 2004-05, Reserve Bank of India (RBI)/National Bank for Agriculture and Rural Development (NABARD) have issued the following instructions to the banks to ensure larger coverage of institutional credit through KCC :—

- (i) To make all possible efforts to identify and bring into the fold, the farmers who are not so far covered by the KCC scheme, including oral lessees, defaulters and to ensure that KCCs are continued to be renewed in a hassle free manner;
- (ii) To launch a time bound programme aimed at motivating the defaulters to clear their dues, so that the benefits of the KCC scheme could be made available to them also; and
- (iii) To issue suitable guidelines to their branches, so that henceforth the crop loans are routed only through KCC.

#### **Amount Spent on Haj Pilgrimage**

2307. SHRI RAMDAS BANDU ATHAWALE: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the amount spent by the Central Government on Haj during the last three years, year-wise;

(b) whether the Government has enhanced the expenditure for Haj pilgrims; and

(c) if so, year-wise break-up of the enhanced expenditure thereon during the said period?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (c) The estimated amount spent by the Government towards subsidy on Haj operations during Haj-2002, Haj-2003 and Haj-2004 was approx. Rs. 175.00 crores, Rs. 172.00 crores and Rs. 160.00 crores respectively.

#### **Legal Aid to SCs/STs**

2308. SHRI SHIVRAJ SINGH CHOUHAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government propose to provide legal aid to the people belonging to the Scheduled Castes and Scheduled Tribes throughout the country;

(b) whether the Government has sought the guidance of legal experts in this regard;

(c) if so, the details thereof alongwith the suggestions received from various Government agencies in this regard;

(d) whether the ministry has gone through these suggestions; and

(e) if so, the decision taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) to (e) The Government has already enacted Legal Services Authorities Act, 1987 to provide free and competent legal services to the weaker sections of the society. Under section 12(a) of the aforesaid Act, a member of the Scheduled Caste/Scheduled Tribe who has to file or defend a case, is entitled to Legal Services irrespective of his/her income.

*[English]***Phasing out of Aircrafts**

2309. SHRI HARISHCHANDRA CHAVAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government are considering to phase out some aircrafts;

(b) if so, the details thereof; and

(c) the number of functional aircrafts in the fleets of Air India and Indian Airlines at present?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Phasing out of aircraft is linked to aircraft acquisition and lease plan of Air India and Indian Airlines.

(c) Air India and Indian Airlines have a fleet of 33 and 63 aircraft respectively.

**Regularisation of Services**

2310. SHRI GURUDAS DASGUPTA:

SHRI P.K. VASUDEVAN NAIR:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that the staff of Alliance Air has been demanding for regularisation of their services and pay parity with Indian Airlines for a long time; and

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

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) There have been demands from employees of Alliance Air for revision of their salary structure and the company has initiated steps to review the matter.

**Branches of Banks in Rural Areas**

2311. SHRI MOHAN SINGH: Will the Minister of FINANCE be pleased to state the number of branches opened by all nationalised and private banks in rural areas during each of the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): RBI has reported that 87 branches were opened by the Nationalised Banks and Private Sector Banks in the rural areas during the last three years, the details of which are as under :—

Sl. No.	Banks Group	2001-02	2002-03	2003-04
1.	Nationalised Banks	11	36	15
2.	Private Sector Banks	8	6	11
Total:		19	42	26

*[Translation]***Sugar Mills**

2312. YOGI ADITYA NATH: Will the Minister of TEXTILES be pleased to state:

(a) the total number of sugar mills in the country operating under the Textile Ministry;

(b) the number and details of these mills which are functional/lying closed;

(c) whether the Government has formulated any action plan/scheme to revive these closed sugar mills; and

(d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) At present no sugar mills are operating under the administrative control of Ministry of Textiles. Ganesh Sugar Mill, a unit of Swadeshi Minning and Mfg. Co. [a subsidiary of NTC (UP) Ltd.] is under liquidation as per the orders of High Court of Allahabad on the recommendations of BIFR. The entire shareholding of BIC in Cawnpore Sugar Works Ltd. (CSWL) was transferred to M/s Gangotri Enterprises Ltd. (a private company) as per the rehabilitation scheme approved by BIFR for CSWL.

(c) and (d) Does not arise.

**Air Bus Service for Indore**

2313. SHRIMATI SUMITRA MAHAJAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government has any proposal to introduce air bus service to Indore; and

(b) if so, the details thereof including the time by which the said service would be introduced?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Madam.

(b) Indian Airlines is in the process of acquiring Airbus A-319 aircraft on lease. Subject to availability of these aircraft the existing B-737 operations to/from Indore will be taken over by the Airbus A-319.

[English]

**High Court Bench at Thiruvananthapuram**

2314. SHRI P. RAJENDRAN: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government have received any proposal from the State Government of Kerala for constitution of a High Court Bench at Thiruvananthapuram, Kerala; and

(b) if so, the action taken by the Government to implement the same?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) and (b) The setting up of a Bench of a High Court away from its principal seat is considered on the receipt of a complete proposal from the concerned State Government with the consent of the Chief Justice of

that High Court. However, no such proposal in this regard has been received from the Government of Kerala.

**Excise Duty Earned from Pan Masala**

2315. SHRI TUKA RAM GANGADHAR GADAKH: Will the Minister of FINANCE be pleased to state:

(a) the amount of Central Excise earned from Gutkha and Pan Masala companies during the last three years, year-wise;

(b) whether it is a decreasing; and

(c) if so, the steps taken by the Government to ensure all these companies pay their duty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Sir, separate revenue collection data from gutkha and pan masala is not maintained. However, amount of excise duty realized from miscellaneous edible preparations, including pan masala and Chewing tobacco and its preparations and Gutkha is as given in statement enclosed.

(b) Excise duty collected from miscellaneous edible preparations, including pan masala has shown increasing trend during the last three years. However, excise duty collected from chewing tobacco and its preparations and gutkha has marginally declined in year 2003-04.

(c) For all the excisable commodities, including pan masala and gutkha, field formations undertake scrutiny of assessments, preventive checks, and audit, to ensure that the duty is correctly paid by the assesses.

**Statement****Revenue Earned from Gutkha and Pan Masala during last three years.**

Sl. No.	Description	Amount of excise duty realized in Rupee crore		
		Year 2001-02	Year 2002-03	Year 2003-04
1	2	3	4	5
1.	Budget head 29, which covers sub-heading 2404.41 (Chewing tobacco and its preparations)	630.70	631.98	613.50

1	2	3	4	5
	and 2404.49 (Gutkha), of the Central Excise Tariff.			
2.	Budget head 23, which covers chapter 21 of the Central Excise Tariff (Miscellaneous edible preparations, including pan masala)	366.26	269.58	388.19

[Translation]

**Closure of Industries due to Non-Payment of Loans**

2316. DR. RAM LAKHAN SINGH: Will the Minister of FINANCE be pleased to state:

(a) the break-up of industries having liability of bank loans;

(b) the percentage of repayment of loan disbursed;

(c) the number of industries closed down due to non-payment of bank loans during the last three years, State-wise; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The break-up of industries having liability of bank loans as at the end of March, 2003 is given in statement-I and II.

(c) Closure of Units may happen due to a variety of factors. State-wise list showing the Industries closed during the last three years is given at statement-III.

(d) Elaborate guidelines have been issued covering all areas of industrial rehabilitation including rehabilitation of sick SSI Units, viz., detection of industrial sickness at incipient stage, carrying viability study, extension of reliefs and concessions, co-ordination among banks and FIs., norms and promoters contribution, extended period of repayment, conversion of debt into equity, interest rate concessions and waiver of penal interest, etc.

**Statement-I**

(Amount in Rs. Crore)

Sl. No.	Industry	Public Sector		Private Sector		Joint/Co-op*		Total	
		Units	O/S	Units	O/S	Units	O/S	Units	O/s
1	2	3	4	5	6	7	8	9	10
1.	Engineering	17	455.25	177	1395.49	4	51.70	198	1902.44
2.	Electricals	19	225.10	118	804.13	7	77.21	144	1106.44
3.	Textiles	73	287.25	582	4523.09	11	67.37	670	4883.52
						4*	5.81*		
4.	Jute	6	23.43	22	100.15	—	—	28	123.58
5.	Paper	6	31.03	142	646.30	3	5.09	152	683.17
						1*	0.76*		
6.	Rubber	1	31.31	30	158.10	—	—	31	189.40

1	2	3	4	5	6	7	8	9	10
7. Cement		5	204.52	74	730.46	2	23.32	81	958.30
8. Iron and Steel		11	170.83	285	4282.20	10	355.79	306	4808.82
9. Sugar		8	21.06	21	208.16	1	6.86	31	254.51
						1*	18.44*		
10. Chemicals		26	390.77	298	2639.60	14	31.02	338	3061.39
11. Metals and M. Prod.		8	69.69	128	1165.06	4	12.39	140	1247.14
12. Veg. Oils		4	10.46	96	448.35	2	9.51	102	468.33
13. Tobacco		—	—	2	29.53	—	—	2	29.53
14. Leather		2	1.50	40	187.34	2	3.66	44	192.50
15. Gems and Jewellery		—	—	24	66.07	—	—	24	66.07
16. Food Prod.		5	32.03	130	843.06	2	34.80	137	539.90
17. Vehicles		9	230.27	34	1114.88	2	0.96	45	1346.11
18. Misc.		52	666.43	847	6086.51	22	82.12	923	6878.74
						2*	43.68*		
Total		252	2850.92	3050	25428.47	86	761.81	3398	29109.89
		(7.4)	(9.8)	(89.9)	(87.4)	(2.5)	(2.6)	(100.0)	(100.0)
						8*	68.69*		
						(0.2)*	(0.2)*		

Figures in brackets indicate percentage to total.

O/S=Outstanding.

Note: Due to rounding off, the constituents may not necessarily add upto the horizontal and vertical totals.

### **Statement-II**

(Amount in Rs. Crore)

Sl. No.	Industry	No. of Units	Outstanding Bank Credit	% Share in Total outstanding
1	2	3	4	5
1.	Engineering	10808	530.78	9.3
2.	Electricals	3824	172.38	3.0
3.	Textiles	8117	602.51	10.5
4.	Jute	381	25.48	0.4



1	2	3	4	5
5.	Paper and Products	1564	114.27	2.0
6.	Rubber and R. Products	1848	98.38	1.7
7.	Cement	315	20.11	0.4
8.	Iron and Steel	3998	320.21	5.6
9.	Sugar	535	14.52	0.3
10.	Chemicals	3611	381.36	6.7
11.	Metals and Metal Prod.	1798	186.06	3.3
12.	Veg. Oils and Vanaspati	897	76.01	1.3
13.	Tobacco and Tobacco Prod.	119	4.30	0.1
14.	Leather and L. Products	2170	165.45	2.9
15.	Gems and Jewellery	227	46.16	0.8
16.	Food Processing and Mfg.	2473	260.28	4.6
17.	Vehicle and Tran. Equip.	283	29.54	0.5
18.	Miscellaneous	125012	2658.57	46.6
Total		167980	5706.35	100.0

Note: Due to rounding off, the constituents may not necessarily add up to the horizontal and vertical totals.

### **Statement-III**

(Rs. in Crore)

Sl. No.	States/Union Territories	2001		2002		2003	
		Units	O/S Amount	Units	O/S Amount	Units	O/S Amount
1	2	3	4	5	6	7	8
1.	Arunachal Pradesh	2	6.43	1	0.99	2	9.26
2.	Assam	28	46.18	14	30.43	14	178.36
3.	Meghalaya	4	5.22	3	4.68	3	5.28
4.	Mizoram	3	8.38	3	8.57	3	8.23
5.	Jharkhand	0	0.00	12	69.78	14	69.81
6.	Bihar	49	350.65	26	188.88	32	295.17
7.	West Bengal	137	469.58	120	477.92	121	487.56

1	2	3	4	5	6	7	8
8. Nagaland		3	5.29	7	7.39	8	36.38
9. Manipur		3	3.51	2	3.46	2	4.18
10. Orissa		28	67.55	28	69.36	25	62.85
11. Sikkim		1	8.35	1	6.35	1	6.35
12. Tripura		3	5.44	1	2.08	0	0.00
13. Uttar Pradesh		135	488.94	113	420.81	129	443.48
14. Uttaranchal		0	0.00	13	35.96	12	71.53
15. Chhattisgarh		0	0.00	12	47.28	14	85.02
16. Delhi		56	418.36	60	365.76	58	384.93
17. Punjab		45	224.58	50	229.57	53	371.57
18. Haryana		66	348.65	63	329.62	53	273.78
19. Chandigarh		13	51.10	15	42.09	13	47.37
20. Jammu and Kashmir		5	7.97	2	2.80	6	8.37
21. Himachal Pradesh		19	14.45	18	19.54	17	17.68
22. Rajasthan		55	176.99	41	126.43	48	251.67
23. Gujarat		194	805.34	199	651.56	229	1007.07
24. Maharashtra		267	1197.94	294	1247.33	292	2045.85
25. Daman and Diu		4	19.87	5	28.04	6	93.95
26. Goa		4	5.50	4	3.01	6	21.27
27. Dadra and Nagar Haveli		7	8.59	5	5.66	8.	171.32
28. Madhya Pradesh		86	576.21	56	219.93	60	302.93
29. Andhra Pradesh		183	609.01	179	419.34	173	610.81
30. Karnataka		111	454.54	111	465.11	119	546.47
31. Tamil Nadu		134	434.36	143	558.33	158	748.52
32. Kerala		20	40.91	17	29.40	24	100.89
33. Pondicherry		6	35.88	5	8.80	8	14.13
Total		1671	6895.77	1623	6126.26	1711	8782.04

*[English]***Policy on Ownership of Private Bank**

2317. SHRI KAILASH MEGHWAL:

SHRI RAGHUNATH JHA:

SHRI VIJOY KRISHNA:

Will the Minister of FINANCE be pleased to state:

(a) whether private banks are increasing their presence across the country;

(b) if so, the details thereof and the number of private banks operating in the country as on date, State-wise;

(c) the impact on public sector banks as a result of increasing private banks in the country;

(d) whether Reserve Bank of India has recently issued a new policy of ownership in private banks;

(e) if so, the salient features of the policy framework; and

(f) the reasons for issuing the new policy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The branches of private sector banks, which are 31 in number, increased marginally from 5624 as on June 30, 2003 to 5693 as on March 31, 2004. State-wise details on banks in private sector is as under:—

State	Number of Banks
1	2
Maharashtra	10
Kerala	5
Tamilnadu	5
Uttar Pradesh	1
Karnataka	2
Gujarat	2
Andhra Pradesh	1
Madhya Pradesh	1

1	2
Goa	1
Rajasthan	1
Punjab	1
Jammu and Kashmir	1
Total	31

(c) Entry of new private sector banks has led to greater competition in the banking system. This has galvanized the banks in public sector to be more responsive to needs of the customers and to upgrade their technological services.

(d) and (e) Yes, Sir. Reserve Bank of India has released on 2nd July, 2004 a draft comprehensive policy framework on the ownership and governance of private sector banks for discussion and feedback. The salient features inter alia include the following :

- (i) All banks in private sector should have a network of Rs. 300 crore.
- (ii) No single entity or group of related entities shall have shareholding or control, directly or indirectly, in any bank in excess of 10 percent of the paid up capital of the private sector bank.
- (iii) For new banks promoter shareholding may be allowed to be higher to start with, but will be required to be brought down to the limit of 10 percent within a period of three years.
- (iv) Any private sector bank will be allowed to hold shares in any other private bank only upto 5 percent of the paid up capital of the investee bank.
- (v) FDI by single entity or group of related entities not to exceed 10 percent.
- (vi) Not more than one member of a family or a close relative or an associate should be on the Board of a bank.

(f) The objective of the draft policy is to ensure that the ownership and control of banks is well diversified, banks are owned and managed by 'fit and proper' persons/entities, banks are well capitalized and that the processes are transparent and fair.

### **'Triple Talaq' System**

2318. SHRI DALPAT SINGH PARSTE: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Government is considering to modify the 'triple talaq' law;

(b) if so, the details thereof;

(c) whether it is necessary to take the Muslim Personal Law Board into confidence before modifying this 'triple talaq' law;

(d) if so, the details thereof; and

(e) the time by which the proposed law as modified is likely to be implemented in the country?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) It is the consistent policy of the Central Government not to interfere in the Personal Laws of the minority communities unless the necessary initiative thereof comes from a sizeable cross-section of the community concerned itself. At present, no proposal for modification of the law relating to "triple talaq" is under consideration.

(b) Does not arise.

(c) It is not correct to say that there is any necessity to take any specific body like the Muslim Personal Law Board into confidence before modifying any Personal Law. However, wide-range consultations are made before any important law is amended.

(d) Does not arise.

(e) Does not arise.

### **Non-Issue of Notices to Defaulters by Banks**

2319. SHRI RAGHUNATH JHA: Will the Minister of FINANCE be pleased to state:

(a) whether that despite being armed with security laws, bank officials are not issuing notices to defaulters for not paying the loans; and

(b) if so, the action taken by the Government against such bank officials during the last three years?

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

(b) Does not arise.

### **Status of Loans against States**

2320. SHRI P. KARUNAKARAN : Will the Minister of FINANCE be pleased to state:

(a) the present status of Central loans granted to States, State-wise and category-wise;

(b) whether the interest on the loans accounts for more than ten percent of the total State Government expenditure;

(c) if so, the details thereof, State-wise and category-wise, till date;

(d) whether a concept paper from the Planning Commission suggests the waiver of all Central loans granted to the States; and

(e) if so, the reaction of the Government and the time by which it is likely to be implemented?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Details are at column 3 to 5 of annexed Statement.

(b) and (c) Yes, Sir, for all States except three States of Manipur, Meghalaya and Sikkim. State-wise details are at column 6 to 8 of annexed Statement.

(d) No, Sir.

(e) Does not arise.

**Statement**

(Rs. in Crores)

Sl. No.	States	Ministry of Finance Loans Outstanding as on 31.3.2004			2003-04 (BE)		
		Plan	Non-Plan	Total	Total Interest	Total Exp. (Rev.+Cap)	Total Int. Payment as % to Total Exp.
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	17616	929	18545	6924	40480	17.10
2.	Arunachal Pradesh	406	3	409	151	1473	10.22
3.	Assam	1558	1443	3001	1737	13397	12.97
4.	Bihar	8806	1375	10181	3417	18735	18.24
5.	Chhattisgarh	2559	189	2748	998	9541	10.45
6.	Goa	558	28	586	301	2989	10.07
7.	Gujarat	11352	2685	14037	5542	29771	18.62
8.	Haryana	2758	870	3628	2221	12896	17.22
9.	Himachal Pradesh	868	909	1777	1876	7318	25.63
10.	Jammu and Kashmir	2181	517	2698	1150	8624	13.33
11.	Jharkhand	2756	297	3052	990	9479	10.45
12.	Karnataka	9427	1128	10555	3631	27021	13.44
13.	Kerala	5003	515	5517	2738	17316	15.81
14.	Madhya Pradesh	8456	521	8978	3000	21223	14.14
15.	Maharashtra	9729	6437	16167	8306	49462	16.79
16.	Manipur	381	408	789	214	2292	9.35
17.	Meghalaya	337	20	357	183	2068	8.84
18.	Mizoram	290	1	291	158	1310	12.09
19.	Nagaland	325	34	359	271	2284	11.85
20.	Orissa	7627	1338	8965	3250	15363	21.15
21.	Punjab	3995	1402	5397	3473	21126	16.44
22.	Rajasthan	7278	2327	9605	4793	24498	19.57

1	2	3	4	5	6	7	8
23.	Sikkim	200	9	208	94	2180	4.31
24.	Tamil Nadu	8811	369	9181	4546	31762	14.31
25.	Tripura	534	22	556	337	2992	11.26
26.	Uttaranchal	268	40	308	796	7591	10.48
27.	Uttar Pradesh	21516	5892	27407	11004	59723	18.43
28.	West Bengal	10604	8452	19056	9426	35645	26.44
Total		146199	38160	184359	81527	478560	17.04

Source: Figures in Columns (6) and (7) from RBI Report on State Finances 2003-04.

[Translation]

**Permanent Fund for Handicraft Sector**

2321. SHRI JASWANT SINGH BISHNOI:  
SHRI Y.G. MAHAJAN:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has formulated any scheme to encourage the handicraft profession;

(b) whether the Government propose to provide a special package for the handicraft profession in Rajasthan State;

(c) if so, by when;

(d) if not, the reasons therefor;

(e) whether the Government propose to constitute a permanent fund for handicraft sector;

(f) if so, the details thereof; and

(g) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) The existing schemes of the Government for promotion and development of handicrafts in the country, also being implemented in the State of Rajasthan, cater to the needs of handicrafts sector in the State.

(e) No, Sir.

(f) Does not arise.

(g) The requirement of funds in the handicrafts sector is being met through budgetary allocation made under various plan schemes being implemented for promotion and development of handicrafts in the country.

**Interest Rate on Small Savings**

2322. SHRI MAHESH KANODIA:  
SHRI GURUDAS DASGUPTA:  
SHRI TUKARAM GANGADHAR GADAKH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that reduction of interest rate on long term deposits in banks and post offices etc. seriously hurting the senior citizens;

(b) if so, the details thereof;

(c) whether the Government proposes to reduce further interest rate on small savings;

(d) if so, the reasons therefor; and

(e) the steps taken by the Government to hike interest rate on small savings in banks and post offices to give a boost to grow investment habit of common people and senior citizens?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) The Finance Minister has

already announced the introduction of a new Senior Citizens Savings Scheme, offering an interest rate of nine per cent per annum, in the Budget Speech on 8th July, 2004. He has also announced that he does not propose to make any change in the existing rates of interest on small savings instruments.

Suitable steps to inculcate the habit of thrift and saving amongst the common people including senior citizens and to increase mobilization of resources through small savings schemes are taken by the Central and State Governments from time to time.

### **Closing of HCL Mines**

2323. SHRI SURAJ SINGH: Will the Minister of COAL AND MINES be pleased to state:

(a) whether processing unit of Hindustan Copper Limited Located in Jharkhand and the Badia, Pathergowda, Kendadoh and Surda (North and South) mines are lying closed;

(b) whether the Government propose to make these closed mines functional again; and

(c) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) The processing unit of Hindustan Copper Limited (HCL) located in the State of Jharkhand viz. smelter and refinery plant of Indian Copper Complex (ICC) is in operation. The mines situated at ICC complex viz. Surda, Pathargora, Kendadih, Rakha and Mosaboni including Badia have been closed due to economic non-viability and accumulated losses.

(b) and (c) With a view to restarting mining operations through Worker's Co-operative at Surda necessary action has been initiated for renewal of mining lease by taking up the matter with the State Government of Jharkhand.

### **Income Tax Exemption to Social Institutions**

2324. SHRI PUNNU LAL MOHALE: Will the Minister of FINANCE be pleased to state:

(a) whether the Government grants tax exemption to social institutions engaged in socio-economic development under 35CC/35/1, 2CC;

(b) if so, the names of the institutions granted tax exemption under 35CC/35/1, 2CC during the last three years;

(c) whether desired objectives were achieved by these institutions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Under Section 35AC of the Income Tax Act, 100% deduction is available to a taxpayer carrying on business, of any sum paid to a public sector company, or a local authority or to an association or institution approved by the National Committee for carrying out any eligible project or scheme. National Committee means the Committee constituted by the Central Government in accordance with the rules made under Income Tax Act. Eligible project or scheme means such project or scheme for promoting the social and economic welfare of or the uplift of the public, as the Central Government may by notification in the Official Gazette specify in this behalf on the recommendations of the National Committee. Section 35CC has been omitted by Direct Tax Laws (Amendment) Act, 1989 w.e.f. 1.4.1989. Section 35(l) (ii) provides weighted deduction of any amount paid to a scientific research association which has as its object the undertaking of scientific research to a University, college or other institution or to be used for scientific research. Such association, university, college or institution has to be approved by Central Government by notification in the Official Gazette. 35(l) (iii) provides with deduction for any sum paid to a university, college or other institution to be used for research in social science or statistical research. Such university, college or institution has to be approved by Central Government by Notification in the Official Gazette. Section 35(2) refers to deduction in respect of expenditure of a capital nature on scientific research related to the business carried on by a taxpayer.

(b) Names of the institutions which are approved by Central Government from time to time are duly notified in the Official Gazette.

(c) and (d) The desired objectives are being achieved. Every institution etc. which has been approved under Section 35AC is required to submit an Annual status Report indicating the progress of the project, resources mobilized and the utilization thereof. Sub-sections (4) and (5) of Section 35AC provide that if the National committee is satisfied that the project or scheme is not being carried in accordance with all or any of the conditions subject to which the institution or the project was approved, then the approval granted to the institution or the project may be withdrawn and the institution may be asked to pay tax on the entire amount of donations collected by it.

[English]

#### **Modernisation of Powerloom**

2325. SHRI TATHAGATA SATPATHY:

SHRI PARSURAM MAJHI:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has a proposal to modernise powerloom, handloom and textile units in the county;

(b) if so, the specific programmes drawn up for the purpose;

(c) the fund proposed to be spent thereon during Tenth Plan and during last three years;

(d) whether some foreign assistance has been provided for modernisation of the aforesaid units; and

(e) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) The Government has launched Technology Upgradation Fund Scheme (TUFS) for providing impetus to the modernisation and technology upgradation of the textile industry. With effect from 6th November, 2003 TUFS has been enlarged to cover modernisation of Powerloom units as a credit linked capital subsidy @ 20 per cent, for the bench marked technology-weaving machinery costing upto Rs. 60 lakhs. In regard to Handloom sector, the Deen Dayal Hathkargha Protsahan has been launched for providing assistance to weavers for modernisation of their looms.

(c) The funds proposed to be spent thereon during Tenth Plan and during last three years are as under:

(Rs. in Crores)

	Technology Upgradation Fund Scheme	Deen Dayal Hathkargha Protsahan Yojana
10th Plan Outlay	1270.00	257.00
2001-2002	199.00	57.25
2002-2003	203.00	77.30
2003-2004	249.00	64.22

(d) No, Sir.

(e) Does not arise.

#### **Loans to Customers in Rural Areas**

2326. SHRI SUKDEO PASWAN: Will the Minister of FINANCE be pleased to state:

(a) whether nationalised banks are not providing loans to their customers in rural areas;

(b) if so, the reasons therefor;

(c) whether there is big difference between deposit and advances in maximum nationalized banks in rural areas in Bihar; and

(d) the steps taken by the Government to rectify the disparity for grant of loans/advances to the customers/farmers in rural areas in Bihar through nationalized banks?



THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Reserve Bank of India (RBI) have reported that the nationalised banks are providing loans to their customers in rural areas.

(c) RBI have reported that there are twelve nationalised banks having rural branches in the state of Bihar. The position of Credit Deposit (CD) Ratio in this regard as on 31st March, 2004 varies between 19.88 per cent to 41.93 per cent.

(d) RBI has taken up the issue of low CD Ratio in Bihar with banks, State Government agencies and financial institutions in the State as also in DLCC/DLRC/SLBC meetings. As a result, the CD Ratio of all banks in the rural areas in the state has improved from 24.42 per cent as on 31st March, 2003 to 28.75 per cent as on 31st March, 2004.

#### **Disbursement of Funds by Exim Bank and IDBI**

2327. SHRI SURAVARAM SUDHAKAR REDDY: Will the Minister of FINANCE be pleased to state:

(a) the total loan amount disbursed by Exim Bank and IDBI during each of the last three years, State-wise.

(b) the financial performance of these two organisations during the last three years;

(c) the non-performing assets of the two till date; and

(d) the steps taken by the Government to bring down NPA level?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The information is placed at statement-I and II.

(d) The efforts of the Government/RBI to reduce NPAs of financial institutions are as under :—

- The RBI vide guidelines dated July, 2000 and revised subsequently on 4th February, 2003 advised FIs to recover NPAs through One-Time Settlement Schemes.
- The Government set up seven more DRTs during 2000-01 to encourage the participation of FIs in the settlement of NPAs.
- The Debt Recovery Act was amended to empower DRTs to immediately issue recovery Certificate on the basis of decree or order of civil court.
- A transparent mechanism has been put in place for restructuring of corporate debts of viable entities facing problems due to internal and external factors.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 regulates securitisation and reconstruction of financial assets and enforcement of security interest.

#### **Statement-I**

*State-wise Assistance Disbursed by Exim Bank and IDBI during the last three years 2001-2002, 2002-2003 and 2003-2004*

(Rs. Crore)

Sl. No.	State	2001-02		2002-03		2003-04	
		Exim Bank	IDBI	Exim Bank	IDBI	Exim Bank	IDBI
1	2	3	4	5	6	7	8
1.	Andhra Pradesh	97.00	1475.6	338.0	280.3	582.00	647.5
2.	Arunachal Pradesh	0	0	0	0	0	0
3.	Assam	0	32.7	0	0.1	0	39.0

1	2	3	4	5	6	7	8
4.	Bihar	0	28.2	0	12.6	0	2.9
5.	Chhattisgarh	0	25.5	0	20.1	48.0	0.4
6.	Delhi	666.0	2688.0	860.0	954.7	1081.00	708.3
7.	Goa	4.00	64.5	0	4.4	0	9.1
8.	Gujarat	343.00	817.3	328.00	553.4	450.00	456.8
9.	Haryana	0	612.3	0	103.4	50.00	50.5
10.	Himachal Pradesh	0	73.8	0	20.2	0	26.5
11.	Jammu and Kashmir	0	58.6	1.00	0.0	0.0	0.0
12.	Jharkhand	0	34.0	0.00	6.5	0.0	0.5
13.	Karnataka	49.0	1549.2	102.0	330.4	246.0	689.3
14.	Kerala	32.0	172.6	18.0	42.3	49.0	25.2
15.	Madhya Pradesh	63.0	357.3	31.0	81.9	37.0	78.1
16.	Maharashtra	1577.0	4216.1	2,444.0	2593.2	2759.0	1040.1
17.	Manipur	0	0	1.0	0	2.0	0.0
18.	Meghalaya	0	0	0	2.0	0	0.0
19.	Mizoram	0	0.6	0	0.0	0	0.0
20.	Nagaland	0	0.0	0	0.0	0	0.0
21.	Orissa	0	204.6	0	71.9	0	108.1
22.	Punjab	0	800.8	106.0	62.9	0	58.6
23.	Rajasthan	17.0	635.9	10.0	190.7	57.0	124.0
24.	Sikkim	0	0	0	0	0	0
25.	Tamil Nadu	240.0	1203.6	318.0	433.8	749.0	259.9
26.	Tripura	0	0.0	0.0	0.0	0.0	0.0
27.	Uttar Pradesh	47.0	613.9	124.0	317.1	109.0	99.9
28.	Uttaranchal	0	49.1	0	0.9	0	70.3
29.	West Bengal	299.0	859.8	499.0	144.4	397.0	156.5
30.	Union Territories:						
	(i) Andaman and Nicobar Islands	0	0.0	0	0.0	0	0.0

1	2	3	4	5	6	7	8
	(ii) Chandigarh	4.0	58.8	0	1.9	0	0.5
	(iii) Dadra and Nagar Haveli	0.0	30.9	0.0	24.2	0	4.5
	(iv) Daman and Diu	0.0	30.2	0.0	0.0	0.0	0.0
	(v) Lakshadweep	0.0	0.0	0.0	0.0	0.0	0.0
	(vi) Pondicherry	0.0	8.4	0.0	0.0	0.0	0.0
	Total	3,438.00	16,702.3	5180.00	5253.27	6,616.00	4655.98

**Statement-II***Financial Performance of IDBI and Exim Bank during the last three years*

(Rs. Crore)

Heading	2001-02		2002-03		2003-04	
	IDBI	Exim Bank	IDBI	Exim Bank	IDBI	Exim Bank
Total Assets	66643.00	7711.51	62922.82	11707.00	66705.75	14901.13
Profit After Tax	424.00	171.16	401.41	206.60	325.18	229.23
Net Interest Margin (%)	1.37	2.93	1.75	2.70	1.38	2.01
Profit After Tax to Average Assets (%)	0.62	2.37	0.62	2.13	0.5	1.72
Capital Adequacy Ratio	17.86	33.32	18.72	26.92	18.28	23.48

*Non-Performing Assets of IDBI and Exim Bank as on March 31 of the Financial Year*

(Rs. Crore)

Year	IDBI		Exim Bank	
	Gross NPA	Net NPA	Gross NPA	Net NPA
2002	7932.00	3873.00	986.00	448.00
2003	8751.00	7157.00	784.00	184.00
2004	10292.00	8693.00	729.00	129.00

### **International Leather Complex**

2328. SHRI S.P.Y. REDDY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government of India is aware of a proposal to set up an International Leather Complex in A.P. having been approved in Principle;

(b) if so, the details thereof;

(c) whether preparatory steps have been completed in this regard, like allotment of land and development of infrastructure;

(d) if so, the details thereof; and

(e) by when the said complex is likely to be functional?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) and (b) Yes, Sir. Government of India have conveyed to Government of Andhra Pradesh "in principle" approval to support the establishment of a Leather Complex in Nellore District of Andhra Pradesh, and have advised the State Government to prepare a Detailed Project Report.

(c) to (e) Preparatory steps such as allotment of land and preparation of Detailed Project Report, which is also expected to cover targeted completion date, are at various stages with the State Government.

### **Indo-Brazil Trade**

2329. SHRI VIRENDRA K'JMAR : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether there is a vast scope to promote trade between India and Brazil;

(b) if so, the steps taken to tap the huge trade potential between both of these countries; and

(c) the details of the proposal mooted to expand Indo-Brazil in 2004-05 and in coming years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir.

(b) and (c) The following steps have been taken to expand Indo-Brazil trade:

- (i) An integrated programme "Focus:LAC" was launched in 1997 by the Department of Commerce. This programme is aimed at sensitizing organisations like the Export Promotion Councils, Chambers of Commerce and Industry, Export-Import Bank of India, Export Credit Guarantee Corporation (ECGC), etc., to focus at the Latin American region with added emphasis on major trading partners of the region, including Brazil. This programme has been extended upto March 2005.
- (ii) Several Export Promotion Councils propose to participate in major exhibitions/fairs in Brazil during 2004-05. This Department also encourages Export Promotion Councils/Apex Chambers of Commerce and Industry to mount product-specific/multi-product delegations and hold Buyer-Seller Meets (BSM) in Brazil.
- (iii) An Indo-Brazil Commercial Council has been constituted with representatives of Government, Apex Business Chambers and the private sector of both the sides to develop closer commercial relations and to facilitate the development of trade and investment between the two countries.
- (iv) An office of the India Trade Promotion Organisation (ITPO) has been established at Sao Paulo (Brazil) for trade promotion activities between the two countries.
- (v) India and MERCOSUR have signed a Preferential Trade Agreement on 25th January, 2004. Brazil is one of the member countries of MERCOSUR. The Preferential Trade Agreement aims at increasing bilateral trade through the mutual grant of tariff preferences.

### Unused Salt Fields

2330. SHRI GURUDAS KAMAT : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether thousands of acres of salt lands where no salt is being manufactured lying vacant;

(b) if so, the details thereof;

(c) the time period since these lands are lying unutilized and the reasons therefor;

(d) whether there has been any agreement recently with regard to equal sharing of unutilized land between State and Central Governments; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) and (b) Yes, Sir. Salt lands admeasuring approximately 10,927 acres have been rendered not fit for salt cultivation due to various reasons. The details of such lands are as under:—

Sl. No.	State	Acres
1.	Maharashtra	4455*
2.	Tamil Nadu	4176**
3.	Andhra Pradesh	2125
4.	Orissa	155
5.	Gujarat	16
Total		10927

\*The said land forms part of 5379 acres of salt land in Mumbai ordered for transfer to Ministry of Urban Development to be utilized for overall development in the public interest.

\*\*The said land forms part of land ordered for transfer to Tamil Nadu Industrial Development Corporation (TIDCO), through the State Government of Tamil Nadu for establishing a Petro-chemical Industrial Park at Chennai. Some parts of land are identified for transfer to Ennore Port Trust.

(c) to (e) The non-utilisation of these lands was due to urbanization, non-availability of brine supply, litigations, etc. No general agreement has been made between Central and State Government. However, 'in principle' decision has been taken to share part of salt lands in Mumbai with State Government of Maharashtra for development of these lands for public purposes.

[Translation]

### Resettlement of Displaced Coal Mine Workers

2331. SHRI TEK LAL MAHTO: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the cases relating to the resettlement of the people displaced on account of coal mines in Jharkhand are pending with various coal companies;

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

(c) the steps being taken by the Government in this regard and the time by which the aforesaid problem is likely to be resolved?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO): (a) No, Sir. Resettlement of the people displaced on account of coal mining is a continuous process. Resettlement of people displaced on account of coal mines relates to only such cases where families have lost their home stead and where the company takes physical possession of the acquired land. As reported by Coal India Ltd. at the moment there is no such pendency of cases in Jharkhand.

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

[English]

### Restructuring of National Savings Organisation

2332. SHRI P.S. GADHAVI: Will the Minister of FINANCE be pleased to state:

(a) whether under overall restructuring of the National Savings Organisations, some regional offices have been replaced by regional centres;

(b) if so, the parameters for such restructuring;

(c) the reasons for excluding Ahmedabad Regional Centre in the new set up even though eleven percent share of the total small savings in the country comes from Gujarat;

(d) whether the Government is considering the request of Government of Gujarat for reopening of the Ahmedabad Regional Office; and

(e) if so, the time by which it is likely to be opened?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBRAM): (a) to (e) Pursuant to the recommendations of the Expenditure Reforms Commission, the Government has restructured the National Savings Organisation into a National Savings Institute (NSI) with headquarters at Nagpur and 10 regional centres at Chandigarh, Delhi, Lucknow, Guwahati, Kolkata, Chennai, Bangalore, Mumbai, Nagpur and Jaipur.

The locations of these offices have been decided on the basis of small savings collections, concentration of agents and an even distribution of these centres in the country. Gujarat is covered by the regional centre of NSI at Jaipur.

There is no proposal under consideration of the Government to open any other regional centre of National Savings Institute (NSI).

#### **Shortfall in Collection of Taxes**

2333. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that due to the shortfall in the collection of taxes by the Union Government there has been a reduced flow of funds to the States in the form of Central share of taxes;

(b) if so, the measures proposed to be taken for collection of taxes as per target fixed;

(c) whether the Government propose to provide guaranteed minimum devolution of share of taxes to

the States in case the collection of taxes falling short of the target; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) There has been no shortfall in devolution of central taxes to States. In Financial Year 2003-2004, the initial budgeted devolution of Rs. 63,758 crore was enhanced to Rs. 65,784 crore for the year.

(b) The steps being taken to enhance revenue collections include widening the tax base, phasing out of exemptions wherever possible, strengthening tax administration, plugging leakage of revenue, recovery of tax arrears through a multi-pronged drive and simplification of tax procedures to improve compliance.

(c) and (d) Devolution of net proceeds of Central taxes and duties to States is based on the recommendations of the Eleventh Finance Commission and sharing is done accordingly.

#### **Income of States**

2334. SHRI RUPCHAND MURMU : Will the Minister of FINANCE be pleased to state:

(a) the names of States whose income has come down in the year 2003 below the national average in the urban areas in comparison to last one decade;

(b) the reasons analysed for the down fall; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Directorates of Economics and Statistics of respective State Governments compile estimates of State Income and per capita income. These estimates are not compiled separately for rural and urban areas. The latest year for which estimates of per capita income are available is 2002-03. The per capita income at current prices of Andhra Pradesh, Assam, Bihar, Jharkhand, Jammu and Kashmir, Madhya Pradesh,

Chhattisgarh, Manipur, Meghalaya, Orissa, Rajasthan, Sikkim, Tripura, Uttar Pradesh, Uttaranchal and West Bengal was lower than all-India per capita Net National Product (NNP) both in 1993-94 and 2002-03. The per capita income of Karnataka which was higher in 1993-94 has come down below all-India per capita NNP in 2002-03. The growth of the State income is dependent on a number of factors, such as, resource endowment, infrastructure facilities, investment climate, locational advantages, availability of quality manpower, etc. In Karnataka, the deceleration in the growth of the primary and secondary sectors in recent years has resulted in the lower performance of the economy.

(c) The Government is conscious of the need for promoting the economy of backward States. The formulae for Central assistance for State plans and the transfers under the Finance Commission awards give due weightage to the needs of States having per capita income below the national average. Besides, special schemes are in operation to address the problem of backward States.

[Translation]

#### **Merger of Banaras Bank with BOB**

2335. SHRI BHANU PRATAP SINGH VERMA: Will the Minister of FINANCE be pleased to state:

(a) whether 14.15 per cent amount was deducted from the deposits of account holders of the Banaras Bank Limited having more than Rs. 1.00 lakh in their accounts at the time of its merger with the Bank of Baroda;

(b) if so, the time by which the amount so deducted would be returned to the affected account holders alongwith the interest accruing thereon; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. Banaras State Bank Ltd. (Amalgamation with Bank

of Baroda) Scheme 2002 was notified on 19th June, 2002, amalgamating Banaras State Bank Ltd. with Bank of Baroda. In the case of depositors of the erstwhile Banaras State Bank having deposits in excess of Rs. 1.00 lac, first pro rata payment @ 85.85% has been made to the depositors by Bank of Baroda in terms of the scheme.

(b) Unpaid amount will be paid from realization of "Non-Readily Realizable" (NRR) advances. As per scheme the final valuation of the NRR advances would be done on expiry of 12 years from the prescribed date.

(c) Does not arise.

#### **Merger of Ancillary Units of Coal India Limited**

2336. SHRI CHANDRA SHEKHAR DUBEY: Will the Minister of COAL AND MINES be pleased to state:

(a) whether some ancillary units of Coal India Limited are carrying profits and paying thousands of crores of rupees as tax annually;

(b) if so, the details of such companies/units;

(c) whether the Government are aware that B.C.C.L., E.C.L. and C.C.L. units are incurring losses following which workers/employees are not getting LTC, Provident Fund, Pension, Gratuity and even their monthly salary in time;

(d) if so, whether the Government are in favour of merger of all ancillary units of Coal India Limited to form into one integrated unit like the SAIL in order to remove the aforesaid anomaly; and

(e) if so, by when and if not, the steps being taken to remove the anomalies?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) and (b) Profit and Loss of Coal India and its subsidiary companies and tax paid by them during 2001-02, 2002-03 and 2003-04 (Prov) is as under:

(Rs. in crores)

Company	2003-04 (prov) Profit(+)/Loss (-) before tax and dividend	Tax including dividend tax in 03-04 (Prov)	2002-03 Profit(+)/Loss (-) before tax and dividend	Tax including dividend tax in 02-03	2001-02 Profit(+)/Loss (-) before tax and dividend	Tax including dividend tax in 01-02
ECL	(-)322.00	—	(-)338.78	—	(-)277.64	—
BCCL	(-)556.00	—	(-)507.23	—	(-)755.00	—
CCL	(+)400.00	75.00	(+)384.65	—	(-)108.32	3.22
NCL	(+)1656.00	695.14	(+)1293.01	585.72	(+)1387.34	487.30
WCL	(+)742.00	245.68	(+)472.52	207.09	(+)310.20	208.48
SECL	(+)1315.00	440.74	(+)882.13	355.39	(+)768.87	242.36
MCL	(+)1460.00	551.91	(+)882.31	345.06	(+)719.60	246.32
CMPDIL	(+)2.74	0.98	(+)1.99	(-)2.65	(+)2.80	2.86
CIL/NEC	(+)1356.00	23.00	(+)280.08	46.08	(+)561.80	45.00

(c) ECL and CCL are making the payment of LTC, Provident Fund, Pension, Gratuity and monthly salary in time. There is no default in payment of monthly salary, gratuity, PF and Pension in BCCL also. However, due to cash crunch, accumulated liability on account of PF and Pension amounting to Rs. 454.17 crores has not been cleared. However, the same is not being allowed to increase further. Though employees are availing LTC/LLTC considering cash crunch their payments are released only on separation due to retirement/resignation, death and on transfer out from BCCL.

(d) and (e) The subsidiary companies of CIL are independent corporate entities under the Companies Act, 1956. Though the tax outgo could be reduced by merging the subsidiaries of Coal India Limited into one company, Government have considered the issue and have not favoured merging of the seven subsidiaries of Coal India Limited into one company in the over all interest of efficiency and productivity in the coal sector.

*[English]*

#### **Agri Export Zone in Kerala**

2337. SHRI P.C. THOMAS: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any Agri Export zone has been sanctioned to Kerala;

(b) if so, the details thereof;

(c) whether there is a proposal for including Medicinal and Aromatic plants of Kerala in such a zone; and

(d) if so, the details thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) and (b) Yes, Sir. An Agri Export Zone (AEZ) for Horticulture Products has been notified on 28th February, 2003. The AEZ covers Thrissur, Ernakulam, Kottayam, Alappuzha, Pathanamthitta, Kollam, Thiruvananthapuram, Idukki and Palakkad districts of Kerala. As per the Memorandum of



Understanding (MoU) signed with the State Government, an investment of Rs. 29.87 crores from the State Government, the Central Government and the private sector is expected to take place in the AEZ.

(c) and (d) Yes, Sir. A proposal for AEZ for Aromatic and Medicinal Plants covering nine districts has been received from the Government of Kerala. As per the proposal, an investment of Rs. 26.24 crores from the State Government, the Central Government and the private sector is proposed in the AEZ.

[Translation]

### **Sky Marshals**

2338. SHRI PRABHUNATH SINGH: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Indian Airlines has requested the Union Government to provide for sky marshals in its flight to gulf and other countries;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) and (c) Do not arise.

### **Education Loan**

2339. SHRI SHISHUPAL N. PATLE: Will the Minister of FINANCE be pleased to state:

(a) the criteria laid down for sanctioning education loan;

(b) the number of students provided education loan through the public sector banks till June, 2004, State-wise; and

(c) the total amount provided so far on account of education loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The criteria for sanctioning of loan under the educational loan scheme are as under :—

(i) The loan can be availed by students for all types of courses including professional courses in Schools and Colleges in India and abroad.

(ii) Indian Nationals are eligible under the scheme.

(iii) No margin is required for loans upto Rs. 4 lakhs. However, for loans of higher amounts, the margin requirement is 5% for inland studies and 15% for studies abroad.

(b) According to the information furnished by Reserve Bank of India (RBI), the bank-wise number of accounts and amount disbursed by Public Sector Banks under comprehensive educational loan scheme as at the end of March, 2004 (latest available) are indicated in the enclosed statement. The data generating system of RBI do not provide the State-wise data under the educational loan scheme.

(c) As on 31st March, 2004, the total number of accounts under the scheme were 1,53,275 with the total amount disbursed at Rs. 2606.99 crores.

### **Statement**

*Bank-wise Number of Accounts and Amount Disbursed by Public Sector Banks under Comprehensive Educational Loan Scheme as on 31st March, 2004*

(Rs. in lakhs)		
Name of the Bank	No. of Accounts	Amount
1	2	3
Allahabad Bank	3315	3989
Andhra Bank	29339	39091

1	2	3
Bank of Maharashtra	827	1288
Bank of India	7392	8616
Bank of Baroda	4268	5938
Canara Bank	3418	18600
Central Bank of India	3531	8494
Corporation Bank	4036	5880
Dena Bank	1030	1533
Indian Bank	2881	3872
Indian Overseas Bank	5849	14012
Oriental Bank of Commerce	10503	15421
Punjab and Sind Bank	905	2732
Punjab National Bank	7287	18698
Syndicate Bank	7656	9055
State Bank of India	20422	43128
State Bank of Mysore	3246	4996
State Bank of Indore	1019	1034
State Bank of Travancore	14296	19960
State Bank of Hyderabad	8986	15533
State Bank of Patiala	936	1903
State Bank of Saurashtra	444	1038
State Bank of Bikaner and Jaipur	1068	1937
UCO Bank	2282	2963
United Bank of India	1096	1404
Union Bank of India	5016	6431
Vijaya Bank	2227	3173
<b>Total</b>	<b>153275</b>	<b>260699</b>

*[English]***Sale of NABARD Shares by RBI**

2340. SHRI DINSHA PATEL: Will the Minister of FINANCE be pleased to state:

(a) whether Reserve Bank of India (RBI) has decided to sell its share in NABARD;

(b) if so, the reasons therefor;

(c) whether Government has accorded approval to RBI's proposal;

(d) if so, the details thereof;

(e) whether the decision of RBI would adversely affect the activities of NABARD; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) RBI has suggested that based on Narasimham Committee Report, it would be appropriate that RBI should not own the institutions it regulates. This would enable RBI to concentrate more on its Regulatory and Supervisory functions.

(e) No, Sir.

(f) Does not arise.

#### **Sale of Centaur Hotel**

2341. SHRI PRAKASH BAPU V. PATIL:  
SHRI SUNIL KHAN:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Centaur Hotel, Mumbai has been sold off;

(b) whether serious irregularities have been noticed in the deal;

(c) if so, the details thereof;

(d) whether the Government has conducted any investigation into the irregularities; and

(e) if so, actions taken by the Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) No, Sir.

(c) Does not arise.

(d) No, Sir.

(e) Does not arise.

#### **Assistance to North Eastern Coal Field**

2342. SHRI SARBANANDA SONOWAL: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the Government has granted special financial assistance to North Eastern Coal Field vis-a-vis Margherita Coal Field to improve the production and selling of Coal;

(b) if so, the details thereof;

(c) whether the Government has ever granted money during the last three years for the socio-economic/ area development in the Coal Field areas of Assam and other North East States; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) Yes, Sir.

(b) The Government had granted Rs. 55.14 crores during 2000-2001 to Coal India Limited for covering up the losses to the extent of cash loss suffered by North Eastern Coalfields during Financial year 1999-2000.

The Government granted Rs. 28.65 crores in the year 2001-02 to Coal India Limited for the following heads of expenditure in North Eastern Coalfields.

(Rs. in crore)

(i) R and D of NE Region	1.33
(ii) Regional exploration in NE Region	3.58
(iii) Detail drilling in NE Region	4.15
(iv) Rehabilitation, control of fire and subsidence	0.80
(v) Environment measures and subsidence control	1.35
(vi) VRS	17.44
<b>Total:</b>	<b>28.65</b>

From 2002-2003 onwards, 10% of the Gross Budgetary Support given by the Department of Coal is being transferred to the Non-Lapsable Central Pool of Resources for North Eastern Region created for development of the North Eastern states.

(c) No, Sir. However, Coal India had incurred amount of Rs. 37.92 Lakhs in year 2001-02, Rs. 41.79 Lakhs in year 2002-03 and Rs. 36.09 Lakhs in year 2003-04 for community development, grant to schools and institutions and for environmental expenditure (tree plantations) in operational areas of North Eastern Coalfields.

(d) In view of reply to part (c) above, the question does not arise.

[Translation]

### **Income Tax Payee in the Country**

2343. PROF. RASA SINGH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the number of income tax payee in the country at present, State-wise;

(b) whether the Government propose to amend the present criteria fixed for Identification of income-tax payees;

(c) if so, the details thereof;

(d) the measures being taken by the Government to bring the people of the uncovered areas under the ambit of income tax;

(e) the reasons for the short fall in the tax recovered from the income tax payees in comparison to the target fixed.

(f) whether the cases of less or excess recovery of tax by the income tax assessing officers have been reported; and

(g) if so, the number of such cases alongwith the action taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The number of income tax payees in the country at present is about 2.7 crores. However, the state-wise data is not available.

(b) Returns of Income are required to be furnished by persons other than companies in case their total income exceeds the maximum amount which is not chargeable to tax. However, in certain cases if a person fulfils any one of the six economic criteria specified, he is required to furnish the return of income. In the case of companies, the filing of returns is mandatory. The Finance (No. 2) Bill, 2004 has not proposed any change in any criteria for the identification of Income-Tax payees.

(c) In view of (b) above, does not arise.

(d) Certain proposals to widen the tax-net which have been incorporated in the Finance (No. 2) Bill, 2004 are as follows:—

— The scope of tax collection at source is proposed to be widened to bring within its

ambit parking lot auctions, toll plaza auctions and mining or quarrying leases;

— The scope of tax deduction at source is proposed to be widened to bring within its ambit compensation paid on acquisition of certain immovable property; and

— Furnishing of annual information return by assesseees and certain prescribed persons in the case of an office of Government or certain other authorities has been proposed to facilitate the automatic flow of information regarding certain specified transactions.

(e) There has been no shortfall in the amount of direct tax collections in comparison to the target fixed in this regard in F.Y. 2003-04. In fact the direct tax collections for F.Y. 2003-04 have been provisionally reported as Rs. 1,05,236 crore as against the Budget Estimates of Rs. 95,714 crore and Revised Estimates of Rs. 1,03,400 crore.

(f) The Central Government monitors the collections in respect of only the Cadre-Controlling Chief Commissioners. The shortfall or excess of collections in respect of assessing officers is not centrally maintained.

(g) Does not arise in view of reply to para (f) above.

[English]

### **Promotion of Self Help Group in Orissa**

2344. SHRI PARSURAM MAJHI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware of lukewarm attention of the nationalised banks working in the KBK districts in Orissa towards promoting the Self Help Group (SHG);

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

(c) the guidelines issued to these banks to promote SHG in those districts in Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) National Bank for Agriculture and Rural Development (NABARD) has reported that under its micro-finance

initiative, the Kalahandi-Bolangir-Koraput (KBK) region in Orissa has been receiving priority for the promotion of Self-Help Group (SHG)—Bank Linkage Programme. During the year 2003-04, 12,046 SHGs were credit linked with banks as against 9,065 SHGs during the

previous year 2002-03. Cumulative, 30,980 SHGs are now credit linked as on 31st March, 2004. The District-wise cumulative details of the SHGs credit linked and bank loan disbursed as on 31st March, 2004 in the KBK region in Orissa are given below :—

Sl. No.	Name of District	Cumulative No. of SHGs provided with bank loan	Cumulative bank loan disbursed (Rs. in crores)
1.	Bolangir	4,589	7.33
2.	Kalahandi	7,157	9.76
3.	Koraput	4,912	9.29
4.	Malkangiri	2,125	2.81
5.	Nabarangpur	3,222	4.75
6.	Nuapada	3,486	4.68
7.	Rayagada	4,959	7.32
8.	Sonepur	550	0.87
Total		30,980	47.81

NABARD has also issued guidelines to commercial banks, Regional Rural Banks (RRBs) and cooperative banks in the country including the KBK districts in Orissa for mainstreaming this activity. These guidelines cover areas like internalizing the programme as a mainstream business activity, norms concerning financing of groups taking cognizance of savings and internal resources generated by SHGs, rating and appraisal tools used by bankers while financing SHGs, suggestions regarding documentation norms to be followed, requirement for monitoring of the programme, conduct of regular capacity building programmes for different stakeholders of the programme, enlist the bank's support to function as Self-Help promoting institution in the backward regions where the intensity of NGOs and social intermediaries are low.

#### **Incentives to Granite Industry**

2345. DR. M. JAGANNATH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the granite industry has sought some incentives to boost granite exports;

(b) if so, the details thereof;

(c) the reaction of the Government to the granite industry's demand; and

(d) the exports of granite during the last two years and the target for the current year?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) and (b) Sir, the major incentives which the granite industry has sought to boost granite exports are as follows :—

- (i) Deemed export benefits to granite quarrying, supplying dimensional granite blocks to 100% EOUs.
- (ii) Drawback norms for fuel, like diesel, kerosene, petrol, utilised by 100% EOUs and other exporters of granites.
- (iii) Granite Quarries be given 100% EOU status.
- (iv) Classification in EXIM Policy for artifacts and innovative crafts of granites marble, sand stones as separate category.

(c) The proposals referred to in reply to part (a) and (b) above, are under the consideration of the Government.

(d) The total export of 'Granite and natural stone products' from the country during the last two years is as follows:

Year	Value (US \$ Million)
2002-03	659.43
2003-04 (Estimated)	724.44

(Source: CAPEXIL)

The export target of 'granite and natural stone products' for the current year, i.e. 2004-05, is US \$ 850 Million.

#### **World Bank Loan**

2346. SHRI ANANTA NAYAK: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loan taken by the Government from the World Bank during each of the last three years;

(b) the debt outstanding in respect of IBRD, IDA and ADB as on March 31, 2004; and

(c) the steps taken by the Government to repay the external loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Total loan commitments from the World Bank during the last three financial years are :—

2001-02	US \$ 2830 million
2002-03	US \$ 2092 million
2003-04	US \$ 1328 million

(b) The debt outstanding in respect of IBRD, IDA and ADB as on 31.3.2004 is as follows :—

IBRD	Rs. 14064.06 crores
IDA	Rs. 100033 crores
ADB	Rs. 4493.86 crores

(c) Repayment of external loan based on the terms of the agreement is made by the Government by keeping necessary provisions in the budget each year.

#### **Engagement of Children in Zari Industries**

2347. SHRI KINJARAPU YERRANNAIDU: Will the Minister of TEXTILES be pleased to state:

(a) whether employment of children in hazardous activities is prohibited under Article 24 of the Indian Constitution;

(b) whether children under age of 14 are employed in Zari industry in the country;

(c) if so, the details thereof; and

(d) the action proposed to rehabilitate them and ensure that children are not employed in such industries?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) and (c) No incidence of employment of children under age of 14 in the Zari industry has been reported to the Government.

(d) Does not arise.

[Translation]

#### **Opening of Branches of Banks**

2348. SHRI PRADEEP GANDHI:

SHRI DUSHYANT SINGH:

Will the Minister of FINANCE be pleased to state:

(a) the number of branches of each nationalised bank opened in the country during the last three years, State-wise;

(b) the amount of loans advanced by these public sector banks to the farmers and to the industrial entrepreneurs during last three years, bank-wise;

(c) whether the proposal for opening a branch of State Bank of India in Chowki development block of Rajnandgaon district of Chhattisgarh is lying pending with the Government; and

(d) if so, the time by which the decision is likely to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Details of bank-wise and state-wise number of branches opened and the bank-wise details of outstanding amount of advances to the farmers and

to the industrial entrepreneurs during the last three years are at statement I, II and III respectively.

(c) and (d) No proposal of State Bank of India for opening a branch in Chowki development block of Rajnandgaon district of Chhattisgarh in presently pending with the Government.

**Statement-I**

**State-wise Number of Branches of Public Sector Banks opened in the Country during last three years**

Name of the State/U.T.	Number of branches opened during			Total
	2001-02	2002-03	2003-04	
1	2	3	4	5
Andhra Pradesh	40	29	25	94
Assam	1	3	2	6
Bihar	4	7	7	18
Chandigarh	3	3	5	11
Chhattisgarh	4	5	1	10
Delhi	22	24	25	71
Goa	3	1	2	6
Gujarat	14	9	13	36
Haryana	20	12	16	48
Himachal Pradesh	1	4	—	5
Jammu and Kashmir	—	1	3	4
Jharkhand	11	6	8	25
Karnataka	15	27	38	80
Kerala	9	122	24	155
Madhya Pradesh	17	7	16	40
Maharashtra	28	26	22	76
Meghalaya	—	1	—	1
Orissa	5	6	12	23
Pondicherry	1	2	—	3
Punjab	14	22	17	53
Rajasthan	15	8	19	42
Sikkim	—	—	1	1

1	2	3	4	5
Tamil Nadu	8	63	41	112
Tripura	—	—	1	1
Uttar Pradesh	22	110	49	181
Uttaranchal	3	11	7	21
West Bengal	7	10	17	34
Total	267	519	371	1157

**Statement-II**

*Bank-wise Number of Branches of Public Sector Banks opened in the Country during last three years*

Bank Name	Number of branches opened during			Total
	2001-02	2002-03	2003-04	
1	2	3	4	5
Allahabad Bank	12	9	17	38
Andhra Bank	39	21	16	76
Bank of Baroda	14	115	14	143
Bank of India	17	13	17	47
Bank of Maharashtra	3	9	26	38
Canara Bank	9	22	45	76
Central Bank of India	7	5	19	31
Corporation Bank	7	10	15	32
Dena Bank	4	1	—	5
Indian Bank	1	—	2	3
Indian Overseas Bank	24	14	37	75
Oriental Bank of Commerce	39	21	24	84
Punjab and Sind Bank	6	3	6	15
Punjab National Bank	14	194	15	223
State Bank of Bikaner and Jaipur	3	3	5	11
State Bank of Hyderabad	6	8	8	22
State Bank of India	16	8	4	28
State Bank of Indore	10	8	5	23



1	2	3	4	5
State Bank of Mysore	1	7	13	21
State Bank of Patiala	2	14	5	21
State Bank of Saurashtra	4	4	4	12
State Bank of Travancore	3	—	2	5
Syndicate Bank	18	6	28	52
UCO Bank	1	6	9	16
Union Bank of India	6	4	16	26
Vijaya Bank	1	14	19	34
Total	267	519	371	1157

**Statement-III***Bank-wise Outstanding Credit of Public Sector Banks*

Bank Name	2001 Total Agriculture	2001 Total Industry	2002 Total Agriculture	2002 Total Industry	March 2003 Total Agriculture	March 2003 Total Industry
1	2	3	4	5	6	7
State Bank of India	985112	5183772	1058448	4763222	1103575	5062117
State Bank of Bikaner and Jaipur	69723	235330	163234	205746	193140	209288
State Bank of Hyderabad	88850	296234	132046	368187	112114	405691
State Bank of Mysore	53606	208883	103314	181803	93164	227538
State Bank of Patiala	93742	373670	164588	399703	185540	465276
State Bank of Saurashtra	62388	164841	212049	117476	144124	184684
State Bank of Travancore	46237	222032	53481	174533	124419	234891
State Bank of Indore	56909	137471	75116	157703	85944	187766
Bank of Baroda	244698	1285373	262050	1364984	309232	1371980
Allahabad Bank	118821	306435	139269	291633	166657	332687
Bank of India	248387	1217608	287678	1267708	329234	1398801
Bank of Maharashtra	94196	285457	95646	347574	113031	359483
Canara Bank	369373	1436424	358768	1383994	486694	1650177

1	2	3	4	5	6	7
Dena Bank	70996	389297	84899	398808	112921	417477
Indian Bank	101908	347842	109470	300823	119910	279302
Indian Overseas Bank	108322	491212	119241	585056	158175	697735
Central Bank of India	225443	783792	352962	802671	393101	793215
Union Bank of India	164528	623229	209150	6060449	246115	926730
Punjab National Bank	273209	1306609	384319	1412213	520966	1819805
United Bank of India	26461	261669	34808	323994	32151	311715
UCO Bank	51313	356121	84502	505551	120824	672495
Syndicate Bank	137932	333022	161889	340160	233644	327294
Andhra Bank	99439	252155	155013	247674	171722	236949
Corporation Bank	38678	383373	57926	379769	53296	376479
Oriental Bank of Commerce	132282	452288	155477	447018	207929	562355
Punjab and Sind Bank	83916	181345	75907	204067	98263	200029
Vijaya Bank	59022	174898	65778	189005	83335	250213

#### Revival of Sick Industries

2349. SHRI AJIT JOGI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the foreign exchange earned in terms of Indian currency by major, medium and small scale industries working at present during the last three years;

(b) the State-wise details of the industries which have been closed down due to sickness during 2003-04 till date; and

(c) the effective steps being taken to revive them in national interest?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) As per the information received from Directorate General of Commercial Intelligence and Statistics, Kolkata, India's total Merchandise exports (including re-exports) during the last three

years have been as under:—

Year	Exports (including Re-exports) in Rs. lakhs
2001-2002	20901797
2002-2003	25513728
2003-2004 (Provisional)	29158193

(b) Data on closed industrial units in the country is compiled by Labour Bureau, Shimla. As per information received from the Labour Bureau the State-wise details of the industries which have been closed down due to various reasons during 2003 and 2004 (January to May) are as in enclosed statement.

(c) The Government has taken a number of steps for revival of sick industrial units in the country which, inter-alia, include guidelines of the Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provisions) Act, 1985, etc.

**Statement**

State/Union Territory	No. of Units closed	
	2003(P)	2004 (P) (January to May)
Andhra Pradesh	2	—
Bihar	2	—
Delhi	1	—
Goa	2	—
Gujarat	36	7
Haryana	2	—
Jharkhand	5	—
Karnataka	6	4
Kerala	3	—
Manipur	1	—
Orissa	3	1
Rajasthan	3	—
Tripura	22	28
Uttar Pradesh	15	9
West Bengal	3	—
<b>Union Territory</b>		
Pondicherry	5	—
<b>Total</b>	<b>111</b>	<b>49</b>

(P)=Provisional

*[English]***Structural Adjustment Loan**

2350. SHRI ADHALRAO PATIL SHIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether some State Governments have requested the Union Government for one time grant of soft loan and forwarded their Structural Adjustment Loans (SAL) to the World Bank to help them to overcome the current financial crisis;

(b) if so, the extent of one time grant and SAL sought by Maharashtra and other States; and

(c) the response of the Union government thereto?

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

(b) The extent of Structural Adjustment Loan (SAL) assistance sought by the Maharashtra and other States from the World Bank is given in the table below :—

Name of State	Amount (in US \$ Million)
Andhra Pradesh	500
Karnataka	500
Maharashtra	750
Orissa	600
Punjab	800
Rajasthan	2150
Uttar Pradesh	500
Tamil Nadu	600

(c) SAL Assistance amounting to US \$ 500 million, US \$ 250 million and US \$ 250 million has been provided to Andhra Pradesh, Karnataka and Uttar Pradesh, respectively. Maharashtra, Punjab and Rajasthan are not eligible to receive the SAL assistance because of their non compliance with Medium Term Fiscal Reforms Programme (MTFRP). Tamil Nadu has not been provided with SAL assistance for failure on its part to undertake agreed reforms. For Orissa, the World Bank has appraised the SAL proposal.

**Loans Advance by PSB in North Eastern States**

2351. SHRI MANI CHARENAMEI: Will the Minister of FINANCE be pleased to state:

(a) the total amount of loan advanced by the public sector banks in 2002-2003 and the share of North-Eastern States, State-wise;

(b) the CD ratio of North Eastern States;

(c) whether loan advance to North Eastern States are low;

(d) if so, the details thereof alongwith the comparative figures; and

(e) the steps being taken or proposed to be taken by Government to improve the situation specially banking sector in North Eastern States in general and Manipur State, in particular?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) As reported by RBI, the total amount of credit disbursed by the Public Sector Banks in the Country during 2002-2003 was Rs. 5,38,031.20 crores and the details of state-wise credit disbursed and Credit Deposit Ratio (CD Ratio) in the North Eastern States were as under:—

Sl. No.	Name of the State	Loan amount advanced (Rs. in lakhs)	CD Ratio as on Dec. 2003 (in percent)
1.	Arunachal Pradesh	1,163	16.8%
2.	Assam	3,18,617	32.8%
3.	Manipur	16,532	34.04%
4.	Meghalaya	57,904	34.42%
5.	Mizoram	14,344	41.30%
6.	Nagaland	15,282	18.70%
7.	Tripura	36,244	22.62
All India		5,38,031.20	55.29%

(e) The RBI has been impressing upon the banks from time to time to improve the credit flow to the region. The Banks' performances under Annual Credit Plan as well as the Credit Deposit Ratio (CD Ratio) position have been monitored regularly through various fora such as State Level Bankers' Committee (SLBC), District Coordination Committee (DCC) etc. A Monitoring Group under the Chairmanship of Regional Director of RBI for NE States has been constituted to review on monthly basis the flow of credit to the Region with special focus on Kisan Credit Card (KCC) and Micro Finance through Self Help Groups (SHGs). Further the Regional Director of RBI for North Eastern States is also in regular touch with the respective Chief Secretaries of these States through his quarterly letters in which issues and problems faced by the banks, which require State Government's intervention are highlighted and discussed in meetings from time to time.

#### **LIC Agents**

2352. SHRI C.K. CHANDRAPPA: Will the Minister of FINANCE be pleased to state:

(a) the number of Development Officers were working in LIC in 2002-2003 and the number of agents working under them;

(b) the total amount given to the Development Officers during this period as incentive;

(c) the total amount given to the agents as commission; and

(d) the procedure adopted in appointing LIC Development Officers and the LIC agents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The Life Insurance Corporation of India (LIC) has informed that the total number of the Development Officers working with them in 2002-03 were 19457

and the total number of agents working under these Development Officers during this period were 867396. The total amount paid to the Development Officers in the form of incentives during the year 2002-03 was Rs. 576.94 crores and the total amount paid to the agents in the form of commission during year 2002-03 was Rs. 4998.61 crores.

(d) LIC recruits Development Officers as per the provisions of Life Insurance Corporation of India (Recruitment of Development Officers) Regulations, 1998 which had been published in the Gazette of India. The Development Officers are selected from three categories namely, employees, agents and open market. The selection procedure include applications through advertisement/notification, written test and interview. The duties of Development Officers are to introduce suitable persons to the Corporation for appointment as new agents and to guide, supervise and direct the activities of the agents placed under his supervision. His duties also involve activating existing agents and motivating new agents.

[Translation]

#### Supply of Coal to Industry

2353. SHRI HANSRAJ G. AHIR: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the Western Coalfields Limited has not allotted coal to the local industries despite their demand and as a result thereof these are forced to purchase costlier coal from open market;

(b) if so, whether the Government will consider to allot W.C.L. coal to the local industries; and

(c) the measures being taken by the Government to give them necessary assistance?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):  
(a) Coal to various consumers is released on the basis of linkage/Maximum Permissible Quantity (MPQ) determined on year to year basis. A certain percentage of cut was imposed by Coal India Limited (CIL) on

various industries during April-June, 2004 due to implementation of contingency plan to meet the requirement of power utilities which were in distress.

(b) and (c) Supplies to consumers have already been restored fully from July, 2004 onwards and Western Coalfields Ltd. has initiated steps to release coal to the extent of 100% of their entitlement.

[English]

#### Waiver of Loans Granted to States

2354. SHRI KIRIP CHALIHA: Will the Minister of FINANCE be pleased to state:

(a) whether Planning Commission has recommended waiver of all central loans granted to the States;

(b) if so, the details thereof;

(c) whether Government has agreed to accept the recommendations of the Planning Commission; and

(d) if so, the details of present status of Central loans to the States, State-wise?

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

(b) and (c) Do not arise.

(d) The State-wise details are enclosed as statement.

#### Statement

(Rs. in crore)

Sl. No.	States	Ministry of Finance Loans Outstanding as on 31.3.2004
1	2	3
1.	Andhra Pradesh	18545
2.	Arunachal Pradesh	409
3.	Assam	3001
4.	Bihar	10181

1	2	3
5.	Chhattisgarh	2748
6.	Goa	586
7.	Gujarat	14037
8.	Haryana	2628
9.	Himachal Pradesh	1777
10.	Jammu and Kashmir	2698
11.	Jharkhand	3052
12.	Karnataka	10555
13.	Kerala	5517
14.	Madhya Pradesh	8978
15.	Maharashtra	16167
16.	Manipur	789
17.	Meghalaya	357
18.	Mizoram	291
19.	Nagaland	359
20.	Orissa	8985
21.	Punjab	5397
22.	Rajasthan	9605
23.	Sikkim	208
24.	Tamil Nadu	9181
25.	Tripura	556
26.	Uttaranchal	308
27.	Uttar Pradesh	27407
28.	West Bengal	19056
Total		184359

#### **Legislation for Recovery of NPA**

2355. SHRI ADHIR CHOWDHARY: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to enact new legislation for the time bound recovery of NPAs;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether is a fact that the privatisation process is making several banks beyond the reach of common man; and

(e) if so, the reasons therefor?

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

(b) Does not arise.

(c) For the expeditious recovery of NPAs Government have already enacted two legislations viz. the Recovery of Debts due to Banks and Financial Institutions Act, 1993 and the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

(d) No, Sir. No privatisation of public sector banks is being done.

(e) Does not arise.

#### **Tobacco Exports**

2356. SHRI ASADUDDIN OWAISI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the total export of tobacco made from India during the last three years, State-wise;

(b) whether large variety of tobacco is available in Andhra Pradesh;

(c) if so, the details thereof;

(d) whether Andhra Government has requested Union Government to direct Tobacco Board to purchase tobacco directly from the farmers to get minimum prices for their produce; and

(e) if so, the details thereof and steps taken or being taken by Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) Available information suggests that the following approximate quantities of Flue Cured Virginia (FCV) tobacco were exported, state-wise from India during the last three years.

(Quantity in tons)			
Year	Andhra Pradesh Crop	Karnataka Crop	Total FCV
2001-02	27775	29351	57126
2002-03	40937	33232	74169
2003-04	52482	46701	99183

(b) and (c) Yes, Sir. FCV tobacco, Burley, Natu, Kentucky fire cured, and Lanka varieties of tobacco are cultivated in Andhra Pradesh.

(d) and (e) Yes, Sir. The Central Government intervenes in the market when the prices fall below the Minimum Support Price (MSP) for the commodity. As the market prices for tobacco are ruling above the MSP, there is no justification for intervening in the market.

#### **Pending Welfare Schemes**

2357. SHRI BIR SINGH MAHATO:  
SHRI RAM KRIPAL YADAV:

Will the Minister of FINANCE be pleased to state the number of applications of loans under various welfare schemes pending with each of the nationalised banks, scheme-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): The information is being collected and will be laid on the Table of the House.

#### **Changes in Lending Norms**

2358. SHRIMATI NIVEDITA MANE:  
SHRIMATI USHA VERMA:  
SHRI VIJOY KRISHNA:  
SHRI KIRTI VARDHAN SINGH:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has received request from Ministry of Power to make necessary changes in the lending norms fixed for financial institutions and banks;

(b) if so, the action taken by the Government thereon; and

(c) the extent to which such a move is likely to attract investments in power sector?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Ministry of Power had forwarded to the Banking Division the Recommendations of the Kohli Committee on financing of power sector during the Xth and XIth five year plans.

(b) The Reserve Bank of India has been consulted on the recommendations concerning the lending norms.

(c) Investments depend on a host of factors, of which lending norms are only one such factor. Therefore, the effect of lending norms on investments in power sector cannot be quantified.

#### **Economic Cooperation between India and Israel**

2359. SHRI UDAY SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Israel has shown interest in increasing economic cooperation with India;

(b) if so, the details thereof;

(c) whether the Government has worked out the modalities to seek cooperation of Israel in various fields; and

(d) if so, the details thereof and the benefits likely to be accrued to the Union Government as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) India and Israel have agreed to take the bilateral economic relations to a new high which has grown from less than US \$ 200 million in 2002 to over US \$ 1.5 billion in 2003.

(c) and (d) Since the establishment of diplomatic relations between the two countries in 1992, India and Israel have signed a number of bilateral agreements and MOUs covering areas including trade, agriculture, science and technology, investment, promotion and protection, avoidance of double taxation, telecommunications, civil aviation, electronics and information technology. Three meetings of Joint Trade and Economic Committee have also taken place.

Economic Cooperation with foreign countries including Israel is mutually beneficial and enriching to all concerned.

[Translation]

### Taxes on Textile Industry

2360. SHRI RAMJI LAL SUMAN:

SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of TEXTILES be pleased to state:

(a) whether taxes are collected from textile units manufacturing readymade garments from raw cotton;

(b) if so, the exact percentage of tax levied during each of the last three years; and

(c) the actual collection of taxes during each of the last three years from readymade garment traders?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) As per the Budget 2004-05, the CENVAT Scheme from cotton yarn stage to cotton garments has been made optional, i.e., option has been given to avail of excise duty exemption or to pay the Central Excise Duty @ 4% and thereby avail of duty credit. Raw cotton continues to be exempt from Central Excise Duty.

(b) The details alongwith changes in aggregate excise duty which include Basic Excise Duty (BED), Additional Duty on Textiles and Textile Articles (AT and T) and Additional Excise Duty in lieu of Sales Tax for goods of special importance (AEDST) on cotton and cotton based textile items during the last three years are given as under :

(in %age)

Sl. No.	Items	2001-02	2002-03	2003-04
1.	Raw cotton	Nil	Nil	Nil
2.	Cotton yarn	9.20	9.20	9.20
3.	Processed cotton woven fabrics	16	12	10
4.	Knitted or crocheted cotton fabrics	Nil	12*	8
5.	Cotton woven garments	16	12	10
6.	Knitted cotton garments	16	12*	8

\*Optional duty

(c) The details of Central Excise Duty collection during the last three years from articles of apparel and clothing accessories (not knitted) including cotton items are indicated below :—

Year	Rs. in crore
2001-02	141.60
2002-03	123.23
2003-04	170.00

[English]

### Lending to Tobacco Farmers

2361. SHRI SREENIVASULU REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Banks are not lending money to those tobacco farmers who have already taken loans and failed to repay due to failure of monsoon;

(b) if so, the steps taken by the Government to release money to such farmers;



(c) whether there are any proposals with Government to announce moratorium for payment of loans by Andhra Pradesh Tobacco Farmers; and

(d) if so, the action of the Government of waiving off interest on the loans taken by tobacco farmers of Andhra Pradesh?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Reserve Bank of India (RBI) from time to time advise banks on the measures to be taken for providing relief to farmers including tobacco farmers in areas affected by natural calamities. The existing guidelines permit banks to :—

- (i) Convert/reschedule loans in the event of natural calamity for periods ranging from 3 to 9 years depending upon the successive crop failure/intensity of damage to crops;
- (ii) Grant fresh crop loans to affected farmers;
- (iii) Convert principal as well as interest due on the existing loans;
- (iv) Not to treat portion of converted/rescheduled loans as NPAs;
- (v) Not to compound interest in respect of loans converted/rescheduled etc.;
- (vi) Relaxation in security and margin norms; and
- (vii) Provision of the consumption loans to agriculturists whose crops have been damaged.

The announcement made by the Government on 18th June, 2004, on increasing the flow of agricultural credit also provide for the following relief measures to the farmers :—

- (i) Debt restructuring/rescheduling and fresh loans for distressed farmers;
- (ii) One Time Settlement (OTS) for small and marginal farmers;
- (iii) Fresh credit to farmers whose earlier debts have been settled through compromise or write off; and

(iv) Loans for the farmers indebted to non-institutional lenders.

RBI have issued guidelines to commercial banks on 24th June, 2004, and the National Bank for Agriculture and Rural Development (NABARD) to rural cooperatives and Regional Rural Banks (RRBs) on 29th June, 2004, to provide relief to farmers as per the announcement.

#### **Death of Workers in Vaniadih Projects**

2362. SHRI MOHAN SINGH: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the government is aware that more than 300 miners were killed in the land subsidence in the Vaniadih project of the Central Coalfields Limited in May, 2004;

(b) if so, whether this incident occurred due to illegal mining or some other reasons;

(c) whether such illegal mining operations are undertaken in connivance with officers and employees of the CCL; and

(d) the steps being taken by the Government to check this?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO): (a) As per the information available and FIR lodged by the Police, four persons were reported to have been killed in an incident at Baniadih colliery, Giridih on 28th May, 2004.

(b) Evidence shows that the subsidence occurred due to illegal mining below ground.

(c) There is no evidence to suggest that any official/employee of Central Coalfields Limited is involved in such illegal mining.

(d) The following actions are taken by Central Coalfields Limited management to check illegal mining :—

- (i) frequent inspection by Colliery Security staff
- (ii) lodging of FIRs regularly
- (iii) dozing such areas by HEMM wherever possible

- (iv) making visible publicity by hoardings/public notices at public places and through local newspapers
- (v) regular liaison with the State Police and
- (vi) patrolling of areas by internal security agencies and also jointly with the State Police.

#### **Check on Smuggling of Goods**

2363. DR. RAMKRISHNA KUSMARIA: Will the Minister of FINANCE be pleased to state:

- (a) the value and details of smuggled goods confiscated during each of the last three years and as on date;

- (b) the number of persons arrested in this connection;
- (c) the action taken against them; and
- (d) the steps being taken by the Government to check the smuggling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The value and details of number of cases of smuggled goods confiscated and the number of persons arrested during last three years and upto June 2004 are as under:—

Year	No. of cases in which smuggled goods confiscated	Value (Rs. in crores)	No. of persons arrested
2001-02	28866	207.75	370
2002-03	35256	176.99	359
2003-04	41434	265.66	260
2004-05 (upto June 2004)	8070	53.91	38

- (c) Suitable action has been taken against the arrested persons under the provisions of Customs Act, 1962 and allied laws.

- (d) All customs field formations including Directorate of Revenue Intelligence are alert and vigilant to detect and prevent smuggling of contraband items.

#### **Fiscal Deficit**

2364. SHRI KIRTI VARDHAN SINGH:

SHRI VIJOY KRISHNA:

SHRI S.D. MANDLIK:

Will the Minister of FINANCE be pleased to state:

- (a) whether the International Credit Rating Agency "Standard and Poors" warned to the Government on fiscal deficit; and

- (b) if so, the steps taken by the Government to reduce fiscal deficit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Standard and Poor's, an international credit rating agency, has been expressing the view that concerted efforts between different levels of Government to control the fiscal deficit and stabilize the growth of Government's debt burden could result in a stable outlook for India's local currency rating. The agency has further expressed the view that better fiscal performance alongwith structural reforms to maintain the country's growth prospects and its strong external profile could lead to an improved foreign currency rating.

- (b) The Fiscal Responsibility and Budget Management Act, 2003 mandates the Central Government to reduce the fiscal deficit and revenue deficit so as to eliminate revenue deficit by March 31, 2008. The Union Budget for 2004-05 envisages reduction of fiscal deficit to 4.4 per cent of GDP from

4.8 per cent in 2003-04 (RE). The revenue deficit is estimated to decline to 2.5 per cent of GDP in 2004-05 from 3.6 per cent of GDP in 2003-04 (RE).

#### **IMF and World Bank Aid**

2365. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether India has made out a compelling case for increased development aid in order to eliminate poverty and strengthen country's literacy and health programmes under the millennium development goals;

(b) if so, whether IMF and World Bank with the Indian delegation defended the plea for increased aid flows;

(c) if so, the extent to which both World Bank and IMF have agreed to provide more assistance in view of good performance made by India on these sectors; and

(d) if so, the total aid both World Bank and IMF have agreed to provide for further implementation of the plan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE, (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir.

(c) and (d) World Bank has proposed to upscale its assistance to India. IMF does not lend for development activities, per se, but only for structural adjustment purposes for countries facing external imbalances. India has not availed of any assistance from IMF since 1993.

#### **Resource Utilisation by Growth Centres**

2366. SHRI RAM KRIPAL YADAV:

SHRI KASHIRAM RANA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the infrastructure schemes like growth centres have had only limited success resulting in sub-optimal utilization of resources;

(b) if so, the details of the resources utilization by all growth centres in the country since inception;

(c) whether the Government has ever asked the States to undertake any impact study; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) and (b) The Growth Centre Scheme was introduced with a view to provide infrastructure required in the identified industrially backward areas. Under the Scheme, 71 locations were to be covered. The state-wise details of the growth centres sanctioned, expenditure incurred and amount of central assistance released are at statement enclosed.

— As on 31.3.2004, an amount of Rs. 494.61 crore was released to various states as central assistance under the scheme. The State Governments had released an amount of Rs. 785.43 crore to these growth centres for creation of infrastructure.

— Central Government had released full amount to 26 growth centres and out of 71 growth centres, in 46 growth centres the plots/sheds allotment had already commenced.

— These growth centres had attracted an investment of Rs. 9888.04 crore as on 31.3.2004, besides generating direct employment of 33,075 persons.

The useful and quality infrastructures have been created in the industrially backward districts wherever the State Governments have taken full benefits under the scheme. By and large, the resources have been fully utilised.

(c) and (d) The State Governments have been asked to carry out the impact assessment study for those Growth Centres for which full central assistance had been released. As per thereports received the establishment of Growth Centre Scheme has certainly improved the social and industrial infrastructure in the backward areas.

**Statement***Resource utilisation of all Growth Centres in the Country*

(Rupees in lakh)

Sl. No.	Name of State, Growth Centre/District	Amount of Central Release	Amount Released by States and its Agencies	Total Expenditure
1	2	3	4	5
<b>ANDHRA PRADESH</b>				
1.	Hindupur (Anantpur)	200.00	179.81	379.81
2.	Jedchrela (Mehboobnagar)	50.00	—	—
3.	Bobbili (Vizianagaram)	551.00	521.34	1058.47
4.	Ongole (Prakasam)	860.00	737.67	1414.41
<b>ARUNACHAL PRADESH</b>				
5.	Nikkok-Ngorlung (East Siang)	668.00	137.50	525.51
<b>ASSAM</b>				
6.	Matia (Goalpara)	700.00	152.11	402.03
7.	Chariduar (Sonitpur)	816.00	192.05	952.72
8.	Chaygaon-Patgaon (Kamrup)	500.00	—	—
<b>BIHAR</b>				
9.	Begusarai (Begusarai)	500.00	697.75	943.87
10.	Bhagalpur (Bhagalpur)	50.00	392.77	458.40
11.	Chhapra (Chhapra)	50.00	90.00	9.70
12.	Darbhanga (Darbhanga)	50.00	—	—
13.	Muzaffarpur (Muzaffarpur)	50.00	90.00	9.73
<b>CHHATTISGARH</b>				
14.	Borai (Durg)	1000.00	1477.00	2370.02
15.	Siltara (Raipur)	1000.00	1763.83	2753.84
<b>GOA</b>				
16.	Electronic-City (Verna-Plateau)	1000.00	1234.31	2058.31
<b>GUJARAT</b>				
17.	Gandhidham (Kutch)	785.00	500.00	665.04
18.	Palanpur (Banaskantha)	350.00	500.00	473.00
19.	Vagra (Bharauch)	1000.00	3940.25	4940.25

1	2	3	4	5
<b>HARYANA</b>				
20.	Bawal (Rewari)	1000.00	8448.87	9448.87
21.	Saha (Ambala)	850.00	511.07	1361.07
<b>HIMACHAL PRADESH</b>				
22.	Kangra (Kangra)	1103.00	397.12	717.08
<b>JAMMU AND KASHMIR</b>				
23.	Lassipora (Pulwama)	925.00	256.92	681.92
24.	Samba (Jammu)	1500.00	851.98	1851.98
<b>JHARKHAND</b>				
25.	Hazaribagh (Hazaribagh)	400.00	241.19	57.10
<b>KARNATAKA</b>				
26.	Dharwad (Dharwad)	1000.00	5165.00	6164.98
27.	Raichur (Raichur)	1000.00	1916.69	2716.69
28.	Hassan (Hassan)	1000.00	6319.52	7319.52
<b>KERALA</b>				
29.	Kannur-Kozhikode (Kannur-Kozhikode)	1000.00	2558.37	3417.43
30.	Alappuza-Malappuram (Alappuza-Malappuram)	1000.00	3004.37	3201.39
<b>MADHYA PRADESH</b>				
31.	Chainpura (Guna)	250.00	352.00	602.00
32.	Ghirongi (Bhind)	1000.00	3282.41	4282.41
33.	Kheda (Dhar)	1000.00	1161.63	2163.00
34.	Satlapur (Raisen)	1000.00	500.00	1391.80
<b>MAHARASHTRA</b>				
35.	Akola (Akola)	1000.00	1500.00	2254.27
36.	Chandrapur (Chandrapur)	815.00	732.25	1480.68
37.	Dhule (Dhule)	780.00	800.00	1271.02
38.	Nanded (Nanded)	1000.00	976.03	1799.86
39.	Ratnagiri (Ratnagiri)	440.00	200.00	573.54
<b>MANIPUR</b>				
40.	Lamlai-Napet (Imphal)	150.00	126.59	8.56

1	2	3	4	5
	MEGHALAYA			
41.	Mendhipattar (East Garo Hills)	550.00	355.00	0.32
	MIZORAM			
42.	Luangmual (Aizawl)	880.00	160.44	640.44
	NAGALAND			
43.	Ganeshnagar (Kohima)	1500.00	520.25	2020.25
	ORISSA			
44.	Chhatrapur (Ganjam)	50.00	90.84	58.57
45.	Kalinganagar-Dhuburi (Cuttack)	1000.00	1839.22	2679.22
46.	Jharsuguda (Jharsuguda)	268.00	124.07	324.07
47.	Kesinga (Kalahandi)	125.00	37.02	128.89
	PONDICHERRY			
48.	Polagam-Karaikal (Karaikal)	650.00	685.00	1229.70
	PUNJAB			
49.	Bathinda (Bathinda)	1000.00	982.74	1982.74
50.	Pathankot (Gurdaspur)	1000.00	500.00	1246.42
	RAJASTHAN			
51.	Abu-Road (Sirohi)	1000.00	2153.80	3153.80
52.	Bhilwara (Bhilwara)	300.00	414.47	714.47
53.	Khara (Bikaner)	620.00	543.29	1163.29
54.	Dholpur (Dholpur)	1000.00	282.70	1282.70
55.	Jhalawar (Jhalawar)	300.00	488.08	788.08
	SIKKIM			
56.	Salghari-Samlik Marchak	500.00	—	—
	TAMILNADU			
57.	Erode (Periyar)	1000.00	8182.59	9142.59
58.	Oragadam (Kancheepuram)	800.00	216.15	1016.15
59.	Tirunelveli—Gangai Kondan (Tirunelveli-Kattabomman)	930.00	1500.00	730.03
	TRIPURA			
60.	Bodhjangnagar (West Tripura)	1500.00	81.99	1151.99

1	2	3	4	5
<b>UTTARANCHAL</b>				
61.	Siggadi (Pauri-Garhwal)	1050.00	—	—
<b>UTTAR PRADESH</b>				
62.	Bijauli (Jhansi)	593.00	399.20	992.20
63.	Jamaur (Shahjahanpur)	315.00	585.00	900.00
64.	Pakbara (Moradabad)	1000.00	2634.00	3634.00
65.	Dibiapur (Auraiya)	150.00	536.85	686.85
66.	Jainpur (Kanpur Dehat)	420.00	805.06	1225.06
67.	Satharia (Jaunpur)	767.00	439.91	1006.91
68.	Sahjanwa (Gorakhpur)	1000.00	1553.27	2553.27
<b>WEST BENGAL</b>				
69.	Bolpur (Birbhum)	200.00	100.00	192.50
70.	Jalpaiguri (Jalpaiguri)	200.00	150.00	260.00
71.	Malda (Malda)	400.00	274.25	384.00
<b>Total</b>		<b>49461.00</b>	<b>78543.60</b>	<b>113468.79</b>

**Ceiling on Remittance of Amount by Agents***[Translation]*

2367. SHRI P. RAJENDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has fixed any ceiling in the maximum amount that could be collected and remitted a day by the National Savings Agent (SAS Agents) and The Mahila Pradhan Kshetriya Bachat Yojna Agents;

(b) if so, the details thereof;

(c) whether the Government proposes to examine the issue and increase the ceiling on maximum limits; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBRAM): (a) No, Sir.

(b) to (d) Does not arise.

**Export of Cotton, Yarn, Readymade Garments**

2368. SHRI NITISH KUMAR:

SHRI RAJIV RANJAN SINGH 'LALAN':

Will the Minister of TEXTILES be pleased to state:

(a) whether cotton, yarn, fabric and readymade garments are exported from the country;

(b) if so, the details including value of the same separately for three years, year-wise;

(c) whether any incentive scheme has been introduced and implemented by the Government to promote export of fabric and readymade garments instead of cotton and yarn;

(d) if so, the details thereof and whether component of profit has increased on export of fabrics and readymade garments instead of export of cotton and yarn; and

(e) if so, the estimated component of the said increase?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) As per Directorate General of Commercial Intelligence and Statistics (DGCI and S) data, the value of cotton, yarn, fabric and readymade garments exports from the country during the last three years i.e. 2001-02, 2002-03 and 2003-04 have been as follows :—

(Value in US \$ Million)

Item	Apr.-Mar. 2001-02	Apr.-Mar. 2002-03	Apr.-Mar. 2003-04
Total Textiles Exports	10764.7	11842.2	11698.5
Of which:			
(1) Readymade Garments	4618.7	5031.5	4946.7
(2) Cotton yarn, fabrics and madeups	3072.9	3271.3	2971.3
(3) Manmade yarn, fabrics and madeups	1065.0	1315.5	1582.0
(4) Wool yarn, fabrics and madeups	52.2	50.3	54.1
(5) Natural silk yarn, fabrics and madeups	278.2	299.8	338.3

(c) To encourage the export of value added textile items, the Government is implementing various schemes such as Technology Upgradation Fund Scheme (TUFS) for modernisation and technological upgradation of textile sector, Scheme for development of Group Worksheds for strengthening the decentralised powerloom weaving industry, Apparel Parks for Exports Scheme for imparting focussed thrust for setting up of apparel manufacturing units of international standards at potential textile growth centres etc. In addition, the garment exporters are also allowed to import certain items of trimming and embellishments on duty-free basis upto 3% of the FOB value of their export in the preceding year.

Further, for modernisation and strengthening of domestic textile industry, the following important announcements has been made in the Union Budget 2004-05 :—

- Except for mandatory excise duty on polyester filament yarn including texturised yarn, synthetic and artificial fibres and synthetic and artificial filament yarns, the whole value addition chain has been given excise exemption option.

— Additional Excise Duty on Textiles and Textile Articles (AT and T) and Additional Excise Duty (Goods of Special Importance) Act have been abolished.

— Basic customs duty on various textile machinery and spare parts has been reduced to 5%.

The Government has not introduced any additional incentive scheme to promote export of fabric and readymade garments instead of cotton and yarn.

(d) and (e) The profit margins are dependent on variety of commercial factors such as quality, prices, demand and supply position etc. Profit margins in value added products are generally better than the raw material profit margins. The Government does not maintain any data regarding the same.

[English]

#### **Marine Products Export**

2369. SHRI B. MAHTAB:  
SHRI P.C. THOMAS:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:



(a) whether the marine products export potential of States like Orissa, Karnataka and Maharashtra have not been fully exploited;

(b) if so, the reasons therefor;

(c) the steps taken to increase the export of marine products;

(d) the target set for marine export for 2004-05;

(e) whether Government is aware that there is any proposal by US to improve additional duty on import of marine products from India; and

(f) if so, steps taken by the Government to prevent such a move?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) and (b) Separate State-wise information is not available on the ultimate marine fishery potential. However, estimates regarding the potential of brackish water area are available. It is estimated that 1.20 million hectares of brackish water area in India can be used for shrimp culture. Presently, only 1,71,353 hectares have been developed for shrimp culture, which amounts to only 14.4% of the potential available. In respect of Orissa, Karnataka and Maharashtra, the area developed as percentage of the available potential is 40.76%, 42.94% and 1.32% respectively. However, the potential for further increase is affected by the Supreme Court verdict of 11th December, 1996 prohibiting the setting up of aquaculture industry/farms other than traditional and improved traditional type of farming in the Coastal Regulation Zone (CRZ) area and the increased risk of disease due to wide-spread viral infection.

(c) In order to increase the exports of marine products, Government have been taking several steps, which include schemes for extending financial assistance to the seafood processing industry; steps to upgrade processing facilities to meet international standards of hygiene and quality; expansion of aquaculture; imparting training to aquaculture farmers to adopt sound management practices to prevent outbreak of diseases; assistance to produce value-added products for export; marketing support; etc.

(d) A target of US \$ 1300 million has been fixed for export of marine products during 2004-05.

(e) and (f) The Southern Shrimp Alliance (SSA) of USA has filed an Anti-dumping action against selected

shrimp exporting countries, including India, in the USA. The Seafood Exporters Association of India (SEAI) has been taking necessary steps to defend the interests of shrimp exporters of India in this action. The Government have been providing all necessary assistance in this regard.

#### **Implementation of DoPT Directives**

2370. SHRI SANTOSH GANGWAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the DoPT directions regarding 30% of total post of Senior Time Scale and above in the scale of Rs. 12000/- basic may be given to STs has been implemented in DGS and D;

(b) if not, the reasons therefor;

(c) when the same was implemented in other engineering service cadres; and

(d) the time by when it is likely to be implemented in DGS and D?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) and (b) DoPT's directions, inter-alia, envisage (i) redistribution of posts in the organized engineering services, (ii) amendment of the relevant recruitment rules incorporating the eligibility criteria, method of assessment and suitability of the concerned officers and composition of the Departmental Promotion Committee, and (iii) grant of the proposed selection grade to the eligible officers of the senior time scale of the Services in accordance with the amended recruitment rules. While (i) and (ii) have already been done, (iii) could not be done because of disputes in seniority of the officers of senior time scale arising out of various cases filed by some of the officers of the Service before Hon'ble CAT/Supreme Court.

(c) Department of Commerce is the controlling authority in respect of two engineering services, namely, Indian Supply Service and Indian Inspection Service, the officers of which are mostly appointed in DGS and D, and hence, it cannot comment about the date of implementation by other engineering services cadre authorities.

(d) Since there is dispute over seniority of the officers in the Senior Time Scale, it is not possible to indicate a definite time frame for implementing these directions.

### Private Insurance Companies

2371. SHRI AJOY CHAKRABORTY: Will the Minister of FINANCE be pleased to state:

(a) the number of private insurance companies operating in the country as on date;

(b) the number of private insurance companies closed down during the last three years; and

(c) the financial results of private insurance companies during the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) At present, 21 private insurance companies are operating in the country;

(b) None, Sir.

(c) Financial results of all insurance companies are contained in the Annual Reports of the Insurance Regulatory and Development Authority which have been laid on the Table of the House.

[Translation]

### Air Connection between Cities

2372. DR. SATYANARAYAN JATIYA:

SHRI SUBHASH SURESHCHANDRA DESHMUKH:

SHRI BACHI SINGH RAWAT 'BACHDA':

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government has formulated any scheme to connect several cities with air service;

(b) if so, the details thereof;

(c) the names of the cities in Madhya Pradesh proposed to be connected by air service with the major cities such as Nagpur, Hyderabad, Bangalore and Chennai;

(d) the action taken in this regard; and

(e) the time likely to be taken to provide the said service?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (e) As per present policy Airlines are free to choose the routes on which they wish to operate. However, Government has laid down Route Dispersal Guidelines

with a view to achieving better regulation of air transport services taking into account the need for air transport services of different regions of the country including North-Eastern region. It is up to the airlines to provide air services to specific places depending upon the traffic demand and commercial viability.

[English]

### New Schemes by LIC

2373. SHRI KAILASH MEGHWAL: Will the Minister of FINANCE be pleased to state:

(a) whether LIC phased out old plan and replaced them with new schemes;

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

(c) the results of the old policies during last two years; and

(d) the extent to which policies holders would be benefited as a result thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Life Insurance Corporation of India (LIC) has informed that they review their plans every year and replace some of their old plans with new ones. The review of plans is based on new mortality data, interest rates in the market and need to introduce improvement to suit the requirements of policyholders. The details of old plans replaced by new schemes are given in the statement enclosed.

(c) The details of policies sold under old and new plans for the last two years are as follows:—

Year	No. of Policies Sold (in Thousands)	
	Old Plans	New Plans
2002-03	642	227
2003-04	114	1277

(d) LIC has informed that new plans were designed to suit the needs of the people. These are quite popular and the sales under these plans are increasing every year.

**Statement-I**

Old Plan	New Plan
Immediate Annuity (Table 44), Jeevan Akshay (Table 97), Immediate Annuity with Return of Purchase Price on death (Table 115), Jeevan Sarita (Table 117)	New Jeevan Akshay (Table 144)
Deferred Annuity (Table 45), Jeevan Dhara (Table 96), Deferred Annuity with Return of Purchase Price on death (Table 116)	New Jeevan Dhara (Table 145)
Bima Kiran (Table 111)	New Bima Kiran (Table 150)
Jeevan Shree (Table 112)	New Jeevan Shree (Table 151)
Jeevan Suraksha (Table 122)	New Jeevan Suraksha-I (Table 147)
12-year Jeevan Sanchaya (Table 123)	12-year Jeevan Samriddhi (Table 154)
15-year Jeevan Sanchaya (Table 124)	15-year Jeevan Samriddhi (Table 155)
20-year Jeevan Sanchaya (Table 125)	20-year Jeevan Samriddhi (Table 156)
25-year Jeevan Sanchaya (Table 126)	25-year Jeevan Samriddhi (Table 157)
Bima Nivesh (Table 132)	Bima Nivesh 2001 (Table 141)
Bima Nivesh 2001 (Table 141)	New Bima Nivesh (Table 142)
New Jeevan Akshay (Table 144)	New Jeevan Akshay-I (Table 146)
New Jeevan Dhara (Table 145)	New Jeevan Dhara-I (Table 148)
New Jeevan Shree (Table 151)	LIC's Jeevan Shree-I (Table 162)
Anmol Jeevan (Table 153)	Anmol Jeevan-I (Table 164)
New Bima Nivesh (Table 142)	Bima Nivesh 2002 (Table 158)
Childrens Money Back (Table 113)	Komal Jeevan (Table 159)
New Jeevan Akshay-I (Table 146)	LIC's Jeevan Akshay-II (Table 163)
Bima Nivesh 2002 (Table 158)	Bima Nivesh 2004 (Table 166)

**Investment by Banks in Bihar**

2374. SHRI VIJOY KRISHNA: Will the Minister of FINANCE be pleased to state:

(a) the guidelines of the RBI for banks and other institutions to make investment in the States;

(b) whether the quantum of investment made by the banks and other institution in Bihar are as per the guidelines of RBI;

(c) if so, the details thereof;

(d) whether loan facilities available from the banks to the people of Bihar is far to less; and

(e) if so, the steps taken by the Government to increase the investment and to give loans to more number of people in Bihar?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) RBI has reported that it has not issued any specific guideline to the commercial banks and other institutions about investment in States.

(b) and (c) RBI has reported that the commercial banks had invested Rs. 452449 lakhs, Rs. 506592 lakhs and Rs. 530617 lakhs as on 31st March of 2001, 2002 and 2003 respectively, in the State Govt.

Securities and State Government Guaranteed Securities in the State of Bihar.

(d) and (e) RBI has reported that the per capita credit for the State of Bihar was Rs. 770 in 2002 and Rs. 689 in 2003, which is considered low.

#### **Surrendering of Licenses by Advocates**

2375. SHRI RAGHUNATH JHA: Will the Minister of LAW AND JUSTICE be pleased to refer to the reply given to Unstarred Question No. 1629 dated July 25, 2002 regarding surrendering of licenses and enrollment certificates by advocates and state:

(a) whether the information has since been collected;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Yes, Sir.

(b) The Bar Council of India issued a letter No. S.T.B.C. (Cir) No. 5/2002 dated 10.02.2002 pursuant to the judgment of Hon'ble Supreme Court of India in the case of Satish Sharma Vs. Bar Council of Himachal Pradesh. The Bar Council of Delhi issued a letter No. 579/2002 dated 24.05.2002 to various Departments in lieu thereof. In the last para of the above referred letter No. 579/2002 dated 24.05.2002, the Delhi Bar Council has requested the Departments to furnish the details of Law Officers who are in their service. The Bar Council of Delhi has not maintained any separate list of Law Officers.

(c) Does not arise.

#### **Coir Export**

2376. SHRI P. KARUNAKARAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government is aware of the increasing demand for natural fibers in Global market;

(b) if so, action taken for increasing the export of coir and coir products; and

(c) details of the coir and coir products exported and the amount of foreign exchange earned during the last three years, year-wise, State-wise and category-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir.

(b) With a view to increasing the trade with existing export markets and capture new markets Coir Board is either implementing or proposing to implement schemes of Market Study Surveys, participation in International seminars and conferences, participation in exhibitions/fairs, catalogue shows and Product Promotion Programmes. Besides, the Coir Board has moved the Bureau of Indian Standards and also the Ministry of Environment and Forests for acquiring ecomark labeling for coir and coir products. This will make the products more acceptable to the ecologically conscious Western Countries.

(c) A Statement is enclosed.

#### **Statement**

*The details of the coir and coir products exported and the amount of foreign exchange earned during the last three years, year-wise and category-wise are furnished below*

(Quantity in Tonnes)

(Value in Rs. lakhs)

Item	2001-2002		2002-2003		2003-2004	
	Quantity	Value	Quantity	Value	Quantity	Value
1	2	3	4	5	6	7
Coir Fibre	1010.30	122.13	1036.87	103.80	1120.75	142.44
Curled Coir	572.52	80.63	492.37	80.05	76.64	14.02

1	2	3	4	5	6	7
Coir Pith	13725.65	1014.34	21064.19	1493.00	29179.35	1975.92
Coir rope	348.64	108.04	332.40	102.05	308.88	111.46
Coir yarn	13206.90	3728.60	11482.48	2996.78	12364.43	3498.71
Coir Geotextiles	1752.05	780.13	2140.68	985.22	2599.54	1184.74
Coir Rugs	1329.97	1039.77	1327.08	932.41	1694.56	1071.36
Handloom Mats	26147.89	17009.85	33058.74	20711.80	36306.99	22133.69
Handloom Mattings	4423.27	2921.03	4772.63	3191.41	4545.56	2838.66
Powerloom Mats	686.51	458.19	954.85	585.52	1026.28	672.13
Powerloom Mattings	274.05	226.18	183.16	111.78	309.04	215.44
Tufted Mats	7129.54	4112.36	6429.05	3434.74	11772.50	6359.54
Rubberised coir	454.62	350.37	535.23	403.42	461.75	334.67
Coir other sorts	272.90	106.81	372.86	138.55	490.21	197.90
Total	71334.81	32058.53	84182.59	35270.53	102256.48	40750.68

State-wise details of coir export are not centrally maintained.

[Translation]

### **Income Tax Defaulters**

2377. SHRI SURESH CHANDEL:

SHRI SURAVARAM SUDHAKAR REDDY:

Will the Minister of FINANCE be pleased to state:

(a) the top twenty individuals and corporate bodies who have defaulted in paying income tax during last three years as on 31st March, 2004;

(b) the amount outstanding against each one of them alongwith the time since it is outstanding;

(c) whether the Central Government has taken any measures to recover the income tax dues from these defaulters or given concessions, incentive for timely payment of income tax on time;

(d) if so, the details thereof;

(e) whether the Government has taken any steps to debar these defaulters from getting any further loan and advances till these defaulters repay the income tax dues; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Whether an assessee is a defaulter or not would depend upon a number of factors as laid down in the provisions of Section 220 of the Income Tax Act, 1961. In some cases, demand may be covered by orders granted by authorities agreeing not to treat the assessee in default or payment may be allowed through instalments. The circumstances governing the state of default may keep changing from time to time due to initiation or completion of proceedings before Income tax Authorities, Appellate Authorities, Tribunals and Courts. As such, in the interest of natural justice, it may not be possible to categorise all companies and individuals with outstanding demand as 'defaulters'.

(b) Question does not arise.

(c) Recovery of outstanding tax is a continuous process governed by the provisions of Chapter XVII read with Second Schedule to the Income Tax Act, 1961. There are no specific incentives for timely

payment of taxes. However, interest charged under Section 234 B and C for delayed/deferred payment of Advance Tax and interest charged under Section 220(2) of Income Tax Act is not levied if taxes are paid in time. Penalty leviable under Section 221(1) when tax is in default can also be avoided by paying taxes in time.

(d) Question does not arise.

(e) There is no stipulation in the Income tax Act, linking payment of outstanding tax with availing of loans and advances by any assessee.

(f) Question does not arise.

#### **Use of Vacant Land**

2378. SHRI SURAJ SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is contemplating to use the vacant land of the mills of the National Textile Corporation;

(b) if so, the details thereof; and

(c) the time by which the Government is likely to take a decision in this regard?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) Yes, Sir.

(b) The total area of surplus land of 9 NTC subsidiaries identified for sale is 2697.53 acres.

(c) The Government has already constituted Asset Sale Committees (ASCs) to affect the sale of surplus land in a transparent manner, as per guidelines of BIFR. As on 31.5.2004, land measuring 558.023 acres valued at Rs. 302.29 crores had been sold in various mills of NTC.

*[English]*

#### **Darjeeling as an Agri-Export Zone**

2379. SHRI PRABODH PANDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has received any proposal from the State Government of West Bengal for declaring Darjeeling tea-growing area as an agri-export zone;

(b) whether the Government has accepted this proposal and declared the Darjeeling tea-growing area as an agri-export zone;

(c) if so, the details thereof; and

(d) will the benefits be provided to tea producers?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) A proposal made by the Darjeeling Planters' Association and recommended by the Tea Board has been received by Agricultural and Processed Food Products Export Development Authority (APEDA) for declaring the Darjeeling tea-growing areas as an Agri Export Zone (AEZ).

(b) The proposal is under consideration.

(c) The proposal is for setting up of an Agri Export Zone covering the hilly tea growing areas of Darjeeling district.

(d) Any benefits to tea producers would accrue within the framework of existing schemes of the State and Central Governments if the proposed AEZ is approved.

*[Translation]*

#### **New Projects of Coal**

2380. SHRI RAMDAS ATHAWALE: Will the Minister of COAL AND MINES be pleased to state:

(a) the details of new projects of coal sanctioned during the Ninth Five Year Plan and the number of projects started during the plan period;

(b) whether the Government has decided to open new coal mines during the Tenth Five Year Plan;

(c) if so, the State-wise details thereof;

(d) the details of funds to be invested in the coal sector during the Tenth Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYANA RAO):

(a) The details of new projects of Coal India Limited (CIL) sanctioned and started during the Ninth Five Year Plan are given below :—

Sl. No.	Company	No. of projects sanctioned/Started		Capital cost (Rs. Crs.)		Capacity (Mty)	
		Open cast	Under ground	Open cast	Under ground	Open cast	Under ground
1.	Bharat Coking Coal Ltd. (BCCL)	2	2	59.08	9.77	1.06	0.21
2.	Central Coalfields Limited (CCL)	2	—	176.14	—	2.20	—
3.	Northern Coalfields Limited (NCL)	3	—	1943.56	—	10.50	—
4.	Western Coalfields Limited (WCL)	7	7	434.02	243.36	3.27	2.23
5.	South Eastern Coalfields Limited (SECL)	1	9	23.92	368.48	0.32	3.83
6.	Mahanadi Coalfields Limited (MCL)	2	2	68.32	172.86	2.35	1.31
Total CIL		17	20	2705.04	794.47	19.70	7.58

In Singareni Collieries Company Limited (SCCL), 14 projects had been sanctioned during the Ninth Five Year Plan, out of which 9 projects had commenced during the same period.

(b) 99 coal projects of CIL and 19 projects of SCCL have been identified to be taken up during the Tenth Five Year Plan.

(c) The State-wise break up of projects identified to be taken up during Tenth Five Year Plan period is given below :—

Sl. No.	State	No. of Projects
1	2	3
1.	West Bengal	15
2.	Jharkhand	18

1	2	3
3.	Uttar Pradesh	5
4.	Madhya Pradesh	9
5.	Maharashtra	20
6.	Chhattisgarh	13
7.	Orissa	19
8.	Andhra Pradesh	19
Total		118

(d) The details of fund to be invested during the Tenth Five Year Plan are given below:—

Company	Capital outlay as per X Plan documents (in Rs. crores)	Revised Fund requirement after reprioritization of projects (in Rs. crores)
1	2	3
ECL*	1460.00	1437.96
BCCL	1300.00	1300.00

1	2	3
CCL	1250.00	1250.00
NCL	2750.00	3700.00
WCL	1435.00	1000.01
SECL	3520.00	2320.73
MCL	2500.00	2500.00
Others**	95.00	95.00
<b>Total—CIL</b>	<b>14310.00</b>	<b>13603.70</b>
<b>Total—SCCL</b>	<b>2113.00</b>	<b>2113.00</b>
<b>Grand Total</b>	<b>16423.00</b>	<b>15716.70</b>

\* ECL—Eastern Coalfields Limited.

\*\* (North Eastern Coalfields/CIL/Dankuni Coal Complex/Indian Institute of Coal Management/Coal Mines Planning and Design Institute Limited/Research and Development).

#### **Safeguarding Weavers Interests**

2381. SHRI PUNNU LAL MOHALE:

SHRI P.S. GADHAVI:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has taken any specific steps to safeguard the interests of weavers in the country particularly in Chhattisgarh State;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) In general, the Government of India has been implementing the following schemes for the development and welfare of handloom weavers throughout the country including the weavers of Chhattisgarh State :—

- (1) Deen Dayal Hathkargha Protsahan Yojana.
- (2) Marketing Promotion Programme.
- (3) Handloom Export Scheme.
- (4) Mill Gate Price Scheme.
- (5) Scheme for reimbursement of one time rebate @ 10% given by the handloom agencies on the sale of handloom cloth.

(6) Scheme for Reimbursement of CENVAT on Hank Yarn.

(7) Workshed-cum-Housing Scheme.

(8) Weavers Welfare Scheme comprising:—

- Thrift Fund Scheme
- New Insurance Scheme
- Health Package Scheme.

(9) Bunkar Bima Yojana.

(10) Integrated Handloom Training Project.

(11) Design Development and Training Programme.

(12) Implementation of Handlooms (Reservation of Articles for Production) Act, 1985.

Financial assistance provided under the above schemes to various States including Chhattisgarh during the years 2003-04 and current year (upto 05.07.2004) is enclosed as statement. The Government of India has also set up a Weavers' Service Centre in Raigarh in the Chhattisgarh State for providing technical assistance and training to handloom weavers in designing, weaving, dyeing, printing etc.

(c) Does not arise.



**Statement**

(Rs. in lakh)

Sl. No.	Name of State	Plan Schemes		Non Plan Schemes	
		2003-04	2004-05 (upto 5.7.04)	2003-04	2004-05 (upto 5.7.04)
1	2	3	4	5	6
1.	Arunachal Pradesh	20.76	—	—	—
2.	Andhra Pradesh	1784.14	0.47	949.46	3.86
3.	Assam	762.86	—	114.90	—
4.	Bihar	12.62	—	97.80	—
5.	Chhattisgarh	46.63	—	—	—
6.	Goa	—	—	—	—
7.	Gujarat	64.18	2.00	14.16	75.78
8.	Haryana	35.26	—	—	—
9.	Himachal Pradesh	173.32	—	—	—
10.	Jharkhand	—	—	—	—
11.	Jammu and Kashmir	40.76	—	—	16.48
12.	Karnataka	451.40	0.96	266.03	77.74
13.	Kerala	821.84	36.95	294.19	—
14.	Madhya Pradesh	45.23	—	42.80	—
15.	Maharashtra	11.66	9.55	—	—
16.	Manipur	115.79	—	33.00	—
17.	Mizoram	32.19	—	11.13	—
18.	Meghalaya	3.91	—	0.10	—
19.	Nagaland	1114.22	—	—	—
20.	Orissa	78.03	93.29	158.89	24.34
21.	Pondicherry	—	—	—	—
22.	Punjab	—	—	—	—
23.	Rajasthan	122.14	20.98	11.72	—
24.	Sikkim	—	—	—	—
25.	Tamil Nadu	2619.46	1005.61	560.85	—
26.	Tripura	35.98	—	12.05	—

1	2	3	4	5	6
27.	Uttar Pradesh	1070.08	184.67	193.62	—
28.	Uttaranchal	10.13	35.33	6.98	—
29.	West Bengal	180.45	7.09	356.16	—
30.	Delhi	112.00	105.00	—	—
Total:		9765.04	1501.90	3123.84	198.20

*[English]***Handover Some of Airports to IAF**

2382. SHRI S.P.Y. REDDY: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether there is any proposal to handover some of airports in the country to the Indian Air Force for imparting military training to I.A.F. recruits;

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

(c) the status of the proposal as on date;

(d) whether any representation in this regard have been received from some State Governments; and

(e) if so, the details thereof alongwith the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) There is no such proposal with Airports Authority of Indian (AAI) to handover any airport to Indian Air Force.

(b) to (e) Do not arise.

**Integrated Forestry Development Project**

2383. SHRI P.S. GADHAVI: Will the Minister of FINANCE be pleased to state:

(a) whether proposal of Gujarat Government on "Integrated Forestry Development Project-2" (IFDP-2) has been included in the list of projects being posed to JBIC for consideration; and

(b) the time by which the proposal is likely to be cleared by JBIC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) A proposal named "Gujarat Forestry Development Project" has been included in the list of projects posed to Government of Japan for Official Development Assistance for the financial year 2004-05.

(b) Government of Japan will inform about its decision on selection of project in due course.

**Mid-term Fiscal Reforms Programme**

2384. SHRI KHAGEN DAS: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that all the North-Eastern States have signed 'Letter of Agreement' with the Union Government in terms of Mid-term Fiscal Reforms Programme (MTFRP):

(b) If so, the salient features of the agreement;

(c) whether all the North-Eastern States have fulfilled all condition of the agreement;

(d) If so, the reasons for which the Government has withheld release of awarded gap grant to some States; and

(e) the measures proposed to be taken to release the gap grant?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) Under the 'States' Fiscal Reforms Facility (2000-01 to 2004-05), all the seven North-Eastern States, except the State of Mizoram, have signed the memorandum

of understanding (MoU), with Govt. of India. Under the MoU, these North Eastern States, like other States, have, *inter alia*, agreed to undertake reform measures to augment their revenues, compress their revenue expenditure, arrest the growth of the debt and liabilities, restructure their Public Sector Enterprises and Power Sector and budgetary reforms. All these measures are aimed at fiscal consolidation in the medium-term.

The condition stipulated under the Facility for the release of the earmarked incentive grants, consisting of the 15 percent withheld portion of the non-plan revenue deficit grants of the concerned state and

contribution of Government of India, to special category States (the category to which North Eastern States belong to) is an annual improvement in the ratio of the revenue deficit to revenue receipts by 5 percentage points per annum for first two years and at least 2 percentage points per year prospectively from the year 2002-03. For revenue surplus States, the criterion for the release is an improvement of 3 percentage points in the ratio of balance from current revenues to their non-plan revenue receipts.

The status of incentive grants released to NE states is as under :—

(Rs. in Crs.)

States	2000-01	2001-02	2002-03
Arunachal Pradesh	37.21	37.91	37.89
Assam	32.72	28.04	30.35
Manipur	54.38	55.32	55.03
Meghalaya	51.84	51.50	51.03
Mizoram	Not Released	Not Released	Not Released
Nagaland	97.22	102.08	109.09
Tripura	73.99	76.93	Not Released

The claims of the States for 2003-04 are still to be reviewed with the evidence of required improvement. No grant for any State has been withheld for any reason other than unfulfilment of benchmark requirement.

### **Export Potential**

2385. SHRI PARSURAM MAJHI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has any assessment of the export potential by each State;

(b) if so, the share of export at present State-wise; and

(c) the steps taken to tap the export potential of every state particularly Orissa?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) The Government utilizes the figures compiled by the Directorate General of Commercial Intelligence and Statistics (DGCI and S) for obtaining the export performance of each state. State-wise export figures for the year 2002-03 are annexed as statement. Government of India provides assistance to all States and Union Territories, including Orissa, under a scheme titled Assistance to States for Development of Export Infrastructure and Allied Activities (ASIDE) for development of export infrastructure based on their export performance and growth in exports, in the immediate preceding year.

**Statement**

Sl. No.	Name of the State	Value in Rs.	% share
1	2	3	4
1.	Assam	4802633445	0.19
2.	Meghalaya	2776354972	0.11
3.	Mizoram	91052193	0.00
4.	Bihar	3781216194	0.15
5.	Jharkhand	6299386493	0.25
6.	Arunachal Pradesh	1082048786	0.04
7.	West Bengal	97561311605	3.82
8.	Nagaland	44662936	0.00
9.	Manipur	392703911	0.02
10.	Orissa	24064848611	0.94
11.	Sikkim	750764896	0.03
12.	Tripura	11942576011	0.47
13.	Andaman and Nicobar	118852762	0.00
14.	Uttar Pradesh	77275023213	3.03
15.	Uttaranchal	608230785	0.02
16.	Delhi	158130360907	6.20
17.	Punjab	61762197042	2.42
18.	Haryana	47939790098	1.88
19.	Chandigarh	1748610493	0.07
20.	Jammu and Kashmir	1464326395	0.06
21.	Himachal Pradesh	2579709872	0.10
22.	Rajasthan	44304383714	1.74
23.	Gujarat	222087623733	8.70
24.	Maharashtra	549788577374	21.55
25.	Daman and Diu	945420993	0.04
26.	Goa	29090656456	1.14
27.	Dadra and Nagar Haveli	306039279	0.01
28.	Madhya Pradesh	33351590970	1.31
29.	Chhattisgarh	4252156827	0.17

1	2	3	4
30.	Andhra Pradesh	92730489841	3.63
31.	Karnataka	141014831821	5.53
32.	Lakshadweep	97054571	0.00
33.	Tamil Nadu	280193188224	10.98
34.	Kerala	56827335889	2.23
35.	Pondicherry	3121933064	0.12
Blank or Invalid		588044826610	23.05
Grand Total		2551372770986	100.00

### **Curbing Malpractices on Trading in BSE and NSE**

2386. SHRI GURUDAS DASGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that there is a complaint of malpractice on trading in Bombay Stock Exchange and National Stock Exchange;

(b) if so, the details thereof; and

(c) the steps Government intends to take to discipline the secondary market of the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The Securities and Exchange Board of India (SEBI) has informed that complaints which are received by SEBI relating to trading malpractices on the exchanges in respect of specific scrips or brokers or matters relating to stock exchanges' functioning are examined and appropriate action, as warranted in the matter, is taken.

(c) To curb malpractices in trading and to ensure integrity of markets, SEBI has put in place a mechanism comprising of monitoring and surveillance of trading including through the online monitoring system of stock watch by exchanges. A regular system of weekly surveillance meetings with major stock exchanges, viz., Bombay Stock Exchange, National Stock Exchange and the Depositories, has been put in place to provide a confidential platform for exchange of views on areas of emerging concerns, specific abnormalities, and to consider pre-emptive actions and

discuss general surveillance issues. Based on discussions in the weekly meetings, SEBI in consultation with exchanges initiated several preventive surveillance measures including imposition of additional margins, reduction of gross exposure limits and shifting of scrips to trade for trade segment during the last year. SEBI in consultation with exchanges has also laid down standard criteria for initiating/reviewing such surveillance actions.

[Translation]

### **FFI's Assistance to States**

2387. SHRI SHAILENDRA KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether some of the State Governments have sent their requests to the Union Government for taking financial assistance from foreign financial institutions for their projects during the last three years;

(b) if so, the assistance provided by FFIs project-wise and State-wise during each of the last three years; and

(c) the time by which these projects are likely to be undertaken?

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

(b) A statement is attached.

(c) The projects are implemented soon after approval of funding and agreement with the funding agencies.

**Statement**

*Loan Assistance for State Sector Projects (Single State) approved by World Bank, ADB and IFAD during the last three Financial Years—Project-wise and State-wise (in US \$ Million)*

Name of the Project	State	2001-02	2002-03	2003-04
1	2	3	4	5
<b>World Bank</b>				
Andhra Pradesh Economic Reform Loan/Credit	Andhra Pradesh	250		
Andhra Pradesh Rural Poverty Reduction Project	Andhra Pradesh		150.03	
Andhra Pradesh Community Forest Management Project	Andhra Pradesh		108	
Andhra Pradesh Economic Reform Program II	Andhra Pradesh			220
Chhattisgarh District Rural Poverty Reduction Project	Chhattisgarh			112.56
Gujarat Emergency Earthquake Reconstruction Project	Gujarat		442.8	
Karnataka Structural Adjustment Loan II	Karnataka	100		
Second Karnataka Rural Water Supply and Sanitation Project	Karnataka	151.6		
First Karnataka Economic Restructuring Loan/Credit	Karnataka	150		
Karnataka Watershed Development Project	Karnataka	100.4		
Karnataka State Highways Improvement Project	Karnataka	360		
Karnataka Community-Based Tank Management Project	Karnataka		98.9	
Kerala State Transport Project	Kerala	255		
Mumbai Urban Transport Project	Maharashtra		542	
Maharashtra Rural Water Supply and Sanitation Project	Maharashtra			181
Mizoram State Roads Project	Mizoram	60		
Rajasthan Water Sector Restructuring Project	Rajasthan	140		
Rajasthan Second District Primary Education Project	Rajasthan	74.4		
Rajasthan Health Systems Development Project	Rajasthan			89
Tamil Nadu Road Sector Project	Tamil Nadu			348
Uttar Pradesh Water Sector Restructuring Project	Uttar Pradesh	149.2		
Uttar Pradesh State Roads Project	Uttar Pradesh		486	
Allahabad Bypass Project	Uttar Pradesh			240
<b>Asian Development Bank</b>				
Assam Power Sector Development Program.	Assam			150

1	2	3	4	5
Assam Power Sector Development Project	Assam			100
Chhattisgarh State Road Development	Chhattisgarh			180
Modernising Government and Fiscal Reforms in Kerala	Kerala		200	
Madhya Pradesh Power Sector Development	Madhya Pradesh	200		
Madhya Pradesh Road Sector prog.	Madhya Pradesh		30	
Madhya Pradesh Road Sector Project	Madhya Pradesh		150	
Urban Water Supply and Environment Improvement	Madhya Pradesh			200
West Bengal Corridor	West Bengal	210		
<b>International Fund for Agriculture Development</b>				
Livelihood Security Project for Earthquake Affected Rural Households-Gujarat	Gujarat	15		
Orissa Tribal Empowerment and Livelihoods Prog.	Orissa		20	

### **Discontinuation of Savings Schemes**

2388. SHRI SHISHUPAL PATLE:

SHRI SHAILENDRA KUMAR:

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has decided to discontinue three schemes carrying high rates of interest as has been published in the "Rashtriya Sahara" dated July 10, 2004;

(b) if so, the names of these savings schemes;

(c) the reasons for discontinuation of these savings schemes;

(d) the likely impact on Government revenue as a result of discontinuation of these schemes;

(e) whether the Government proposes to announce new savings schemes in place of the above schemes;

(f) if so, the rate of interest to be paid on these schemes; and

(g) if not, the reasons therefor?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBRAM): (a) to (g) the Finance Minister in the Budget Speech for 2004-05, has announced the introduction of a new Senior Citizens Savings Scheme,

offering an interest rate of nine per cent per annum, open to all senior citizens. Consequently, new deposits under the following three schemes have been discontinued:—

- (i) Deposit Scheme for Retiring Government Employees, 1989;
- (ii) Deposit Scheme for Retiring Employees of Public Sector Companies, 1991; and
- (iii) 6.5% Savings Bond (Non-Taxable).

No adverse impact on the Government's revenue is expected as a result of the above decisions.

[English]

### **Dilution of Equity of SBI**

2389. SHRI PRAKASH BAPU V. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has examined all the pros and cons before taking decision to withdraw its equity in the SBI;

(b) if so, the details thereof;

(c) whether the Government propose to review its decision; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government do not hold equity in SBI.

(c) and (d) Do not arise.

#### **Credit Policy of Cooperative Banks**

2390. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Maharashtra has requested the Reserve Bank of India for a fresh look at the new monetary and credit policy in so far as it affects the cooperative banking sector in the context of cash crunch faced by the cooperative banks, arising from the requirement of investing a large portion of SLR Funds in Government's securities;

(b) if so the details thereof;

(c) whether requests have also been received from Cooperative Banking Sectors of other States;

(d) if so, the details thereof; and

(e) the response of RBI thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (e) Reserve Bank of India (RBI) has reported that it has not recently received any request from the Government of Maharashtra. However, representations from several Banking Federations and others have been received seeking fresh look at the monetary and credit policy. And the existing RBI guidelines 19.4.2001 to Urban Cooperative Banks (UCBs) to achieve higher percentage of their Net Demand and Time Liabilities (NDTL) in Government and other approved securities in a specified time frame given as under :—

Category of UCBs	Investments in Govt. and other approved securities as a percentage of Net Demand and Time Liabilities (NDTL)			
	Prior to March 31, 2002	To achieve on or before March 31, 2002	To achieve by September 30, 2002	After April 1, 2003
Scheduled UCBs	15%	17.5%	20%	25%
Non-scheduled UCBs				
(i) With NDTL of Rs. 25 crores and above	10%	12.5%	15%	15%
(ii) With NDTL of less than Rs. 25 crore	Nil	7.5%	10%	10%

As indicated above, the UCBs were given adequate time to switch over from the deposits with DCCBs/SCBs to Government securities. As on December 26, 2003, 1139 banks have complied with RBI's instructions relating to investment in Government Securities. In view of the systemic risk involved, a modification on the above guidelines has not been found feasible at this stage.

#### **Naresh Chandra Committee**

2391. PROF. M. RAMADASS: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Naresh Chandra Committee on Civil Aviation has submitted its complete report to the Government;

(b) if so, the main recommendations of the Committee; and

(c) the status of implementation of these recommendations?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) The Naresh Chandra Committee has submitted Part-I of its report. Part-II of the report is awaited.



(b) and (c) Main recommendations and status of implementation is given at statement enclosed.

**Statement**

**Main Recommendations and status of implementation of Naresh Chandra Committee Report**

1. The main recommendations of the committee are as follows :—

- (i) Lowering system costs by introducing liberal fiscal regime, allowing airlines to source ATF from supplier of choice and improving coordination with other ministries.
- (ii) Encourage private participation and competition in air transport services with a view to lowering fares.
- (iii) Establishment of an Essential Air Services Fund (EASF) to provide subsidy for uneconomic services to do away with Route Dispersal Guidelines.
- (iv) Reduce airport charges.
- (v) In addition to DGCA, BCAS, Establish Aviation Economic Regulatory Authority (AERA) to deal with monopoly situation.
- (vi) Allow domestic private airlines to operate international services and third party ground handling services.
- (vii) Restructuring of IA/AI/PHHL.
- (viii) Lower entry barriers for airlines.
- (ix) Raise FDI limit in domestic scheduled airlines from 40 to 49%.
- (x) Allow foreign airlines FDI.
- (xi) Liberalise international air transport segment.
- (xii) Liberalise international air charters.
- (xiii) Encourage regional air services.
- (xiv) Expedite privatisation of Mumbai and Delhi airports.
- (xv) Privatised other airports as well.
- (xvi) Separation of ATC from AAI and vesting ATC functions to government owned corporation.

2. The first part of the report is being examined by the Government. The second part of the report is awaited.

[Translation]

**Single Regulatory Authority for Non-Banking Companies**

2392. PROF. RASA SINGH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to set up a Single Regulatory Authority to monitor the activities of non-banking finance companies, chit funds and mutual funds etc. to safeguard the interest of small investors;

(b) if so, the time by which this Single Regulatory Authority is likely to start its functioning; and

(c) the powers bestowed to this Authority?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The matter has been examined in the Government. The Non-Banking Financial Companies (NBFCs) are essentially companies incorporated under the Companies Act, 1956 and the registration with Reserve Bank of India (RBI) is only a functional registration.

Chit Fund Companies are regulated by the State Governments under Chit Fund Act read with State Chit Fund Rules. Mutual Funds and Plantation Companies are regulated by Securities and Exchange Board of India (SEBI).

The regulatory and supervisory functions exercised by the Department of Company Affairs/SEBI and the RBI in so far as the NBFCs are concerned are complimentary and do not overlap. As such, Government does not consider the need for a single regulator for NBFCs.

**Fraud in Dena Bank**

2393. SHRI PRADEEP GANDHI: Will the Minister of FINANCE be pleased to state:

(a) whether an incident of fraud had taken place in Dena Bank branch located in the Chowki Block of district Rajnandgaon in Chhattisgarh;

(b) if so, the details thereof; and

(c) the number of persons arrested in this connection and the action taken against them?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Dena Bank has reported that a fraud of Rs. 3.18 crores was perpetrated at Bank's Ambagarh Chowki branch, Rajnandgaon in the year 2000. Fraud was committed by staff members of the Branch by misappropriation of cash received across the counter, by issuance of fake term deposit receipts and spurious loan accounts against term deposits. Bank has also reported that one staff member of the branch was arrested by Central Bureau of Investigation and released on bail as per the order of the Court. Bank had instituted departmental action and dismissed five employees of the branch, who were found accountable, from Bank's service in October, 2001.

[English]

#### **SBI Branches in Manipur**

2394. SHRI MANI CHARENAMEI: Will the Minister of FINANCE be pleased to state:

(a) the number of State Bank of India branches in Manipur, district-wise;

(b) whether SBI Tamei Branch has been closed down since early eighties and being attached to some other branch;

(c) if so, the details thereof;

(d) whether Ukhrul district in Manipur State with a population of 1,43,000 as per 2001 census has only one bank branch for every 10,000 population;

(e) whether RBI had issued licence to SBI to open a branch in Ukhrul district 10 years back but till date SBI has not acted upon it;

(f) if so, the details thereof; and

(g) the steps being taken or proposed to be taken by Government to increase the number of bank branches in Manipur in general and the hill districts of Manipur in particular?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The details of the district-wise branches of State Bank of

India, in Manipur, as reported by the Bank, as on date are as under :—

Sl. No.	Name of District	No. of Branches
1.	Imphal West	5
2.	Senapati	5
3.	Chandel	3
4.	Churachandpur	2
5.	Tamenglong	1
Total		16

(b) and (c) Yes, Sir. The Branch located at Tamei was closed on 1st October, 1982 as the extremists looted it on 30th September, 1982. It could not be reopened as adequate security of the branch to facilitate its reopening have not been ensured despite serious efforts. However, branch records and documents were shifted to Imphal branch where a counter was opened to cater to the needs of the clients of Tamei Branch.

(d) RBI has reported that in Ukhrul District one branch each of United Bank of India, and Manipur State Cooperative Bank, and three of Manipur Rural Bank are functioning.

(e) and (f) Yes, Sir. The Branch could not be opened at Chingai in Ukhrul District due to lack of infrastructure facilities and the licence was returned to RBI on 30.10.1992.

(g) As per the extant policy, the banks are empowered to open their new branches with the approval of their respective Board of Directors. SBI has reported that at the request of State Government of Manipur, it has decided to open a branch at Thoubal subject to issue of authorization by Reserve Bank of India.

#### **Geneva Meet**

2395. SHRI KIRIP CHALIHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether trade representatives of different countries recently met at Geneva;

(b) if so, the details thereof;

(c) whether the issue of protecting the interest of Indian farmers in view of Western countries extending huge subsidies to their own farmers was taken up by the Indian representative in the Geneva meet; and

(d) if so, what is the outcome?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) to (d) Yes, Sir. Representatives of the Members of the World Trade Organisation (WTO) have been meeting in the WTO Committee on Agriculture, Special Session, from time to time to negotiate modalities for further commitments under the WTO Agreement on Agriculture. They met formally last on 25 June, 2004 in Geneva. The Committee has been working under the broader objective of reaching possible agreement on agriculture, which will then be considered, alongwith proposals on non-agricultural products and other areas included in the Doha Work Programme, by the General Council of WTO at its meeting scheduled for 27-29 July, 2004.

India working within the G-20 alliance on agriculture, and with other like-minded countries, has been seeking substantial reductions in trade-distorting domestic support, elimination of all forms of export subsidies provided by developed countries and substantial market access improvements particularly in products of export interest to developing countries. Any further commitments in market access by developing countries have to fully take into account their rural development and food and livelihood security needs. Special and differential treatment for developing countries must be integral to all elements of the negotiations. These negotiations are formally scheduled to conclude by 1 January, 2005.

#### **Banks in Rural Areas of West Bengal**

2396. SHRI ADHIR CHOWDHURY: Will the Minister of FINANCE be pleased to state:

(a) the details of banks/cooperative banks functioning in the rural areas of West Bengal alongwith the details of the total deposit and working capital of each bank, district-wise;

(b) the number of farmers, artisans and unemployed educated youths benefited by the aforesaid banks during last three years; and

(c) the amount of loan disbursed by the banks/cooperative banks during this period?

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

#### **VRS in NTC**

2397. DR. M. JAGANNATH: Will the Minister of TEXTILES be pleased to state:

(a) whether the Ministry of Textiles has introduced any Voluntary Retirement Scheme (VRS) for the employees of holding company of the National Textile Corporation having their office at New Delhi;

(b) if so, the details thereof;

(c) whether the employees were forced either to seek VRS or face retrenchment; and

(d) by when the holding company is likely to be wound up finally?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Yes, Sir. Out of total of 242 employees in the Holding Company of NTC, 106 employees have applied for Modified Voluntary Retirement Scheme (MVRS).

(c) No, Sir.

(d) The restructuring scheme of NTC which envisages winding up of NTC(HC) by 31.03.2005 has been submitted to BIFR for consideration.

#### **Indo-Bangla-Bilateral Trade**

2398. SHRI UDAY SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether India and Bangladesh have formed a Joint Working group to identify obstacles and opportunities in bilateral trade and propose to enhance business and investment activities;

(b) if so, the details thereof;

(c) whether the items have been identified for which trade between both the countries would be enhanced; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (d) During the 6th Meeting of the India-Bangladesh Joint Economic Commission (JEC) held in Dhaka on July 14-15, 2003, it was inter-alia agreed that the Joint Working Group at the level of Joint Secretaries from the two Ministries of Commerce would meet in Dhaka by the middle of October, 2003 to begin negotiations on a bilateral Free Trade Agreement. The First Meeting of this Group was held in Dhaka on a October 20-22, 2003 in which the draft Free Trade Agreement was also discussed and both the sides felt that further discussion was required in the matter. The Second Meeting of this Joint Working Group was held in New Delhi on March 23-24, 2004 when the delegations of both the countries deliberated on various Non Tariff and Tariff issues of strengthening trade between the two countries. Both the sides decided to have further discussions so as to jointly explore the possibility of signing the same. India has requested Bangladesh Government to provide us with their formulations on the various issues. Any negotiations on entering into such a Free Trade Agreement will consider identifying items for enhancing bilateral trade.

[Translation]

#### **Automobile Industry**

2399. SHRI RAMJILAL SUMAN:

SHRI NITISH KUMAR:

SHRI PRADEEP GANDHI:

SHRI Y.G. MAHAJAN:

SHRI RATILAL KALIDAS VARMA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the automobile industry is engaged in import and export trade;

(b) if so, the details thereof;

(c) the value of import and export by this industry in 2001-2002, 2002-2003 and 2003-2004;

(d) the percentage of the value of import and export during the each said year, constituted the total value of import and export in the respective years;

(e) whether there has been any increase in the export of two wheelers and other motor vehicles during 2002-2003, 2003-2004;

(f) the value of foreign exchange earned from two wheelers and other motor vehicles during the previous three years;

(g) the target fixed for the export of car, two wheelers and other motor vehicles for the current year; and

(h) the details of the exports of cars, two wheelers and other motor vehicles during the each of the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Yes, Sir.

(b) Exports and Imports pertaining to the automobile sector include items such as various types of motor vehicles, two wheelers, three wheelers, various components, accessories and parts etc.

(c) and (d) The figures relating to the value of exports and imports pertaining to the automobile industry for 2001-02, 2002-03 and 2003-04 are given in statement I and II respectively enclosed.

(e) and (f) The figures for the years 2001-02 to 2003-04 in respect of exports of two wheelers and other motor vehicles given in statement I enclosed would point towards an increase in the export of these items during 2002-03, 2003-04.

(g) The Society of Indian Automobile Manufacturers (SIAM), a representative body of the automobile industry expects to attain a growth of 10-15% in the current year.

(h) The export figures in respect of passenger cars, two wheelers and other motor vehicles for the last three years are given in statement-I enclosed.

**Statement-I****Exports**

(Value in Rs. Crores)

Sl. No.	Items	2001-02	2002-03	2003-04* (Apr.-Nov. 03)	2002-03+ (Apr.-Nov. 02)
1.	Two wheelers	263.26	513.16	406.59	333.49
2.	Cars	418.28	877.11	787.89	(Included in (c) below)
3.	Other Motor Vehicles	797.02	968.69	1331.32	1340.00 including (b) above
4.	Components, Spare parts etc.	1691.64	2189.57	1406.18	1169.00
5.	Total Exports of Automobile industry (1-2-3-4)	3170.20	4548.53	3931.98	2942.49
6.	% of exports of the automobile sector to the overall exports from India.	1.50%	1.78%	2.26%	1.71%

Source: DGCI and S, Kolkata.

\* Figures are provisional.

+ These figures are given to indicate the general increase in exports during the corresponding period in 2003-04.

**Statement-II****Imports**

(Value in Rs. Crores)

	2001-02	2002-03	2003-04* (Apr. 03 Jan. 04)
Imports	1375.22	1563.50	2017.51
% of total Imports	0.56%	0.53%	0.70%

Source: DGCI and S, Kolkata.

\* Figures are provisional.

*[English]***Settlement of Insurance Claims of Tobacco Farmers**

2400. SHRI MAGUNTA SREENIVASULU REDDY:  
Will the Minister of COMMERCE AND INDUSTRY be  
pleased to state:

(a) whether insurance companies are taking very long time to settle the claims of tobacco farmers;

(b) if so, the reasons therefor; and

(c) the steps taken by the Government to fix up time limit for settlement of the claims?

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

(b) Does not arise.

(c) Section 14(2)(b) of the Insurance Regulatory and Development Authority Act, 1999 empowers Insurance Regulatory and Development Authority (IRDA) for protecting the interest of the policyholders including matters relating to settlement of claims. The Authority in terms of the powers conferred on it under IRDA Act, 1999 has issued IRDA (Protection of Policyholders' Interests) Regulations, 2002 on 26th April, 2002. As per the provisions of this Regulation, the insurer is under obligation to offer the settlement of claim to the insured within 30 days of the receipt of the survey report and shall make the payment within 7 days from the date of acceptance of the offer by the insured. In the event of default for payment of dues within the stipulated period to the insured or its nominee, the Insurance Companies are liable to pay interest at a rate which is 2% above the bank rate prevalent at the beginning of the financial year. The IRDA has ensured widespread publicity on claims settlement procedures and taken steps to educate the insured about the provisions contained in the Protection of Policyholders' Regulations.

#### **Review of Anti-Dumping Duty**

2401. SHRI MILIND DEORA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have initiated a midterm review of the anti-dumping duty on imports of certain seamless grade alloy and non-alloy steel billets, bars and rounds from Russia, China and Ukraine;

(b) if so, the details thereof;

(c) whether the review was undertaken on the basis of a representation from Maharashtra seamless steel for the year 2003;

(d) whether in view of the findings, Government propose to impose continued anti-dumping duty; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) Yes, Sir.

(b) and (c) On the basis of a representation received from M/s. Maharashtra Seamless Limited, New Delhi, a mid-term review of the anti-dumping duty on imports of certain seamless grade alloy and non-alloy steel billets, bars and rounds from Russia, China PR, and Ukraine, has been initiated vide notification dated 24.05.2004.

(d) and (e) As per anti-dumping rules framed under the Customs Tariff Act, 1975 (as amended from time to time), an anti-dumping investigation is required to be concluded normally within a period of 12 months from the date of its initiation. However, in exceptional circumstances it may be extended by 6 months. The investigation is in progress.

#### **Export Oriented Units**

2402. DR. RAMKRISHNA KUSMARIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to set up a 100% Export Oriented Unit in the country, particularly in Madhya Pradesh and Uttaranchal;

(b) if so, the details thereof; and

(c) the time by which cent per cent Export Oriented Units are likely to be set up in the above States?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOAN): (a) to (c) Export Oriented Units (EOUs) are set up by private entrepreneurs with the approval of the government. As per policy, units undertaking the export of goods and/or services are eligible to be set up under the EOU scheme. As on 31.3.2004, there were about 1800 EOUs in the country, including 32 in Madhya Pradesh and 2 in Uttaranchal.

#### **Liberalisation of Coal Sales Policy**

2403. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of COAL AND MINES be pleased to state:

(a) whether in a bid to improve coal supplies to important industrial segments Government has ordered liberalization of coal sales policy bringing major industries like aluminum and paper into the core sector fold;

(b) if so, the details thereof;

(c) whether this move would also benefit PSUs including BHEL and would also address grievances of these segments over inadequate supplies; and

(d) whether this new regime would also benefit more than 60 consumers including Hindalco, INDAL and IFFCO?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYAN RAO):

(a) Yes, Sir.

(b) Government on 1st January, 2004 have accorded core sector priority to Aluminum industry, paper industry, export of coal to neighbouring countries as part of bilateral negotiations held under the auspices of the Ministry of External Affairs and Central PSUs for consumption and use (as distinguished from trading) for supply of coal from coal producing subsidiaries under Coal India Limited (CIL)/Singareni Collieries Company Limited (SCCL).

(c) and (d) Yes, Sir.

[Translation]

#### **Standards of Airports**

2404. SHRI SANTOSH GANGWAR:

SHRI ARJUN SETHI:

SHRI JASWANT SINGH BISHNOI:

SHRI SHIVRAJ SINGH CHOUHAN:

SHRI PRAKASHBAPU V. PATIL:

SHRI SARBANANDA SONOWAL.

SHRI ANANTA NAYAK:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government proposes to bring Bhubaneshwar, Guwahati, Jodhpur, Khajuraho and some other airports at par with the standards of international airports;

(b) if so, the details thereof; and

(c) the number of new international airports proposed to be constructed?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Guwahati airport is already declared as an International airport. Bhubaneshwar airport has customs and immigration facilities to handle limited international flights. Airports at Jodhpur and Khajuraho have not been declared as International airports. Upgrading the status of an airport to International airport, inter-alia depends on traffic requirements, commercial viability, operation of international flights and availability of resources.

(c) Government of India has already accorded in principle approval for construction of new airports of International standards at Devanhalli near Bangalore, Shamshabad near Hyderabad and Mopa near Panaji (Goa).

[English]

#### **Post of Notary Public**

2405. SHRI AJOY CHAKRABORTHY: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of Naotary Public appointed in different Courts in Delhi during each of the last three years;

(b) whether a number of posts in Notary Public lying vacant in different Courts of Delhi;

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

(d) the steps taken by the Government to clear the backlog?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI K. VENKATAPATHY): (a) Notary Public are appointed area-wise in State/Union Territory and not Court-wise. For the year 2001, 2002 and 2003, the number of Notary Public appointed in Delhi was 35, 38 and 10 respectively.

(b) Maximum number of notaries to be appointed by the Central Government is specified in the Schedule annexed to the Notaries Rules, 1956 enclosed as statement. The quota specified for Delhi is 325 out of which 295 notaries have been appointed so far.

(c) So far as Delhi is concerned 10 applications are pending for want of Vigilance clearance from the concerned State Bar Council; for want of affidavit of the memorialist and other relevant certificates.

(d) After receiving the applications, the Competent Authority shall, after holding such inquiry as he thinks

fit and after giving the applicant an opportunity of making his representation against the objections, if any, received within the time fixed, make a report to the appropriate Government recommending either the application may be allowed or that it may be rejected.

**Statement**

***The Notaries Rules, 1956***

[The Schedule  
(See rule 8(4A))]

Sl. No.	Name of the State/Union Territory	Maximum number of notaries to be appointed by the Central Government	Maximum number of notaries to be appointed by State Government or Union Territory Administration
1	2	3	4
1.	Andhra Pradesh	575	575
2.	Assam	575	575
3.	Bihar	925	925
4.	Gujarat	625	625
5.	Kerala	375	375
6.	Madhya Pradesh	1,125	1,125
7.	Tamil Nadu	725	725
8.	Maharashtra	875	875
9.	Karnataka	675	675
10.	Orissa	750	750
11.	Punjab	425	425
12.	Rajasthan	800	800
13.	Uttar Pradesh	1,750	1,750
14.	West Bengal	450	450
15.	Jammu and Kashmir	350	350
16.	Nagaland	200	200
17.	Haryana	475	475
18.	Himachal Pradesh	300	300
19.	Manipur	225	225



1	2	3	4
20.	Tripura	100	100
21.	Meghalaya	175	175
22.	Sikkim	100	100
23.	Mizoram	200	200
24.	Arunachal Pradesh	325	325
25.	Goa	50	50
26.	Uttaranchal	325	325
27.	Chhattisgarh	400	400
28.	Jharkhand	450	450
29.	Delhi	<sup>2</sup> [325]	<sup>2</sup> [325]
30.	Andaman and Nicobar Islands	50	50
31.	Lakshadweep	25	25
32.	Dadra and Nagar Haveli	25	25
33.	Daman and Diu	50	50
34.	Pondicherry	100	100
35.	Chandigarh	25	25.]

1. Ins. by G.S.R. 330 (E), dated 9th May, 2001 (w.e.f. 10.5.2001).

2. Subs. by G.S.R. 460 (E), dated 25th June, 2001 (w.e.f. 26.6.2001).

### **New Accounting Guidelines**

2406. SHRI KAILASH MEGHWAL: Will the Minister of COMPANY AFFAIRS be pleased to state:

(a) whether Institute of Chartered Accountants of India had recently issued new accounting guidelines;

(b) if so, the details thereof;

(c) whether guidelines issued by SEBI propose to be withdrawn; and

(d) if so, the details of the guidelines issued by SEBI and the reasons for withdrawal?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): (a) No, Sir.

(b) to (d) Do not arise.

### **C and AG Report on Review of Some Selected Judgments Pronounced**

2407. SHRI RAGHUNATH JHA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that C and AG in its report No. 13 of 2003 (Direct Taxes) on pages 31 to 69 has stated that they conducted a review of some selected judgments pronounced by the Supreme Court and found majority of those judgments were not implemented involving tax effect of crores of rupees;

(b) if so, the details of those judgments and the quantum of tax money involved therein;

(c) whether the Government goes into the reasons for non-implementation of the judgments and fixed the responsibility and accountability of the officials responsible therefor; and

(d) if so, the action the Government has taken/ proposed to implement those judgments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) It is a fact that C and AG conducted a review and made observations contained in Report No. 13 of 2003, (Direct Taxes). Raising of audit observation and its settlement is a continuous process.

(b) The C and AG has studied non-implementation in 26 out of 34 selected judgments of Hon'ble Supreme Court. The decisions of Supreme Court are listed in the statement enclosed.

Short levy of Rs. 607.46 crores has been alleged due to the non-implementation of these judgments in 1067 cases.

(c) Officers of the seniority of Commissioner have monitored the observations. The reasons for non-implementation include :—

- (i) The audit objections were raised on order U/s 143(1)(a), wherein the Assessing Officer was not empowered in law to make any disallowances.

(ii) In some of the cases facts and issues involved were not same as in the cited Supreme Court cases so the ratio of the decisions of Supreme Court were not applicable.

(iii) In cases where the audit objections are found to be correct the CsIT are required to call for explanation of the officer.

(d) CBDT has directed vide Instruction No. 1928 dated 7.8.1995 to their Assessing Officers working in all Commissionerates of Income Tax in the country to invariably initiate remedial actions including rectificatory measures, in all cases of revenue audit objections irrespective of the fact whether the revenue audit objection are accepted by the department or not. The CCIT/CsIT are already under instruction to immediately act on the audit objections raised by office of C and AG and to ensure that objections get settled at an early date. A part reply has already been submitted in this regard by C.B.D.T. to C and AG in regard to Report No. 13. Observations of C and AG as raised in the System Review are monitored in a time bound manner by Commissioner of Income Tax and rectificatory action are taken as per law.

### **Statement**

#### *List of selected judgments of the Supreme Court*

Sl. No.	Reference to ITR	Case
1	2	3
1.	245 ITR 830 (2000)	M/s. Lucky Minmat Pvt. Ltd. Vs. CIT
2.	246 ITR 230 (1998)	DDC of Sales Tax and another Vs. Bherhaghat mineral Industries
3.	237 ITR 174 (1999)	CIT Vs. Venkateswara Hatcheries Pvt. Ltd. and others
4.	249 ITR 307 (2000)	CIT Vs. Gem India Manufacturing Co.
5.	245 ITR 538 (2000)	Indian Hotels Co. Ltd. and others Vs. ITO and others
6.	204 ITR 412 (1995)	CIT Vs. Mc. Budharaja and Co. and another
7.	234 ITR 412 (1997)	CIT Vs. Coromandal Cements Ltd.
8.	227 ITR 173 (1997)	Tuticorin Alkali Chemical and Fertilizers Ltd., Vs. CIT
9.	248 ITR 110 (2000)	CIT Vs. Autokast Ltd.
10.	230 ITR 733 (1998)	Bharat Commerce and Industries Ltd. Vs. CIT
11.	229 ITR 534 (1997)	Maddi Venkataraman and Co. (P) Ltd. Vs. CIT

1	2	3
12.	243 ITR 81 (1999)	CIT Vs. Dr. B. Venkata Rao
13.	244 ITR 192 (2000)	CIT Vs. Anand Theatres
14.	247 ITR 797 (1999)	CIT Vs. Hico Products P. Ltd.
15.	199 ITR 43 (1992)	Excorts Ltd. and another Vs. Union of India and others
16.	248 ITR 4 (2000)	Indian Smelting and Refining Co. Ltd. Vs. CIT
17.	223 ITR 809 (1997)	Marshall Sons and Co. (India) Vs. ITO
18.	248 ITR 323 (2001)	CIT Vs. Mrs. Grace Collis and others
19.	243 ITR 640 (2000)	New India Mining Corporation Pvt. Ltd. Vs. CIT
20.	224 ITR 414 (1997)	Ballimal Naval Kishore and another Vs. CIT
21.	231 ITR 842 (1998)	Hasimara Industries Ltd. Vs. CIT and another
22.	235 ITR 131 (1997)	State of Bihar and others Vs. Steel City Beverages Ltd. and another
23.	232 ITR 359 (1997)	Southern Switch Gear Ltd. Vs. CIT and another
24.	244 ITR 31 (1999)	Alankar Commercial Pvt. Ltd. Vs. ACIT and others
25.	245 ITR 428 (2000)	Bharat Earth Movers Vs. CIT
26.	237 ITR 131 (1999)	Stonecraft Enterprises Vs. CIT
27.	247 ITR 578 (2001)	Sea Pearl Industries and others Vs. CIT
28.	239 ITR 297 (1997)	Hindustan Lever Ltd. Vs. CIT
29.	82 ITR 902 (1971)	CIT West Bengal II Vs. Coal Shipments (P) Ltd.
30.	248 ITR 3 (2000)	Gorelal Dubey Vs. CIT
31.	225 ITR 792 (1997)	Punjab State Industrial Development Corporation, Ltd. Vs. CIT
32.	225 ITR 798 (1997)	Brooke Bond India Ltd. Vs. CIT
33.	228 ITR 253 (1997)	Sahney Steel and Press Works Ltd. and others Vs. CIT
34.	188 ITR 44 (1990)	CIT Vs. British Paints India Ltd.

#### **International Patent Act**

2408. SHRI KINJARAPU YERRANNAIDU: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether representations have been received against the international Patent Act in India to file Criminal charges against piracy;

(b) if so, the details thereof; and

(c) the action proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Patent laws are territorial in nature

and infringement proceedings under the Indian Patents Act, 1970 are civil in nature.

(b) and (c) Do not arise.

#### **Flying Clubs**

2409. SHRI PRABODH PANDA: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the details of flying clubs in the country as on date, in each State/UT with locations;

(b) the number of planes with each of these flying clubs;

(c) the number of persons trained by each flying club during last three years;

(d) whether any subsidy is given on training fee; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) State-wise details of functional Flying Clubs in the country with location-wise as on date are as under:—

(1) **west Bengal:** Government Flying Training Institute, Kolkata, (2) **Andhra Pradesh:** Andhra Pradesh Aviation Academy, Hyderabad; Flytech Aciation Academy, Secunderabad; Wings Aviation Private Limited, Hyderabad, (3) **Bihar:** Bihar Flying Institure, Patna, (4) **Gujarat:** Gujarat Flying Club, Vadodra; Ahmedabad Aviation Academy, Ahmedabad, (5) **Haryana:** Haryana Institute of Civil Aviation, Karnal with branches at Hissar and Pinjore, (6) **Karnataka:** Government Flying Training Centre, Bangalore; Hindustan Aeronautics Limited, Rotary Wing Academy, Bangalore, (7) **Kerala:** Kerala Aviation Training Centre, Trivandrum, (8) **Madhya Pradesh:** Madhya Pradesh Flying Club, Indore with one branch at Bhopal; Yash Air Limited, Indore, (9) **Maharashtra:** Bombay Flying Club, Mumbai; Academy of Carveer Aviation Private Limited, Mumbai (10) **Orissa:** Government Aviation Training Institute, Bhubaneshwar, (11) **Punjab:** Amritsar Aviation Club, Amritsar; Ludhiana Aviation Club, Ludhiana; Northern India Flying Club, Camp at Patiala; Patiala Aviation Club, Patiala, (12) **Rajasthan:** Rajasthan State Flying School, Jaipur; Rajputana Aviation Academy, Jaipur, (13) **Tamil Nadu:** Madras Flying Club, Chennai, (14) **Pondicherry:** Orient Flight School, Pondicherry, (15) **Uttar Pradesh:** Uttar Pradesh State Flying Training Institute, Kanpur; Indira Gandhi Rashtriya Uran Akademi, Fursatganj, (an Autonomous body under Ministry of Civil Aviation); Garg Aviation, Kanpur.

State-wise details of non-functional Flying Clubs in the country with location-wise as on date are as follows:—

(1) **Andaman and Nicobar Islands:** Andaman and Nicobar flying training Institute, Port Blair, (2) **Assam:** Assam Flying Club, Guwahati, (3) **Jharkhand:** Jamshedpur Co-operative Flying Club, Jamshedpur, (4) **Delhi:** Delhi Flying Club, New Delhi, (5)

**Maharashtra:** Nagpur Flying Club, Nagpur, (6) **Rajasthan:** Banasthali Vidyapeeth Gliding and Flying Club, Banasthali, (7) **Tamil Nadu:** Coimbatore Aviation Training Academy, Coimbatore, (8) **Karnataka:** Bangalore Aeronautics and Technical Services, Bangalore, (9) **Madhya Pradesh:** Frank Airways Private Limited, Indore.

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

(d) No, Sir.

(e) Does not arise.

[Translation]

#### **Assistance to Women by NABARD**

2410. SHRI RAMDAS BANDU ATHAWALE: Will the Minister of FINANCE be pleased to state:

(a) whether assistance is being provided by the NABARD to women living in the rural areas of States including Maharashtra under its programme;

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

(c) the number of districts covered and the number of women provided assistance under these programmes during the last two years, programme-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) National Bank for Agriculture and Rural Development (NABARD) provides credit/non-credit and promotional support to rural women in the country including those in Maharashtra under various credit schemes and promotional programmes. These programmes are:

- (1) Self-Help Goup—Bank Linkage Programme;
- (2) Assistance to Rural Women for Non-farm Development (ARWIND);
- (3) Assistance for Marketing of Non-farm Products (MAHIMA);
- (4) Women Development Cells (WDC);
- (5) Development of Women through Area Programmes (DEWTA); and
- (6) Marketing Initiatives for Non-Farm Products.

(c) The details of the numbers of districts covered and the number of women provided assistance under each of these programmes during the last two years are given below :—

Programme	Districts Covered	No. of Women Assisted	
		2002-03	2003-04
SHG-Bank	564	34.54 (Lakhs)	45.90 (Lakhs)
ARWIND	14	390	95
MAHIMA	10	700	800

Under Women Development Cells, as on 31st March, 2004, a cumulative disbursement to the tune of Rs. 2.17 crore has been made. Similarly, under Development of Women Through Area Programmes (DEWTA) programme, an amount of Rs. 31.98 lakh has been sanctioned during 2003-04 covering 3,271 women.

[English]

#### **Loan to Minorities by Banks**

2411. SHRI ASADUDDIN OWAISI: Will the Minister of FINANCE be pleased to state:

(a) whether the banks are required to submit its report to the Reserve Bank of India with regard to loans/credit to minorities;

(b) if so, the details thereof;

(c) the arrangements made for scrutiny of returns and following up work;

(d) whether the target fixed for this purpose by the nationalised banks during the last three years was achieved; and

(e) the steps taken or being taken by the Government against those banks who have not fulfilled the target and streamlined the dispersal of loans to minorities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. All Public Sector Banks (PSBs) are

required to submit half yearly returns to the Reserve Bank of India (RBI) on advances to minorities.

(c) The returns are scrutinized by RBI and deficiencies, if any, are taken up by it with the concerned banks.

(d) No separate target is allocated to PSBs for advances to minorities. However, banks have to ensure that credit is made available to the members of minority communities in an adequate measure not only in the 44 districts identified by the Government as having concentration of minority communities but also in the country as a whole.

The details of number of accounts and advances outstanding during the last three years in 44 identified districts having concentration of minorities are as under :—

(No. of accounts in lakhs)

(Rs. in crores)

Year	No. of Accounts	Advances Outstanding
2000-01	14.52	2498.37
2001-02	19.04	3764.55
2002-03	21.51	5084.28

(e) RBI periodically reviews the performance of banks in disbursement of loans/advances to the minorities. In case of poor performance, banks are advised to take immediate steps to ensure that the benefits from various developmental programmes flow timely, in a fair and adequate measure to minorities.

#### **Duty Evasion by Multi-National Companies**

2412. SHRI ADHALRAO PATIL SHIVAJIRAO: Will the Minister of FINANCE be pleased to state:

(a) whether cases of duty evasion by multi-national companies are on the rise for the last several years;

(b) if so, the details thereof alongwith those identified;

(c) the action proposed to be taken by the Government against such companies; and

(d) the specific steps being formulated to prevent the evasion of duty by MNCs?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) The information is being collected and will be laid on the Table of the House.

#### **Crisis in Handloom Sector in Andhra Pradesh**

2413. SHRI S.P.Y. REDDY:

SHRI TAPIR GAO:

SHRI RUPCHAND MURMU:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government is aware of the crisis condition of the Handloom industry in Andhra Pradesh which is currently passing through a critical phase;

(b) if so, whether the Government has prepared any plan to revamp the handloom sector and provide life saving measures to lakhs of handloom weavers both within and outside the comprehensive fold;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) There is no report from the State Government of Andhra Pradesh about any crisis condition of the handloom industry in Andhra Pradesh. However, there were representations seeking withdrawal of Excise Duty imposed on hank yarn.

(b) to (d) the Hon'ble Finance Minister while presenting the Union Budget for the year 2004-05 on 8th July, 2004 has proposed that there will be no mandatory excise duty on pure cotton, wool and silk, whether it is fibre, yarn, fabrics or garment. Further, Government of India has been implementing a number of schemes for the overall development of the handloom sector and for the welfare of handloom weavers throughout the country including State of Andhra Pradesh, Which are as under :—

1. Deendayal Hathkargha Protsahan Yojana
2. Handloom Export Scheme
3. Marketing Promotion Programme

4. Design Development and Training Programme

5. Integrated Handloom Training Project

6. Mill Gate Price Scheme

7. Workshop cum Housing Scheme

8. Weavers Welfare Scheme

9. Bunkar Bima Yojna

10. Implementation of Handloom (Reservation of Articles for Production) Act 1985

11. Reimbursement of CENVAT on Hank Yarn

12. Special Rebate on Handloom Products

An amount of Rs. 128.89 crore has been released to various States for implementation of these schemes during 2003-04 out of which an amount of Rs. 27.34 crore has been released to Andhra Pradesh.

#### **Nationalisation of Manganese Mills**

2414. SHRI ANANTA NAYAK: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the Government has any proposal to nationalise the manganese mines in the country;

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

(c) the details of such manganese mines, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYANA RAO):

(a) The Government has no proposal to nationalize any manganese mines in the country.

(b) and (c) In view of the (a) above, question does not arise.

#### **Problems of Jute Industry**

2415. SHRI GURUDAS DASGUPTA: Will the Minister of TEXTILES be pleased to state:

(a) whether National Jute Manufacturing Corporation is facing crisis;

(b) if so, the details thereof;

(c) whether the workers, staff officers of this corporation are not being paid their due salaries/wages for past several months;

(d) if so, the reasons therefor;

(e) whether the employees are also not receiving statutory pension benefits; and

(f) if so, the steps taken/proposed to be taken by the government?

**THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA):** (a) and (b) The National Jute Manufactures Corporation (NJMC) Ltd. is a sick Public Sector Undertaking, which stands referred to the BIFR since 1992. This Corporation is incurring persistent losses from the very year of nationalisation in 1980. It has accumulated losses to the tune of Rs. 3973 crores upto 31.3.2004 against the Paid up capital of Rs. 55.79 crores. The networth of the Corporation has turned negative to the tune of Rs. 3917 crores, eroding its paid up capital by several times. The BIFR vide its order dated 8.7.2004 has ordered winding up of the company.

(c) and (d) All the units of the Corporation have ceased production since periods ranging from six months to 2½ Years. It is unable to generate enough funds to meet its requirement of salary, wages and essential maintenance expenses. The Central Government is providing non-plan assistance to the Corporation to meet its requirements of salary and wages. During the current financial year so far, non-plan loan of Rs. 24.71 crore has been released to this Corporation to pay salary and wages and some essential administrative expenses.

(e) Its true that the NJMC is unable to pay the pensionary benefits to its employees in time. The Central Government had released Rs. 28.71 crores during the financial year 2002-03 towards clearing its outstanding dues regarding payment of gratuity retired employees.

(f) The Dept., of Public Enterprises (DPE) has got the approval of the Central Government to provide

financial assistance to sick Public Sector Undertakings including the NJMC for clearing the statutory liabilities of PF and ESI of workers. The matter has been taken up with the Ministry of Finance for providing the necessary assistance in this regard.

*[Translation]*

### **Funds for Panchayati Raj**

**2416. SHRI SHISHUPAL PATLE:** Will the Minister of FINANCE be pleased to state:

(a) the amount recommended by the previous Finance Commission to Maharashtra for Panchayati Raj Institutions;

(b) the amount released by the Union Government to Maharashtra;

(c) whether the full amount has been released to Maharashtra;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM):** (a) to (e) The Local Bodies Grants were recommended for the first time by the Tenth Finance Commission for States. The Commission recommended an amount of Rs. 347.01 crore for the State of Maharashtra for Panchayati Raj Institutions (PRIs) for the period 1996-2000. During this period, an amount of Rs. 216.88 crore was released to the State. The balance amount could not be released to the State Government due to non-fulfillment of the conditionalities attached to the grant release.

The Eleventh Finance Commission (EFC) recommended an amount of Rs. 656.73 crore as grants to the State of Maharashtra for Panchayati Raj Institutions (PRIs) for its award period 2000-05. So far, Rs. 394.04 crore only have been released to the State Government on account of lower utilisation reported by the State.

**Export of Leather Products**

2417. SHRI SHAILENDRA KUMAR:

SHRI HARISHCHANDRA CHAVAN:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) details of the quantum of the leather exported during last three years and foreign exchange earned therefrom;

(b) whether the Government has set any target for the export of leather products during this year, till date;

(c) if so, the details thereof;

(d) the likely contribution of Uttar Pradesh therein; and

(e) the incentives given to the exporters of leather products?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) The quantum of leather and leather products exported and the foreign exchange earned during the last three years, year-wise, is as under:—

(Value in US \$ million)

(quantum in million)

Products	2000-2001		2001-2002		2002-2003	
	Quantum	Value	Quantum	Value	Quantum	Value
Finished Leather (Sq.ft.)	346.60	381.49	385.77	459.25	452.08	508.83
Leather Footwear (Pairs)	40.90	381.37	41.72	395.39	46.02	423.30
Footwear Components (Pairs)	37.49	238.09	40.05	233.94	31.41	175.07
Leather Garments (Pieces)	10.52	460.45	9.38	378.75	8.39	272.08
Leather Goods (Pieces) and (Leather Gloves) (Pairs)	67.88	440.37	74.28	407.16	79.49	425.39
Saddlery and Harness (Pieces)	64.87		62.87		68.66	
	7.28	42.66	9.28	35.64	9.94	43.66
Non-leather goods (pairs)	11.66	19.11	6.66	26.02	5.65	26.88
Total		1963.55		1936.14		1875.21

The total export of leather and leather products during the year 2003-2004 was US \$ 2094 million.

(b) and (c) For the year 2004-2005, the Government has set a target of US \$ 2200 Million for leather and leather products.

(d) The share of Uttar Pradesh in the total export of leather and leather products in the year 2002-2003, was about 24% and based on the trends, Uttar Pradesh is likely to contribute about 25% of the total

export of leather and leather products of the country during 2004-2005.

(e) The Government of India has provided various incentives to exporters, including those of leather products, through export promotion schemes such as Market Development Assistance (MDA) and Market Access Initiative (MAI). In addition to the above exporters of leather products are also eligible inter-alia for Duty Drawback/concessional duties on inputs used in export production, DEPB etc.



### **Closure of Branches of United Bank of India**

2418. SHRI MANI CHARENAMEI: Will the Minister of FINANCE be pleased to state:

(a) whether United Bank of India in Manipur State, has closed down five branches of the bank in the State of Manipur and has shifted its regional office from Imphal, Manipur to Silchar in Assam;

(b) if so, the details thereof; and

(c) the steps being taken or proposed to be taken by the Government to increase the number of bank branches in Manipur as also to improve the functioning of banking sector in manipur?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. United Bank of India has reported that it closed down 5 of its branches in the State of Manipur, under the scheme of Reconstruction Plan of Weak Banks which was approved by the RBI and Government and also shifted its regional office from Manipur to Silchar because of fewer number of branches in Manipur. However, a coordinating office is functioning for the branches in the State of Manipur.

(c) As per the extant policy the Board of Directors of banks can decide on the policy and strategy for setting new branches. It is left to their discretion to identify the locality/centre for opening new branches taking into account annual business plan, growth/potential for business at the new centres, etc.

### **Cooperative Banks in Urban Areas**

2419. SHRI ADHIR CHOWDHURY: Will the Minister of FINANCE be pleased to state:

(a) the number of Urban Cooperative Banks operating in the country with their share Capital, owned funds, deposits, advances and working capital as on June 30, 2004, State and Union Territory-wise;

(b) the number of such new banks and branches opened during the last three years, State-wise and Union Territory-wise; and

(c) the norms to open up Urban Cooperative Bank in the country including women Urban Cooperative Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The information is being collected and to the extent available, will be placed on the Table of the House.

### **FTA with Mercosur Countries (Latin American Countries)**

2420. SHRI UDAY SINGH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government have entered into a Free Trade Agreement with Mercosur countries (Latin American Countries);

(b) if so, the details thereof;

(c) whether the range of products have been identified for bilateral trade with Mercosur countries; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) No, Sir. However, the Government have entered into a Preferential Trade Agreement (PTA) with Mercosur countries on January 25, 2004.

(b) and (d) The PTA aims at expansion of bilateral trade by granting fixed tariff preferences to certain products as a first step towards the creation of a Free Trade Area between Mercosur and India. All the five annexes to the PTA, namely the two lists of products on which fixed tariff preferences are to be given, the texts on Rules of Origin, Safeguard Measures and Dispute Settlement are being negotiated at present.

### **Coal Deposits in Andhra Pradesh**

2421. SHRI MAGUNTA SREENIVASULU REDDY: Will the Minister of COAL AND MINES be pleased to state:

(a) whether coal deposits available in Andhra Pradesh are not explored to the rated capacities; and

(b) if so, indicate the action taken by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYANA RAO):

(a) and (b) As per the National Coal Resources Inventory, carried out by Geological Survey of India (GSI), the total geological reserves of coal in Andhra Pradesh as on 1.1.2004 are as follows :—

(Figs.in Million tonnes)

Category		Reserves
Proved	—	8091
Indicated	—	6092
Inferred	—	2514
Total		16697

The Coal deposits in Andhra Pradesh are being explored through regional, promotional explorations and detailed exploration by deploying 33 drills.

Geological exploration is being carried-out systematically in Godavari Valley Coalfield in two stages.

The Preliminary Stage viz. Regional exploration/ Promotional exploration is being carried out by Geological Survey of India (GSI) and Mineral Exploration Corporation Limited (MECL) by deploying 11 drills (GSI-3, MECL-8), to identify the coal bearing areas and to establish the coal deposits under indicated/inferred category.

The Final Stage viz. detailed exploration is being carried out by Singareni Collieries Company Limited by deploying 25 drills to upgrade the Indicated/Inferred reserves to "Proved Category."

- The Proved reserves help in opening of new coal mines.
- During the X to XIII Five Year Plans period, it is programmed to prove a total of 2,700 Million tonnes of coal by SCCL through detailed exploration, involving 8.2 lakh mtrs. of drilling covering about 200 sq. kms of area.
- During the first two years of X Plan period, a total of 289 million tonnes of coal reserves have been proved in Godavari Valley Coalfield, Andhra Pradesh.

[Translation]

### **Scheme for Developing Tourism Industry**

2422. PROF. RASA SINGH RAWAT:

SHRI RAOSAHEB DANVE PATIL:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Govt. has formulated any special scheme for air service to tourist spots and pilgrimage destinations for the growth of Tourism Industry;

(b) if so, the details thereof;

(c) the concessions likely to be given to the tourists/pilgrims under this scheme;

(d) whether the Government is aware of the adverse effects on the tourism industry due to steep hike in fares by the Ministry and the competition caused by the private sector;

(e) if so, the details thereof; and

(f) the steps taken/proposed in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) No, Sir.

(b) and (c) Do not arise.

(d) to (f) The increase in domestic Rupee fare effective 21.6.2004, which is due to increase in the cost of fuel, is not expected to have an adverse impact either on the passenger carriage or on tourism industry as airlines have introduced several schemes of concessional fares.

[English]

### **Tariff Reduction Formula for Agriculture**

2423. SHRI RAYAPATI SAMBASIVA RAO:

SHRI TATHAGATA SATPATHY:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether group of G-20 developing countries has described the tariff reduction formula for agriculture, proposed by European Union and the United States, as unacceptable;

(b) if so, the main reasons therefor;

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

(d) whether USA is prepared to accept the timetable fixed for reduction of trade distorting subsidies and improving market access by the G-20 developing countries as a part of a framework agreement on agriculture;

(e) if so, the details thereon;

(f) whether G-20 paper is being discussed as talks under Doha round of trade negotiations at WTO; and

(g) if so, benefits to be accrued to the Indian farmers as a result of the same?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (g) The G-20 has been consistently maintaining that the blended formula for tariff reductions on agricultural products proposed jointly by the European Union and the United States in August 2003 in the on-going negotiations on agriculture in the World Trade Organisation (WTO) is not acceptable to the G-20 alliance on agriculture primarily because the formula fails to deliver substantial improvements in market access especially for products protected by tariff peaks in developed countries and poses inequitable results on the different tariff structures of developed and developing countries such that developing countries will be required to make proportionately higher average tariff reductions than developed countries.

All proposals and papers presented by WTO Members remain under discussion, including the paper under reference presented by the G-20 alliance. The proposals by the G-20 which include India are intended to ensure that the objectives of the Doha mandate on the negotiations in agriculture are met, including operationally effective special and differential treatment for developing countries in all elements of the negotiations to enable them to address their food and livelihood security and rural development needs. No conclusions can be drawn at this stage regarding any Member's response as the negotiations are still

underway. The negotiations are formally scheduled to conclude by 1 January, 2005.

#### **A/IA Facing Competition from Private Airlines**

2424. DR. M. JAGANNATH:

SHRI Y.G. MAHAJAN:

DR. ARUN KUMAR SHARMA:

SHRI RUPCHAND MURMU:

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Indian Airlines and Air India are facing tough competition from the private airlines;

(b) if so, the details thereof;

(c) whether these two carriers are losing business share due to their ageing fleet;

(d) if so, the details thereof;

(e) the steps taken/proposed to be taken to strengthen the Indian Airlines and the Air India and to make them consumer-friendly and affordable and to improve their efficiency to international level in order to capture the market;

(f) whether a task force to improve the functioning of Air India and Indian Airlines has been constituted;

(g) if so, the details thereof; and

(h) the status of implementation of its report, as on date?

THE MINISTER OF STATE IN THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) and (b) Yes, Sir. Private Airlines have gained market share during the last few years.

(c) and (d) Ageing fleet is one of the reasons for loss in business share.

(e) Government is conscious of the need to strengthen both the airlines and Air India and Indian Airlines are making all efforts to bring about improvements in their operations and services on a continuous basis.

(f) No, Sir.

(g) and (h) Do not arise.

*[Translation]***Scam in Banks**

2425. SHRI PRADEEP GANDHI: Will the Minister of FINANCE be pleased to state:

(a) whether scams have taken place in various banks controlled by the Government during the last three years as on date;

(b) if so, the details thereof;

(c) the number of officers involved in each case of scam and the action taken against them; and

(d) the steps taken by the Government to prevent the recurrence of such incidents?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Reserve Bank of India (RBI) has provided the

following details of frauds reported by Public Sector Banks in the years 2001 to 2004:

Year	No. of Frauds	Amount Involved (Rs. in crores)
2001	1353	470.37
2002	1643	394.97
2003	2193	623.61
2004 (upto March 04)	540	112.85

(c) The details of number of officials of public sector banks found involved in frauds and action taken against them during the years 2001, 2002, 2003 and 2004 (upto March 04) are given as under :—

Year	2001	2002	2003	2004 (upto March)
(1) Convicted	55	119	65	38
(2) Awarded major/minor penalties	1686	1491	2034	526
(3) Out of (2) above, dismissed/ discharged/removed	380	424	579	144

(d) RBI and Government have taken several measures to prevent frauds in the banking industry. Banks have been advised from time to time to strengthen the vigilance set up and introduce preventive and prohibitive measures. The functioning of vigilance system is reviewed during the course of onsite inspection. RBI as a part of its supervisory responsibility has been advising banks about common fraud prone areas and the measures to be taken by them to prevent/reduce the incidence of frauds including frauds in computerized environment in banks. This includes introduction of a system of concurrent audit; monitoring of working of internal inspection and audit machinery at the top most level in banks; clear demarcation of duties and responsibilities of employees; periodical rotation of staff; prompt disciplinary action; intensive screening of candidates at the time of recruitment; setting up the Board for

Financial Supervision. Government have also set up the Serious Fraud Investigation Office to investigate serious financial frauds.

*[English]***Plan to Boost FDI in the Country**

2426. SHRI KAILASH MEGHWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the Government has chalked out any plan to boost FDI in the country;

(b) if so, the details thereof;

(c) whether Federation of Indian Chambers of Commerce and Industry has conducted any survey recently in regard to FDI inflow;

(d) if so, the details thereof; and

(e) the reaction of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Government has put in place a liberal and transparent Foreign Direct Investment (FDI) policy and most sectors have been placed under the automatic route, except for a few sectors where caps have been prescribed.

In the Budget speech for 2004-05, Finance Minister has announced that FDI will continue to be encouraged and actively sought, particularly in areas of infrastructure, high technology and exports.

(c) and (d) Yes, Sir. Federation of Indian Chambers of Commerce and Industry in its 'FDI Survey 2004' published in June, 2004 have identified five thrust areas where a dedicated effort by the Government would result in strong FDI inflows in the near to medium term. These include IT and related services, chemical and chemical products, rubber and plastic products, electrical machinery and apparatus and services sector. The survey says that a large proportion of respondents from these sectors have assessed India favourably as an investment destination, perceive opportunities for greater FDI in their industry/sector and are planning expansion of their Indian operations.

(e) It is proposed to establish an Investment Commission which will have the broad authority of the Government to engage, discuss with and invite domestic and foreign businesses to invest in India.

[Translation]

#### **Subsidy for Small Powerlooms**

2427. SHRI SURAJ SINGH: Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to provide subsidy for technology upgradation of the small powerlooms;

(b) if so, the details thereof;

(c) the State-wise number of powerlooms in the country, at present; and

(d) the quantum of textiles produced from the powerlooms during last three years?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) and (b) Government has provided, w.e.f. 6th November, 2003, by way of enlargement of Technology Upgradation Fund Scheme, a credit linked capital subsidy @ 20 per cent to small powerloom units for weaving machinery of benchmarked technology, costing upto Rs. 60 lakhs. In view of this no other Scheme is being contemplated by the Government to provide subsidy for technology upgradation of small powerlooms.

(c) A list showing the number of powerlooms in the country at present State-wise is enclosed as statement.

(d) The quantum of textiles produced by powerloom sector during 2003-04 is 27,258 million sq. meter, which accounts for 67% of the total cloth production of the country. However, during 2001-02, 2002-03 and 2003-04 are 25,192 million sq. meters, 25,954 million sq. meters and 27,258 million sq. meters respectively.

#### **Statement**

State/Union Territory	No. of Looms (as on 30.4.2004)
1	2
Andhra Pradesh	44020
Assam	2726
Bihar	2894
Goa	122
Gujarat	320870
Haryana	9882
Himachal Pradesh	1461
Jammu and Kashmir	65
Karnataka	81869
Kerala	2731
Madhya Pradesh	67841
Maharashtra	839029
Orissa	3319

1	2
Punjab	23606
Rajasthan	32249
Tamil Nadu	334372
Uttar Pradesh	65934
West Bengal	4457
Delhi	1102
Arunachal Pradesh	0
Manipur	0
Chandigarh (UT)	42
Haveli (UT)	930
Pondicherry (UT)	830
Andaman and Nicobar, Daman and Diu, Lakshadweep (UT)	0
<b>Total</b>	<b>1840351</b>

#### **Special Scheme for Granite Excavation**

2428. SHRI RAMDAS BANDU ATHAWALE: Will the Minister of COAL AND MINES be pleased to state:

(a) whether the Government has any special scheme for excavation of granite and improving the mining activities in the country;

(b) if so, the details thereof;

(c) the reserves of granite in the country, location-wise;

(d) the quantity of granite exported during the last three years, year-wise;

(e) whether the export of granite has been severely affected recently;

(f) if so, the reasons therefor; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYANA RAO):

(a) and (b) Granite is a minor mineral defined under Section 3(e) of the Mines and Minerals (Development

and Regulation) Act, 1957 (MMDR Act) and as per Section 15 of the MMDR Act, 1957, all powers to make rules and grant mineral concessions for minor minerals have been given to the concerned State Government.

As per Section 18 of the MMDR Act, 1957, it has been enjoined upon the Central Government to take all necessary steps for the conservation and systematic development of minerals. In term of this section, the Central Government has notified the Granite Conservation and Development Rules, 1999 on 1st June, 1999, to conserve the granite resources and to prescribe a uniform frame work with regard to systematic and scientific exploitation of granite throughout the country.

The Central Government has also constituted a Granite Development Council (GDC) under the chairmanship of Secretary (Mines) having representation from the Central Ministries/ Departments, State Governments and Industry to discuss issues raised by granite industry from time to time and their amicable redressal.

(c) As per the mineral inventory maintained by Indian Bureau of Mines, a subordinate office under the administrative control of this Department, reserves of granite as on 1.4.2000 areas follows :—

State	(in'000 cu.m.)
1	2
Andhra Pradesh	2787540
Assam	583950
Bihar	877612
Chhattisgarh	50057
Gujarat	419547
Haryana	34000
Jharkhand	8847364
Karnataka	9740066
Kerala	3838
Madhya Pradesh	6270980

1	2
Maharashtra	1158847
Meghalaya	286467
Orissa	2134838
Rajasthan	8479408
Tamil Nadu	713299
Uttar Pradesh	494819
West Bengal	33426
All India Total	42916058

(d) to (g) As per information furnished by Indian Bureau of Mines, the year-wise quantity of export of granite during the year 2000-01, 2001-02 and 2002-03 is as follows:—

Year	2000-01	2001-02	2002-03
Quantity (in tonnes)	1582170	1673862	2183570

The export of granite has increased in past few years.

[English]

#### Investment by IFC

2429. SHRI ASADUDDIN OWAISI: Will the Minister of FINANCE be pleased to state:

(a) whether the International Finance Corporation is investing in the Indian companies engaged in manufacturing, infrastructure and financial sector;

(b) if so, the quantum of investment made by IFC in the Indian companies during each of the last three years;

(c) whether IFC propose to increase its investment in the Indian companies engaged in the above sectors;

(d) if so, the details thereof and proposed financial assistance likely to be provided by IFC during the current financial year; and

(e) the names of companies in which financial assistance is likely to be utilized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes Sir.

(b) International Finance Corporation (IFC) has approved investment of US \$ 210.21 million, US \$ 361.67 million during July 2001—June 2002, July 2002—June 2003 and July 2003—June 2004, respectively in the Indian Companies.

(c) to (e) IFC proposes to continue investing actively in the Indian companies. IFC's investment in the Indian companies during the current financial year will be subject to the availability of suitable investment opportunities. The focus of IFC's investment would be to support internationally competitive industries and services, financial markets and private infrastructure.

#### Export of Steel and Cement to China

2430. SHRI ADHALRAO PATIL SHIVAJIRAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether huge quantum of cement and steel is being exported to China to build the stadia for Olympics 2008;

(b) if so, whether as a result of this export, Government bodies/agencies in major cities are facing problems of non-availability of cement and steel;

(c) if so, whether many ambitious projects of the Government bodies have delayed and cost escalated due to non-availability; and

(d) if so, the steps being taken by the Government in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) As per the available information, there is no export of cement of China. Export of Steel to China during 2002-03 and 2003-04 (Upto February, 2004) was 1104798 and 1033574 tonnes respectively. Information about end-use of steel exported is not maintained.

(b) to (d) Production and consumption of cement and steel during the year 2003-04 shows that there is no shortage of these commodities for meeting the domestic demand. Only small quantity of specialised

grades of steel is met through imports and here also the Government has taken following steps to ensure availability of steel and to stabilise its prices.

- (i) Reduction in customs duty on non alloy steel from 25% to 10%.
- (ii) Reduction in customs duty on alloy steel from 25% to 15%.
- (iii) Abolition of 4% Special Additional Duty (SAD) on imports.
- (iv) Lowering of excise duty on steel items from 16% to 12%.
- (v) Substantial increase in the allocation of steel items, during 2004-05, for supply to the SSI units under the Small Scale Industries Corporation (SSIC) scheme.

Non availability of these commodities in the domestic market is not the cause for delaying the implementation of the ambitious projects of the Government bodies and consequently escalating the cost of these projects.

#### **Winding of BIFR**

2431. SHRI GURUDAS DASGUPTA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government proposes to wind up Board for Industrial and Financial Reconstruction (BIFR);

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

(c) the Department/Agency that would take over the work being performed by BIFR so far?

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

(b) The Sick Industrial Companies (Special Provisions) Repeal Act, 2003, (Act 1 of 2004) provides for winding up of the Board for Industrial and Financial Reconstruction (BIFR). The deficiencies noticed in the operation of SICA, inter-alia, included:

- (i) Restrictive definition of sickness;
- (ii) Slow pace of BIFR intervention; and
- (iii) Delays in winding up of sick companies.

(c) The companies (Second Amendment) Act, 2002 provides, inter-alia, for setting up of the National Company Law Tribunal under the Ministry of Company Affairs.

*[Translation]*

#### **FI's Assistance to Maharashtra**

2432. SHRI SHISHUPAL PATLE: Will the Minister of FINANCE be pleased to state:

(a) the assistance provided by the financial institutions to various states for the development projects during each of the last two years and the current year till date, State-wise;

(b) whether the assistance so provided is less in case of Maharashtra when compared to the assistance provided to other States;

(c) if so, the reasons therefor; and

(d) the steps being taken to improve the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The information received is at statement I and II.

(b) No, Sir.

(c) and (d) Do not arise.



**Statement-I**

*State-wise Assistance Disbursed by Financial Institutions (IDBI, SIDBI, IFCI, Exim) and IIBI) during 2002-03 and 2003-04*

State	(Amount in Rs. crore)										
	2002-03						2003-04				
	IDBI	SIDBI	IFCI	Exim	IIBI	IDBI	SIDBI	IFCI	Exim	IIBI	
1	2	3	4	5	6	7	8	9	10	11	
Andhra Pradesh	280.3	5.15	12.32	338	141.4	647.5	82.82	7.38	582	295.5	
Arunachal Pradesh											
Assam	0.1	0.15				39.0				0.6	
Bihar	12.6					2.9			48	4.5	
Chhattisgarh	20.1					0.4	0.51				
Chandigarh	1.9	0.88				0.5	50.00				
Dadra and Nagar Haveli	24.2	0.70	3.0			4.5					
Delhi	954.7	1.57	572.0	860	126.8	708.3	2.42		1081	354.5	
Goa	4.4	11.38	9.12			9.1		1.00		0.2	
Gujarat	553.4	11.44	363.04	328	245.0	456.8	11.46	37.14	450	423.7	
Haryana	103.4	0.46				50.5	16.45	26.73	50	79.1	
Himachal Pradesh	20.2	0.85	13.78			26.5		37.49		106.3	
Jammu and Kashmir				0.5						37.3	
Jharkhand	6.5					0.5					
Karnataka	330.4		157.27	102	86.8	689.3	10.07	2.59	246	79.2	
Kerala	42.3	123.13		18	25.0	25.2	78.37		49	95.6	
Madhya Pradesh	81.9	1.14		31	12.1	78.1	18.34		37		

1	2	3	4	5	6	7	8	9	10	11
Maharashtra	2593.2	246.37	527.66	2444	195.2	1040.1	244.14	100.62	2759	288.8
Manipur				0.6					2	
Meghalaya	2.0									10.3
Nagaland										
Orissa	71.9	11.0			6.0	108.1	2.66	10.91		
Punjab	62.9	4.17	19.84	106	41.1	58.6	4.16	4.20		91.6
Rajasthan	190.7	2.50		10	39.2	124.0	55.30		57	111.0
Sikkim							0.19			
Tamil Nadu	433.8	30.07	17.66	318	17.9	259.9	32.40	2.26	749	182.2
Uttar Pradesh	317.1	13.08	26.82	124	98.8	99.9	27.19	19.15	109	36.4
Uttaranchal	0.9		0.70			70.3		2.30		
West Bengal	144.4	2.43	56.69	499	21.2	156.5	24.73	26.41	397	55.4
<b>Total</b>	<b>6253.27</b>	<b>466.47</b>	<b>1779.90</b>	<b>5179</b>	<b>1091.9</b>	<b>4655.98</b>	<b>661.21</b>	<b>278.18</b>	<b>6616</b>	<b>2252.2</b>

**Statement-II***State-wise Financial Assistance Disbursed by FIs during the Current Year, 2004-05 (April-June)*

(Rs. Crore)

State	2003-04				
	IDBI	SIDBI	IFCI	Exim	IIBI
1	2	3	4	5	6
Andhra pradesh	22.6	1.31		72	
Arunachal Pradesh					
Assam	0.2				
Bihar	2.0				
Chhattisgarh					
Chandigarh	1.2				
Dadra and Nagar Haveli					
Delhi	0.2			79	
Goa					
Gujarat	55.1	8.01		72	0.1
Haryana		0.51			
Himachal Pradesh		0.48			
Jammu and Kashmir					
Jharkhand					
Karnataka	3.5			32	
Kerala	5.6	25.69		7	
Madhya Pradesh	11.1	0.74			
Maharashtra	84.1	33.46	7.19	701	
Manipur					
Meghalaya					
Nagaland					
Orissa	15.2	0.10			
Punjab	11.8	1.30			
Rajasthan	5.0	0.90		8	

1	2	3	4	5	6
Sikkim					
Tamil Nadu	58.3	7.06		102	
Uttar Pradesh	19.7	0.18	1.51		
Uttaranchal	52.5				
West Bengal	41.1	1.18	5.47	53	6.6
Total	389.2	80.92	14.17	11.26	6.7

*[English]*

(Amount in lacs)

**Facilities of Core Banking Solution in Manipur****March 2002**

2433. SHRI MANI CHARENAMEI: Will the Minister of FINANCE be pleased to state:

No. of Accounts 88614

Amount 103274

(a) whether Banks unreasonably take long time to afford credit to a clearing instrument in the State of Manipur;

**March 2003**

No. of Accounts 140925

Amount 199488

(b) if so, the details thereof alongwith the information on centralized core banking solution and Real Time Gross Settlement (RTGS);

**March 2004**

No. of Accounts 153275

Amount 260699

(c) whether retail banking schemes of banks such as education loan, vehicle loan etc. are low in Manipur during the last three years; and

(d) if so, the details thereof, district-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) No, Sir. The clearing house facility is maintained by the State Bank of India at Imphal Centre. According to the State Bank of India, Imphal Centre in Manipur is having fifteen member banks participating in the clearing house. The members meet twice a day and the cheques presented in the house are cleared on the same day. Branches of Banks in the state of Manipur have not started Core Banking Solutions in Manipur. There is no Bank branch in the state of Manipur participating in RTGS.

(c) and (d) The date base in Reserve Bank of India does not generate state-wise information. Bank-wise data under Education loan in respect of public sector banks during the last three years is given below:—

**Fall in Red Chillies Exports**

2434. SHRI RAYAPATI SAMBASIVA RAO: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether during 2002-2003 A.P. had exported about 60,000 tonnes of red chillies;

(b) whether the red chilli exports from Andhra Pradesh dipped at least by 25 to 30% in the current season due to poor quality;

(c) if so, the main reasons for drop in chilli exports; and

(d) the steps being considered to help chilli growers to improve export of chilli?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) State-wise data on export of chillies is not maintained. However, during 2002-03, out of

the total exports of 81,022 tonnes of chillies from India, the bulk of the chillies exported was sourced from Andhra Pradesh.

(b) As stated above, Information in regard to exports from different States is not maintained. However, export of chillies from India during 2003-04 indicated an increase, both in quantity and value, as compared to the previous year.

(c) Does not arise.

(d) Steps taken by the Government to improve export of chilli include, inter-alia, supply of polythene sheets; construction of drying yards; training programmes for quality improvement; popularising integrated pest management practices; post harvest infrastructure development and strengthening of existing laboratory in Guntur.

#### **Verification of Licence to Exporters**

2435. DR. M. JAGANNATH: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government propose to verify the bonafides of the exporters before issuing licences/permission to export to prevent misuse of concessions given; and

(b) the action proposed in this direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) to (b) Under the present EXIM Policy no export or import shall be made by any person without importer/exporter Code (IEC) Number unless specifically exempted. Importer/Exporter Code Number (IEC) is ordinarily granted on application to the Competent Authority in accordance with the procedure specified in the Handbook of Procedures. Apart from the above, instructions already exist about the detailed procedures required to be followed by the Licensing Authority while issuing licences to exporters against whom proceedings under the Foreign Trade (Development and Regulation) Act, 1992 are pending.

#### **Appeal Filed by Central Excise Department**

2436: SHRI PRABHUNATH SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the check of the records in 16 commissionerates of central excise revealed that

32 appeals filed by the department involving revenue of Rs. 50.41 crore were dismissed by the Supreme Court and three cases involving Rs. 2.00 crore by CEGAT on account of abnormal delays in filing the appeals;

(b) if so, the reasons for delay in filing the appeals;

(c) whether any action taken against the authorities responsible for the delay in filing the appeals;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Partly admitted.

Report No. 11 of 2003 (Union Government, Indirect Taxes—Central Excise and Service Tax) of the Comptroller and Auditor General of India, laid on the Table of the Lok Sabha and Rajya Sabha on 22nd April 2003 highlights this at Chapter 3, Para 3.5.1. However, as per examination of the individual cases, it has come to light that while 31 cases were dismissed by the Hon'ble Apex Court, one case was dismissed on merits by the Supreme Court after condonation of delay caused. In two cases involving revenue of Rs. 1.35 crores the law point has since been settled against the department hence no revenue loss is admitted. It may also be appreciated that in all these cases the judgment has been pronounced by the Tribunal/High Court against the Department. By going in appeal against these issues, department was only seeking to obtain relief by way of final determination of law by the Hon'ble Apex Court.

(b) The reasons for delay in filing the appeals have been examined. Primarily, an appeal proposal moves through three tiers before the same is filed before the Hon'ble Supreme Court : the Commissioner's office, the office of the Central Board of Excise and Customs, the Central Agency Section of the Ministry of Law. Time taken to process the case at each of these tiers has been identified. Reasons for delay in these cases are as follows :—

(i) There is an admitted administrative lapse in timely processing at all level in most cases.

- (ii) Further sometimes an issue has necessitated more in-depth scrutiny and therefore, other formations, including the Board, have been consulted by the Commissioner before arriving at a decision to file appeal.
- (iii) At the level of the Board, in some cases discussions on merits of filing appeal have involved consultations with other wings of the Board as well as learned Law Officers which has taken time.
- (iv) At the level of the Central Agency Section, time has been taken by panel counsels in drafting appeals and sometimes in curing of defects.
- (c) Yes.

(d) The department has taken stock of the situation and has in recent times by way of instructions and continuous monitoring, sensitized the field formations on the need to file appeals within the stipulated period. Further in each case, action has been taken to call the errant departmental authorities to task for delay caused in filing the appeal. With reference to delay caused at the level of Central Agency Section/panel counsel, the department is in continuous dialogue with the Ministry of Law to take action against the concerned government counsels who are responsible for having caused delay in filing appeal.

- (e) Does not arise.

#### **Impact of WTO**

2437. SHRI ADHIR CHOWDHURY:

SHRIMATI D. PURANDESWARI:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

- (a) whether the Government has conducted any study in the impact of WTO provisions in order to protect the interests of farmers;
- (b) if so, the details thereof;
- (c) whether the Government has taken up the matter in the WTO to safeguard the interests of farmers;
- (d) if so, the details thereof and how the Government is going to protect the interest of farmers from the WTO provisions;

(e) the details on the WTO directions for continuing high subsidy under Green, Blue, Amber and Development boxes;

(f) whether USA continues with high subsidies to farmers; and

(g) if so, the reactions thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) and (b) Yes, Sir. The Government has commissioned studies to various research institutions on the impact of the Agreement on Agriculture of the World Trade Organisation (WTO). These include :—

- (i) "The Impact of Trade Liberalisation on Prices of Agricultural Commodities in India" by the Centre of Monitoring the Indian Economy;
- (ii) "WTO: Competitiveness and Bound Tariff Requirements of Indian Agricultural Commodities" by the Indian Institute of Management, Ahmedabad;
- (iii) "The Uruguay Round Agreement and Indian Agriculture—Strategic Issues for the Future" by the National Council of Applied Economic Research; and
- (iv) Research studies on market access, domestic support, export subsidies, and food security by the Indian Institute of Foreign Trade.

(c) to (e) As required by the exigencies of the on-going negotiations on agriculture, India has been submitting proposals in the WTO aimed at achieving substantial reductions in trade-distorting domestic support and elimination of all forms of export subsidies provided by developed countries and substantial market access improvements particularly in products of export interest to developing countries. Proposals submitted by India also aim to ensure that any further commitments in market access by developing countries fully take into account the rural development needs and food and livelihood security concerns of developing countries and that special and differential treatment for developing countries is an integral part of elements of the negotiations in agriculture. The negotiations are scheduled to conclude by 1 January, 2005.

To protect the interests of farmers the Government has also put in place a suitable mechanism for monitoring the imports of sensitive items and are committed to providing adequate protection to domestic producers through WTO compatible measures, including appropriate calibration of applied tariffs within bound levels.

Under the existing provisions of the WTO Agreement on Agriculture, trade-distorting domestic support measured in terms of the "Total Aggregate Measurement of Support" (AMS) is required to be reduced by 20 per cent for developed countries over 6 years (1995-2000) and by 13-1/3 per cent by developing countries over 10 years (1995-2004), taking 1986-88 as the base period. However, trade-distorting domestic support given to the agricultural sector upto 10 per cent of the total value of agricultural production in developing countries and 5 per cent in developed countries is allowed. Domestic support provided under production-limiting programmes as well as support which has no, or at most, minimal trade-distorting effects or effects on production and which meets, stipulated criteria are not required to be reduced. There is no Development Box under the Agreement on Agriculture, though special and differential provisions for developing countries are contained therein.

(f) and (g) In view of the continuing high level of domestic support and export subsidies in most of the developed countries, in the on-going negotiations, India alongwith the G-20 alliance on agriculture and other like-minded countries has sought substantial reductions in trade-distorting support and elimination of all forms of export subsidies provided by the developed countries, including the United States.

*[Translation]*

#### **World Bank and ADB Assistance**

2438. SHRI RAMDAS ATHAWALE:

SHRI TATHAGATA SATPATHY :

Will the Minister of FINANCE be pleased to state :

(a) the financial assistance received by the country from World Bank and Asian Development Bank for

the implementation of Poverty Alleviation Programme during each of the last three years;

(b) the States where the aforesaid amount is being utilized; and

(c) the extent to which each of the above States have utilized these funds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The World Bank has approved assistance amounting to US \$ 262.56 million for two poverty alleviation projects, namely, Andhra Pradesh Rural Poverty Reduction Project (US\$ 150 million) and Chhattisgarh District Rural Poverty Project (US \$ 112.56 million), during the last three years. ADB has not financed any specific poverty alleviation project during the last three years, but have promoted the development and financing of public infrastructure.

(b) Andhra Pradesh and Chhattisgarh.

(c) Andhra Pradesh and Chhattisgarh have utilized Rupees 89.86 crores and Rupees 22.64 crores under the respective projects, to date.

*[English]*

#### **Disinvestment Policy**

2439. SHRI ADHALRAO PATIL SHIVAJIRAO:

SHRI C.K. CHANDRAPAN:

SHRI S.P.Y. REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether after disbandment of Disinvestment Ministry, the Government is considering to discontinue the process of disinvestment;

(b) if not, the target fixed by the Government for disinvestment during the remaining period of 2004-2005;

(c) the steps proposed to be taken to achieve the set target;

(d) whether Government has decided to reverse its policy with regard to disinvestment of ITDC and chain of hotels including Ashoka Hotel, New Delhi working under it;

(e) if so, the details thereof;

(f) whether there have been complaints about deals in privatisation/sale of Modern foods, Centaur Hotel and Kovalam Ashoka Beach Resort etc.;

(g) if so, the details about the nature of the complaints/allegations;

(h) whether Government has enquired about the complaints;

(i) if so, the findings thereof; and

(j) remedial measures initiated by Government to safeguard the interests of the work force?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (e) A sum of Rs. 4,000 crore is estimated as disinvestment proceeds in 2004-05. This is proposed to be achieved through dilution of Government's minority shareholdings in selected Public Sector Companies. The policy of the Government on disinvestment stated in the National Common Minimum Programme is as follows:—

"The Government is committed to a strong and effective public sector whose social objectives are met by its commercial functioning. But for this, there is need for selectivity and a strategic focus. It is pledged to devolve full managerial and commercial autonomy to successful, profit-making companies operating in a competitive environment. Generally, profit making companies will not be privatised.

All privatisations will be considered on a transparent and consultative case-by-case basis. The existing "navaratna" companies will be retained in the public sector while these companies raise resources from the capital market. While every effort will be made to modernize and restructure sick public sector companies and revive sick industry, chronically loss-making companies will either be sold-off, or closed, after all workers have got their legitimate dues and compensation. The Government will induct private industry to turn around companies that have potential for revival.

The Government believes that privatisation should increase competition, not decrease it. It will not support the emergence of any monopoly that only restricts competition. It also believes that there must be a direct link between privatisation and social needs—like, for

example, the use of privatisation revenues for designated social sector schemes. Public sector companies and nationalised banks will be encouraged to enter the capital market to raise resources and offer new investment avenues to retail investors."

(f) to (i) There have been no major complaints about the privatisation transactions which could be substantiated. The Government scrutinizes all complaints with promptitude and takes appropriate action.

(j) A number of provisions are introduced into the Shareholders Agreement entered into with the Strategic Partner at the time of disinvestment to protect the interest of workers. A copy of the standard provision in this regard is enclosed at statement. Government Directors are also appointed to the Board of privatized companies to ensure that the Shareholders Agreement is implemented.

#### **Statement**

*Typical provisions related to employees' interest incorporated in the Shareholders Agreement are as follows*

#### **Recitals :**

- Subject to the substantive clauses in this regard, the Parties envision that all Employees of the Company on the date hereof will continue in the employment of the Company.
- The SP recognises that the government in relation to its employment policies follows certain principles for the benefit of the members of the Scheduled Castes/Scheduled Tribes, physically handicapped persons and other socially disadvantaged categories of the society. The SP shall use its best efforts to cause the Company to provide adequate job opportunities for such persons. Further, in the event of any reduction in the strength of the employees of the Company, the SP shall use its best efforts to ensure that the physically handicapped persons, Scheduled Castes/Scheduled Tribes are retrenched at the end.



**Substantive Clauses**

- Notwithstanding anything to the contrary in this Article \_\_, the Government, shall at any time and at its sole discretion, have the option of selling shares from its shareholding in the company, representing not more than \_ of the share capital of the company existing as of date of this Agreement, to the employees of the Company ("employees sell share"). In the event that the Government exercises its option to sell part of its shares to the employees, the employees shall be issued fresh share certificates for the shares transferred to the employees. The Shareholders agree that, upon the completion of transfer, the shares transferred to the employees pursuant to this sub-clause shall not be subject to any restrictions in this Agreement, whether by way of a voting arrangement or a right of first refusal.
- The SP covenants with the Government that
  - (a) notwithstanding anything to the contrary in this Agreement, it shall not retrench any of the Employees of the Company for a period of 1 (one) year from the Closing Date other than any dismissal or termination of Employees of the Company from their employment in accordance with the applicable staff regulations and standing orders of the Company or applicable Laws;
  - (b) notwithstanding anything to the contrary in this Agreement, but subject to Sub-Clause (a) above, any restructuring of the labour force of the Company shall be implemented in the manner recommended by the Board and in accordance with all applicable Laws; and
  - (c) notwithstanding anything to the contrary in this Agreement, but subject to Sub-Clause (a) above, in the event of any reduction of the strength of the Company's Employees, the SP shall ensure that the Company offers its Employees an option

to voluntarily retire on terms that are not, in any manner, less favourable than the VRS applicable before disinvestment.

**State Finance Corporations**

2440. SHRI NIKHIL KUMAR CHOUDHARY:

SHRI GURUDAS KAMAT:

Will the Minister of FINANCE be pleased to state:

- (a) whether Gupta Committee was set up for review and restructuring of State Finance Corporations;
- (b) if so, the details of the recommendations of that Committee;
- (c) the action taken by the Government thereon and further steps taken by the Government for improving the performance of State Finance Corporations;
- (d) whether the Government has received request from State Governments particularly from Maharashtra and Bihar for the restructuring of State Finance Corporations;
- (e) if so, the details thereof, State-wise; and
- (f) the response of the Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) The G.P. Gupta Committee was set up for review and restructuring of State Finance Corporations (SFCs). The Committee has made recommendations for operational, financial and organizational restructuring of SFCs. The Committee has, inter-alia, recommended recapitalisation, amounting to Rs. 3,600 crore which can be shared by Central Government, Reserve Bank of India (RBI), Industrial Development Bank of India (IDBI), Small Industries Development Bank of India (SIDBI) and State Governments to be linked to reforms on the operations of SFCs. The details of other recommendations are given in the statement enclosed.

(c) The report has been sent to various SFCs for taking immediate action on recommendations relating to operational and organizational restructuring to improve performance of SFCs.

(d) to (f) Some of the State Governments have requested for restructuring of SFCs. The Govt. and RBI are not the stakeholders of SFCs and are not in a position to provide any fund. However, recognizing the role of SFCs in ensuring adequate flow of credit to SSI Sector, Government and SIDBI have formulated a package for revitalization and restructuring consisting of reliefs and concessions to SFCs. The concessions are reduction in rate of interest by 2% on all outstanding as well as future finance and moratorium of one year for repayment of existing dues. As per the conditions of the package, Memorandum of Undertaking (MoU) is to be signed by SFCs. So far, 9 SFCs have entered into MoU. SFCs in Maharashtra and Bihar have not signed the said MoU with SIDBI to avail the concessions and reliefs.

#### **Statement**

*Other recommendations of G.P. Gupta Committee on State Financial Corporations—Lok Sabha Unstarred Question No. 2440 for 23rd July, 2004*

The Committee has also made recommendations on several matters such as :—

- SFCs should continue playing the role of credit/services provider to SSI sector.
- SFCs needs to provide diversified products/ services to ward off any untoward and adverse impact of particular activity on the health of the SFCs.
- The maximum limit on accommodation per unit might be removed and the Boards of SFCs be authorised to fix exposure limits per unit, industry-wise, based on the prevailing and emerging industrial climate in the State.
- SIDBI, as at present, should continue to fill up the credit gaps and play supplementary and complementary role vis-a-vis SFCs.
- SFCs should take up more non-fund based activities.
- SFCs should completely re-design their business processes and enhance the corporate culture with pro-active client relationship approach.
- Installation of more efficient and effective risk assessment mechanism as well as close monitoring of loan portfolios.
- To ensure continuity at MD's level, the power to appoint the MD may continue to vest in and be exercised by the State Government. It should however, be invariably ensured that the services of MD-designate, be made on contract basis for a minimum fixed period of three years without any recourse to recall.
- To effectively guide the SFCs, the nominees of SIDBI, FIs and banks be drawn from a pool of appropriately senior executives, preferably not below the rank of General Manager.
- SFCs to take a realistic assessment of their branch network treating each of them as "Profit Centre", besides looking at the objective of providing the service with better geographical spread. Unviable branches must be closed without delay.
- Information/data to be computerized on an on-going basis.
- SIDBI should take steps to strengthen its internal monitoring and administrative mechanism with regard to SFCs.
- To overcome the delays in recoveries, the State Government may set up special courts for disposal of applications made under Section 32 of the SFCs Act, which might exclusively deal with recovery applications filed by SFCs.
- SIDBI should come out with OTS guidelines for SFCs, on the lines of guidelines issued by RBI on July 27, 2000 to commercial banks, which would provide a simplified non-discretionary and non-discriminatory mechanism for recovery of their NPAs. SFCs should then not fight shy in implementing OTS vigorously.
- Each SFC should fix certain sectoral exposure limits. SFCs should ensure that these do not exceed 5% of the fresh sanctions.

- Owing to special circumstances in which SFCs, operate, guidelines for income recognition, provisioning and asset classification need to be different from those applicable to commercial banks.
- To improve poor cash management, SFCs need to invest cash balances profitably in short-term investments.
- For effective resource management, Asset Liability Management committee (ALCO) to be formed in each SFCs to ensure that SFCs in future do not borrow short and lend long and thereby avoid asset liability mismatches.
- SFCs might be advised to immediately adopt uniform accounting standards.

#### **Bank Loan to Poor and Unemployed**

2441. SHRI B. VINOD KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued any directives to the public sector banks to discourage

advancing loans below one lakh rupees to needy poor persons/unemployed youths;

(b) if so, the details thereof; and

(c) the targets fixed and achieved in respect of loans to the above category of persons in each state during each of the last three years?

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

(b) Does not arise.

(c) According to information furnished by the Reserve Bank of India (RBI), the details of State-wise target and loan disbursed under Swarnajayanti Gram Swarozgar Yojana (SGSY), Swarna Jayanti Shahari Rojgar Yojana (SJSRY), Scheme of Liberation and Rehabilitation of Scavengers (SLRS), Prime Minister Rozgar Yojana (PMRY) and Differential Rate of Interest (DRI) during the last three years are given in statement-I to V.

#### **Statement-I**

*State-wise Annual Financial Target and Loan disbursed (No. and Amount) under SGSY during the year 2001-02, 2002-03 and 2003-04 (upto December, 2003).*

(Amount Rs. in lakhs)

Name of the State/UTs	2001-2002		2002-2003		2003-2004	
	Annual Financial Target	Total Loan Disbursed	Annual Financial Target	Total Loan Disbursed	Annual Financial Target	Total Loan Disbursed
1	2	3	4	5	6	7
Andhra Pradesh	13787.55	8142.96	9213.21	10350.88	11868.40	11785.48
Assam	4997.10	739.87	4534.20	1281.87	9111.36	2020.91
Bihar	21541.88	9462.21	22179.69	15569.61	18984.73	10311.46
Gujarat	11800.28	2693.27	8860.04	2099.39	6847.48	1683.33
Haryana	3035.32	2442.65	1964.80	1795.59	1788.87	1338.54
Himachal Pradesh	1274.97	1809.72	1137.20	1149.47	1315.54	759.58
Jammu and Kashmir	26289.92	1210.09	2740.83	1189.41	1171.21	717.28

1	2	3	4	5	6	7
Karnataka	2251.65	2998.38	2616.24	3397.21	1567.16	2625.70
Kerala	2207.79	3839.74	3885.65	3013.27	1697.23	2270.90
Madhya Pradesh	11511.41	8892.74	12182.76	11214.98	9668.83	7627.27
Maharashtra	16921.47	10822.72	14031.12	5953.06	8101.36	2704.52
Manipur	0.00	0	247.00	5.00	243.40	8.53
Meghalaya	4.35	2.30	378.00	99.90	376.15	45.31
Nagaland	57.30	18.27	419.30	220.38	671.83	68.39
Orissa	12548.92	7605.66	6880.48	5896.18	5762.98	4412.18
Punjab	782.29	2052.4	1247.52	1537.39	1256.95	1068.86
Rajasthan	7620.92	5981.45	7546.11	4407.43	6746.05	1646.85
Sikkim	203.12	16.52	67.60	73.64	50.00	94.49
TamilNadu	5984.33	3628.49	6986.03	6322.88	2049.54	4080.76
Tripura	1865.29	971.00	803.00	928.0	848.43	278.53
Uttar Pradesh	25748.56	9006.65	17734.69	9546.14	21129.58	7616.28
West Bengal	12851.30	2499.84	6460.11	4228.62	3734.55	3684.33
Andman and Nicobar	0.00	9.00	0.00	19.90	0.00	0.00
Arunachal Pradesh	312.00	0.00	498.00	121.02	519.86	66.25
Chandigarh	0.00	20.67	3.00	16.00	62.90	3.22
Dadra and Nagar Haveli	31.00	12.49	25.50	5.01	0.00	3.04
Goa	120.35	104.38	128.43	117.22	193.55	103.00
Mizoram	0.00	0.00	137.00	43.00	109.71	9.46
Pondicherry	79.00	20.88	86.50	131.92	42.23	78.71
Lakshadweep	0.00	2.37	0.00	3.60	0.00	8.10
Daman and Diu	1.10	0.06	2.50	0.16	0.00	1.34
Delhi	0.00	0.30	0.00	0.55	0.75	0.00
Jharkhand	8607.19	6551.78	9346.78	6171.46	4488.53	4478.68
Chhattisgarh	4694.11	1114.97	4111.11	2863.10	3576.22	1514.43
Uttaranchal	568.50	802.54	2001.59	1279.51	1326.14	634.55
All India	197609.00	93385.70	148455.99	101052.75	125311.52	73748.26

**Statement-II**

*The State-wise details of Target, Loan disbursed (No. and Amount) under SJSRY by all Scheduled Commercial Banks during the year 2001-02, 2002-03 and 2003-04 (upto December, 2003).*

(Rs. in Lakhs)

Name of the State/ Union Territories	2001-2002			2002-2003			2003-04		
	Target	Total Loan Disbursement		Target	Total Loan Disbursement		Target	Total Loan Disbursement	
		No.	Amt.		No.	Amt.		No.	Amt.
1	2	3	4	5	6	7	8	9	10
Haryana	1347	1151	394.49	928	981	326.87	1084	970	309.99
Himachal Pradesh	1682	219	77.33	42	131	52.94	117	181	61.15
Jammu and Kashmir	9795	1073	481.43	3474	1186	500.99	3064	462	209.81
Punjab	1061	2198	688.51	947	1494	454.25	584	385	129.99
Rajasthan	13588	5993	1278.19	10213	3916	832.9	9893	1822	400.91
Chandigarh	101	31	12.73	55	33	11.68	78	21	6.69
Delhi	5474	116	23.91	2797	321	62.61	2380	109	27.31
Assam	2800	1516	1046.14	2403	1441	705.31	2835	1683	759.15
Manipur	33	9	3.36	57	14	5.24	54	23	8
Meghalaya	476	264	213.36	576	499	200.77	554	396	172.31
Nagaland	316	332	131.32	330	362	137.73	220	214	98.94
Tripura	1048	366	226.27	1183	708	337.54	728	478	201.39
Arunachal Pradesh	35	0	0	80	57	23.35	100	71	30.88
Mizoram	150	110	110.17	326	334	154.11	230	178	82.33
Bihar	2064	1730	532.7	3013	5199	1930.65	3958	1179	454.68
Jharkhand	675	221	55.21	1099	430	116.23	1051	254	69.26
Orissa	6759	3057	493.05	4512	2521	424.28	4857	1655	348.33
West Bengal	2500	1668	235.7	5571	1644	825.59	6407	1740	298.59
Andman and Nicobar	31	5	0.87	8	4	0.74	0	0	0
Sikkim	87	19	6.03	59	40	19.43	55	38	15.44
Chhattisgarh	2389	1426	345.88	3385	1823	437.27	2780	544	146.26
Madhya Pradesh	15609	7531	2488.38	12226	5795	1947.91	11654	1667	613.92

1	2	3	4	5	6	7	8	9	10
Uttaranchal	1162	340	122.67	1845	1487	484.01	1475	394	160.62
Uttar Pradesh	43581	15400	5471.54	16777	6844	2239.64	9948	3915	1434.63
Gujarat	15927	2954	824.05	12802	4886	1394.18	9390	2417	670.52
Maharashtra	13819	5254	1431.34	12946	4936	1213.54	16840	4278	978.91
Daman and Diu	0	0	0	0	0	0	0	0	0
Goa	113	202	81.18	170	124	41.99	139	39	8.51
Dadra and Nagar Haveli	0	0	0	0	0	0	0	0	0
Andhra Pradesh	1983	2368	587.48	1191	3350	657.45	3185	3313	1796.53
Karnataka	6050	4370	1089.58	8005	9115	2767.96	5775	2953	857.46
Kerala	1896	3448	682.91	1156	3818	828.77	1340	2033	617.2
Tamilnadu	1526	2142	377.92	2808	2816	456.82	3121	3403	589.91
Lakshadweep	0	0	0	0	0	0	0	0	0
Pondicherry	115	97	11.76	74	61	5.84	153	117	12.34
Not specified	0	0	0	0	0		0	0	0
All India	154292	65610	19526.46	111050	66340	19098.59	104029	36932	11571.97

**Statement-III**

*The State-wise details of Target, Loan disbursed (No. and Amount) under SLRS by all Scheduled Commercial Banks during the year 2001-02, 2002-03 and 2003-04 (upto December, 2003)*

(Rs. in Lakhs)

Name of the State/ Union Territories	2001-2002			2002-2003			2003-04		
	Target	Total Loan Disbursement		Target	Total Loan Disbursement		Target	Total Loan Disbursement	
		No.	Amt.		No.	Amt.		No.	Amt.
1	2	3	4	5	6	7	8	9	10
Andhra Pradesh	539	896	111.24	81	859	122.69	374	313	70.87
Assam	574	182	31.48	80	47	6.69	102	32	4.02
Bihar		20	1.02	0	35	5.08	2501758	139	30.12
Gujarat	1665	1138	104.88	2412	1727	240.77	265	1436	87.83
Haryana	919	506	110.02	346	383	109.69	149	110	28.86

1	2	3	4	5	6	7	8	9	10
Himachal Pradesh	197	193	44.97	72	157	57.73	113	41	12.66
Jammu and Kashmir	207	30	3.48	169	6	1.03	1351	4	1.27
Karnataka	1002	439	70.58	959	936	154.75	0	87	14.9
Kerala	—	153	19.59	0	160	20.2	4039	3	0.34
Madhya Pradesh	4433	2698	537.09	4241	1499	354.03	365	1021	250.17
Maharashtra	840	782	100.57	460	707	97.57	0	349	58.49
Manipur	—	0	0.00	0	0	0.00	25	0	0.00
Meghalaya	25	10	1.80	30	6	1.05	783	6	1.05
Nagaland	—	0	0.00	0	0	0.00	0	0	0.00
Orissa	1593	1074	171.82	1636	1049	164.88	2522	353	103.41
Punjab	20	189	23.19	0	159	22.23	0	20	2.55
Rajasthan	996	449	71.67	1155	379	69.38	0	459	88.4
Sikkim	—	0	0.00	0	0	0.00	0	0	0.00
TamilNadu	330	2502	394.21	85	2358	304.68	414	16	3.68
Tripura	—	0	0.00	0	0	0.00	45	0	0.00
Uttar Pradesh	6273	1399	219.47	1743	659	103.83	0	243	37.45
West Bengal	102	100	11.73	30	92	8.83	0	31	15.19
Andman and Nicobar	—	0	0.00	0	0	0.00	3	0	0.00
Arunachal Pradesh	—	0	0.00	0	0	0.00	0	0	0.00
Chandigarh	3	5	0.70	3	6	1.21	0	1	0.50
Dadra and Nagar Haveli	—	0	0.00	0	0	0.00	0	0	0.00
Goa	—	73	8.80	0	85	8.91	0	1	0.20
Mizoram	—	0	0.00	0	0	0.00	0	0	0.00
Pondicherry	10	16	3.13	0	21	4.09	0	0	0.00
Lakshadweep	—	0	0.00	0	0	0.00	0	0	0.00
Daman and Diu	—	0	0.00	0	0	0.00	0	0	0.00
Delhi	963	258	42.84	32	91	13.42	70	14	2.26
Chhattisgarh	695	233	43.06	533	99	19.81	326	62	10.95
Jharkhand	—	8	1.21	0	5	0.62	0	0	0.00
Uttaranchal	492	115	13.37	794	221	49.32	284	51	10.34
All India	21878	13468	2141.92	14657	11467	2016.75	13228	4792	835.51

**Statement - IV**

*The State-wise details of Target, Loan disbursed (No. and Amount) under PMRY by all Scheduled Commercial Banks during the year 2001-02, 2002-03 and 2003-04*

(Rs. in Lakhs)

Name of the State/ Union Territories	2001-2002			2002-2003			2003-04		
	Target	Total Loan Disbursement		Target	Total Loan Disbursement		Target	Total Loan Disbursement	
		No.	Amt.		No.	Amt.		No.	Amt.
1	2	3	4	5	6	7	8	9	10
Haryana	8800	5796	3291.79	9200	3830	2265.04	9200	7002	4226.67
Himachal Pradesh	3000	2342	1528.51	2700	1777	1358.94	2700	2212	507.99
Jammu and Kashmir	1300	806	695.49	4000	247	214.44	4000	605	517.15
Punjab	9000	7489	4699.19	9000	3623	2260.25	9000	7756	4768.52
Rajasthan	16400	10094	5484.52	16600	6200	3235.2	16600	12253	6537.24
Chandigarh	100	124	86.4	100	37	22.68	100	47	29.32
Delhi	4600	606	455.36	4600	456	328.55	4600	631	451.38
Assam	6600	1682	1143.10	15000	756	488.33	15000	4062	3279.35
Manipur	1100	102	57.63	1300	3	2.85	1300	527	377.42
Meghalaya	2000	133	95.67	1350	43	30.63	300	256	197.54
Nagaland	500	35	41.53	700	19	19.6	700	107	138.36
Tripura	3000	487	283.95	3000	951	660.62	3000	1066	663.44
Arunachal Pradesh	400	275	193.62	700	7	4.01	550	294	273.07
Mizoram	250	27	14.40	1000	2	2.65	1000	155	107.87
Bihar	18000	6023	4576.90	18100	3197	2487.82	18100	7939	6626.81
Jharkhand	9000	2752	2148.46	9000	1736	1380.41	9000	4354	3543.38
Orissa	12050	1750	1099.46	16300	649	373.4	12850	6685	4540.69
West Bengal	22000	1867	1240.33	21100	1291	896.33	21100	2528	1627.72
Andman and Nicobar	200	103	79.11	175	55	43.51	175	142	110.23
Sikkim	50	37	18.37	50	8	4.5	50	26	13.17
Chhattisgarh	2500	1232	772.78	6000	721	407.87	6000	3006	1873.82
Madhya Pradesh	28000	10740	6858.71	28600	5603	3545.1	28600	16232	10226.83



1	2	3	4	5	6	7	8	9	10
Uttaranchal	5000	3163	1812.61	6000	2642	1769.24	6000	4664	2864.8
Uttar Pradesh	50200	32320	20996.17	50900	20559	13249.95	50900	37967	25543.89
Gujarat	16250	6645	3356.5	11950	4302	2082.63	11950	7161	3706.05
Maharashtra	27900	15850	8880.89	27650	8195	4886.65	27650	17612	10413.77
Daman and Diu	50	8	5.88	50	0	0	50	2	1
Goa	500	154	109.52	500	62	46.88	500	274	200.6
Dadra and Nagar Haveli	50	10	8.55	50	0	0	50	10	7
Andhra Pradesh	33000	8270	4879.67	35800	4946	2912.87	35800	13632	7934.15
Karnataka	18700	7823	4786.75	18400	4807	3109.62	18400	10027	6795.67
Kerala	22000	8419	4295.53	19250	7914	3885.89	19250	9703	5191.29
TamilNadu	20000	8173	3650.18	20000	4931	2180.35	20000	9600	4393.76
Lakshadweep	50	23	13.85	50	15	9.11	50	10	7.07
Pondicherry	450	161	68.56	550	107	56.11	550	213	101.56
Not specified	1356	37	20.93	1866	472	447.54	1694	828	826.1

**Statement - V**

*The advances under DRI Scheme by Public Sector Banks during the year 2000-01, 2001-02 and 2002-03*

(A/Cs in Lakhs)

(Amount in Crores)

Name of the Bank	2000-2001		2001-2002		2002-03	
	No. of A/Cs	Balance O/S	No. of A/Cs	Balance O/S	No. of A/Cs	Balance O/S
1	2	3	4	5	6	7
State Bank of India	1.19	34.87	0.50	22.65	0.44	17.41
State Bank of Bikaner and Jaipur	0.82	6.66	0.49	3.88	0.32	2.50
State Bank of Hyderabad	0.30	13.46	0.28	17.17	0.21	12.82
State Bank of Indore	0.13	5.57	0.09	3.60	0.04	3.16
State Bank of Mysore	0.06	3.81	0.05	2.89	0.04	2.86
State Bank of Patiala	0.10	4.62	0.07	3.37	0.07	3.49
State Bank of Saurashtra	0.01	0.65	0.06	0.50	—	0.18
State Bank of Travancore	0.73	4.28	1.73	5.67	0.06	1.24

1	2	3	4	5	6	7
Allahabad Bank	0.61	31.41	1.02	31.70	0.96	28.58
Andhra Bank	0.05	13.56	0.05	13.33	0.05	12.25
Bank of Baroda	0.21	36.18	0.23	36.72	0.16	21.17
Bank of India	0.12	42.86	0.23	50.00	0.38	50.00
Bank of Maharashtra	0.01	2.55	0.01	2.10	0.01	1.49
Canara Bank	0.38	25.82	0.19	18.00	0.16	21.00
Central Bank of India	0.16	7.15	0.07	4.22	0.04	3.48
Corporation Bank	0.01	2.52	0.01	0.19	—	0.12
Dena Bank	0.00	4.03	0.00	3.03	—	8.58
Indian Bank	0.08	5.48	0.06	3.83	0.04	2.61
Indian Overseas Bank	—	18.79	0.32	41.62	0.08	20.89
Oriental Bank of Commerce	0.05	6.82	0.03	4.57	0.13	2.09
Punjab National Bank	0.39	40.83	0.30	42.70	0.31	46.40
Punjab and Sind Bank	0.01	11.81	0.01	9.04	0.01	6.55
Syndicate Bank	0.04	9.00	0.02	6.00	0.02	3.83
Union Bank	0.11	11.20	0.09	7.47	0.07	7.16
United Bank of India	0.05	3.00	0.03	2.00	0.02	2.00
UCO Bank	0.16	9.00	0.11	11.00	0.07	17.00
Vijaya Bank	0.05	6.57	0.01	3.84	0.01	1.36
Total	5.83	362.50	6.05	351.09	3.70	300.22

### **Patent Applications**

2442. SHRI LONAPPAN NEMBADAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the 'mail box' protection is available for products patent applications filed after 1st January, 1995;

(b) if so, the number of applications that have been filed under the 'mail box, protection till date and number of those falling with the classification of drugs; and

(c) the details with respect to applications filed by the foreign nationals, foreign corporations, Indian nationals and Indian corporations?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) Product patent applications in the fields of medicine or drug can be filed in accordance with sub-section (2) of section 5 of the Patents Act, 1970, as amended by the Patents (Amendment) Act, 1999. As per provisions of section 24A, these applications are to be kept pending till 32nd December, 2004. Such applications are popularly known as 'Mail Box' applications.

(b) The total number of 'Mail Box' applications received so far in the Patent Office is 5637 of which 4792 related to the pharmaceutical field.

(c) The information is as under :—

1. Foreign nationals	7
2. Foreign Corporations	4398
3. Indian nationals	122
4. Indian corporations	1110

[Translation]

#### **Displacement from Jharia**

2443. SHRI CHANDRA SEKHAR DUBEY:  
SHRI BAEU LAL MARANDI:

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

(a) whether the Government propose to stop displacement of lakhs of people by making Jharia and its surrounding area safe; and

(b) if so, the time by which the sand filling works through hydrolic sand stowing are likely to be started?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYANA RAO):

(a) At present there is no mine fire below Jharia town and there is no plan to shift Jharia town. Incidentally, Jharia town is surrounded by mine fires like Kujama, Lodna, Simlabahal, Ena, Rajapur and some of the localities have been identified to be shifted for safety of the persons residing there.

As per the recommendations of scientific studies and report of High Level Committee of Ministry of Coal, CMPDI etc., it is planned to shift people from endangered areas due to the affect of fire and subsidence at the mines of BCCL which have been identified as uncontrollable and requires shifting from different identified and endangered areas of BCCL.

As per the Master Plan/Action Plan, there is a plan of shifting 65300 houses (BCCL houses 36208, Private houses 15571, Encroachers houses 12719 and others 802) in 20 years period. The shifting is required for safety of the persons residing in the endangered areas.

(b) Hydraulic sand stowing has already been done under various schemes, formulated and approved under Environmental Measures and Subsidence Control under Ministry of Coal and as a result few

sites could be stabilized within the command of Jharia Coalfield.

#### **Revision of Textile Policy**

2444. SHRI JASWANT SINGH BISHNOI:  
SHRI ARJUN SETHI:

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government propose to revise the existing textile policy;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether the Government has assessed employment potential in textile sector;

(e) if so, the details thereof;

(f) whether the Government is aware that as a result of restrictions imposed in the textile handloom and powerloom sectors, by potential not adequately used resulting economic crisis; and

(g) if so, the action taken/proposed to be taken to resolve the crisis thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): (a) to (c) No, Sir. The Govt. had announced a National Textile Policy in November 2000 for the development of a strong and vibrant textile industry, capable of producing cloth of good quality at acceptable prices, as well as competing with confidence with other textile producing countries increasing India's share in the global market. The national policy is evolved after a great deal of deliberations from various sections of the Textile Industry and it takes sometime to get the results.

(d) and (e) The Working Group on Textiles and Jute Industry for the Tenth Plan has estimated the employment potential of the Textile Industries as 40.50 million at the end of 10th Plan. This inter-alia includes employment potential of 1 million in cotton/man-made fibre in the organised (mill) textile sector, 12.40 million in the handloom sector, 6.77 million in the handicraft sector, 6.03 million in sericulture, 0.50 million in the jute industry, 6.80 million in the ready-made garment sector and 4.25 million in the powerloom sector.

(f) and (g) The Government has not imposed any restriction in textile, handloom and powerloom sectors.

### Revision of Royalty of Coal

2445. SHRI TATHAGATA SATPATHY: Will the Minister of COAL AND MINES be pleased to state:

(a) the time since when the royalty rate of coal has not been revised;

(b) the details of loss incurred by the respective state Governments on that account;

(c) whether measures are being taken by the Union Government to compensate them; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR. DASARI NARAYANA RAO): (a) The royalty rates on coal were last revised on 16.8.2002.

(b) and (c) As per Section 9(3) of the Mines and Minerals (Development and Regulation) Act, 1957 upward review of rate of royalty shall not be done more than once during any period of 3 years. There is no corresponding maximum period after which the royalty has to be revised upwards. Hence, the question of loss incurred by the respective State Governments does not arise.

(d) Does not arise in view of the answer given to parts (b) and (c) of the question.

[English]

### Setting up of Industrial Clusters

2446. SHRI SUKDEO PASWAN: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has any plan to set up Industrial Clusters in various parts of the Country;

(b) if so, the amount allocates for setting/developing of each Industrial Clusters particularly in Supaul and Araria districts of Bihar; and

(c) if not, when Government is going to implement this scheme in the most backward district of Bihar?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) Yes, Sir. Department of Industrial Policy and Promotion is implementing a scheme by the name of Industrial Infrastructure Upgradation Scheme with an plan out lay of Rs. 675 crore in the 10th Plan. The main objective of the Scheme is to enhance competitiveness of the domestic industry by providing quality infrastructure through public-private partnership in selected existing functional industrial locations which have greater potential to become globally competitive. However, this scheme does not provide for setting up of new industrial clusters but aims at creating quality infrastructure in existing industrial clusters/locations with a high growth potential. Government of India would extend upto a maximum of 75% of the project cost or Rs. 50 crore whichever is less to a cluster/location.

No proposal has been received from the state of Bihar under the said scheme.

However, under the Growth Centre Scheme, five Growth Centres have been sanctioned for the State of Bihar. The details of these five Growth Centres are given below:—

(Rs. In lakhs)

Sl. NO.	Name of State, Growth Centre/District	Date of approval	Approved Project cost	Amount of Central Release	Amount Released by States and its Agencies
1.	Begusarai (Begusarai)	03.05.95	2475.00	500.00	697.75
2.	Bhagalpur (Bhagalpur)	30.9.96	3755.00	50.00	392.77
3.	Chhapra (Chhapra)	30.9.96	3511.00	50.00	90.00
4.	Darbhanga (Darbhanga)	13.2.98	4113.00	50.00	—
5.	Muzaffarpur (Muzaffarpur)	30.09.96	3311.00	50.00	90.00

**C and AG Report on Undercharging of Tax**

2447. SHRI PRABHUNATH SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether the C and AG in its report No. 13 of 2003 (Direct Taxes) in para 3.6.1 on pages 74, 75 and 76 has stated that mistakes in assessments were noticed in case of major pharmaceutical companies leading to undercharge of tax of Rs. 302.23 crore;

(b) if so, whether the Government go into the reasons for under assessment;

(c) if so, the details thereof and what steps have been taken to recover the due amount from the assesses; and

(d) if so, the action Government propose to take against the erring income tax officials?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) It is a fact that C and AG conducted a review and made observations contained in Report No. 13 of 2003 (Direct Taxes). Raising of audit observations and its settlement is a continuous process.

(b) Officers of the Seniority of Commissioner of Income-tax have examined reasons for under assessment.

The Major reasons that emerged were;

(i) the audit objections were raised on orders u/s. 143(1)(a), wherein the A.O. was not empowered to make any disallowances as raised in audit objections.

(ii) in some cases audit objections have been found to be factually incorrect and have not been accepted by the department.

(c) The steps taken to recover the due amount from the assessee are as under :—

CBDT has directed vide Instruction No. 1928 dated 7.8.1995 to their Assessing Officers working in all Commissionerates of Income Tax in the country to invariably initiate remedial actions including rectificatory measures, in all cases of revenue audit objections irrespective of the fact whether the revenue audit objections are accepted by the department or not. The CCIT/CsIT are already under instructions to

immediately act on the audit objections raised by office of C and AG and to see that objections get settled at an early date. An advance questionnaire has been received from Lok Sabha Secretariat on this Review. A detailed reply has already been submitted to Lok Sabha Secretariat and to C and AG on 30.10.2003 by the Central Board of Direct Taxes, Department of Revenue. Observations of C and AG as raised in the System Review are monitored in a time bound manner by Commissioners of Income-tax and rectificatory action are taken as per law.

(d) In those cases where the audit objections are found correct, the CsIT are required to call for explanation of the concerned A.O.

**Sick Industries**

2448. SHRI ASADUDDIN OWAISI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the sick and closed industrial units in the country, particularly in Andhra Pradesh as on March, 2004;

(b) since when these units have been closed fallen sick alongwith reasons, therefor;

(c) the number of workers rendered jobless following closure of these units; and

(d) the financial assistance given to the workers working in these units by the Union Government and the steps taken by Government for revival of these industries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGO VAN): (a) to (c) The data on closed industrial units in the country is compiled by Labour Bureau, Shimla, Ministry of Labour. As per information received from the Labour Bureau, total number of units closed in the country during 2003 are 111 (P) and workers rendered jobless are 7885 (P). The number of units closed during 2003 in Andhra Pradesh are 2 and workers rendered jobless are 78. During 2003, the first unit in Andhra Pradesh was closed on 9.6.2003 rendering 54 persons jobless and the second unit was closed on 12.8.2003 rendering 24 persons jobless. Financial stringency and lack of demand for products

were the main causes of closure of these two units. Total units closed in the country during 2004 (January to May) are 49(P) and workers rendered jobless are 6758 (P). During the year 2004 no unit has been reported as closed by the Government of Andhra Pradesh as on March. (P = Provisional)

(d) The Government of India has taken a number of steps for revival of sick industrial units in the country which, inter-alia, include guidelines of the Reserve Bank of India to banks, amalgamation of sick units with healthy units, setting up of Board for Industrial and Financial Reconstruction (BIFR) under Sick Industrial Companies (Special Provision) Act, 1985, etc.

### **Construction of Godown by NABARD**

2449. SHRI ADHALRAO PATIL SHIVAJIRAO: Will the Minister of FINANCE be pleased to state:

(a) the places in Maharashtra where godowns have been constructed by NABARD under the Rural Infrastructure Development Fund scheme;

(b) the expenditure incurred by NABARD on their construction;

(c) whether any proposal to this effect is still pending with NABARD;

(d) if so, the details thereof; and

(e) the time by which the said proposals would be approved by NABARD?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) National Bank for Agriculture and Rural Development (NABARD) has reported that no godown project has been sanctioned or is pending for sanction under Rural Infrastructure Development Fund (RIDF) scheme in Maharashtra.

(b) to (e) Do not arise in view of (a) above.

*[Translation]*

### **Gunpowder Factories**

2450. SHRI SHISHUPAL PATEL: Will the Minister of COMMERCE AND INDUSTRY to be pleased to state,

(a) whether the Government plans to set up Gunpowder factories in various states of the country;

(b) if so, whether survey has been conducted in Tumsar in District Bhandara of Maharashtra for setting up the said Gunpowder factory;

(c) if so, the details thereof; and

(d) the time by which this work is likely to be completed?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAR): (a) No, Sir. The Government, at present, has no proposal to set up gunpowder factories.

(b) to (d) Do not arise.

*[English]*

### **Leasing out of Aircrafts**

2451. SHRI MANOJ KUMAR: Will the Minister of CIVIL AVIATION to be pleased to state :—

(a) whether Indian Airlines has decided to go in for dry leasing of all A-319 aircrafts;

(b) if so, the details thereof;

(c) the time by which it will be accomplished;

(d) the total amount likely to be received as a result thereof;

(e) whether any security deposit against leasing has been sought from domestic and foreign companies; and

(f) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) Indian Airlines has floated a Global Tender for dry-lease of eleven A-319 aircraft fitted with IAE or CFM engines. The last date for submission of offers is 30th July, 2004.

(c) The delivery of the aircraft is expected from November, 2004 onwards.

(d) Indian Airlines would pay lease rental agreed upon with the lessors.

(e) No, Sir.

(f) Does not arise.

MR. SPEAKER: The House stands adjourned till 1200 noon.

11.04 hrs.

The Lok Sabha then adjourned till Twelve of the clock.

12.00 hrs.

The Lok Sabha reassembled at Twelve of the clock  
(Mr. Speaker in the Chair)

[Translation]

...(Interruptions)

PROF. VIJAY KUMAR MALHOTRA (South Delhi): Mr. Speaker, Sir, I had requested you yesterday that hon. Prime Minister should come here and apprise the House of Shri Shibu Soren's whereabouts. He is a proclaimed offender till now and the Government itself stated that it is not aware of his whereabouts. It is neither known to you, nor to the Govt. and thus no one knows his whereabouts. Until and unless he is asked to be present himself in the House business of the House should not be conducted...(Interruptions).

[English]

MR. SPEAKER: Will you please allow me to speak? Please give me a minute.

...(Interruptions)

MR. SPEAKER: Now, I have to speak with your permission! Therefore, may I say something?

...(Interruptions)

MR. SPEAKER: It has happened earlier also with me.

...(Interruptions)

[Translation]

PROF. VIJAY KUMAR MALHOTRA: I accept your directions with great regards.

...(Interruptions)

Shri Shibu Soren is not in the House and it is your responsibility to bring him here, otherwise there is no use of conducting business in the House.

[English]

The House cannot function like this...

...(Interruptions)

[Translation]

MR. SPEAKER: Yes, you know. Have I to take lessons from every hon. Member?

...(Interruptions)

PROF. VIJAY KUMAR MALHOTRA: Sir, we would again request you....(Interruptions)

I again want to request you...(Interruptions)

[English]

MR. SPEAKER: Please sit down. You have made the same points yesterday also.

...(Interruptions)

THE MINISTER OF WATER RESOURCES (SHRI PRIYA RANJAN DASMUNSI): They do not know the dignity of this House...(Interruptions)

12.01 hrs.

## STATEMENT BY MINISTER

### Interruptions in the Proceedings of the House

MR. SPEAKER: Please sit down. I have received a notice from the Leader of the House, Shri Pranab Mukherjee. He wants to make a statement, and I permit him to do so.

...(Interruptions)

MR. SPEAKER: Only Shri Pranab Mukherjee's statement should be recorded.

...(Interruptions)\*

\*THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE): Hon. Speaker, Sir, in the morning while you started making an observation on the issues of

\*... Following the withdrawal by Shri Santosh Gangwar of remarks made by Prof. Vijay Kumar Malhotra, Shri Pranab Mukherjee also withdrew his statement on 16.8.2004. The statement made by Shri Pranab Mukherjee was accordingly treated as withdrawn.

our nationals being held as hostage in Iraq, the grave flood and drought situations in the country and on issues relating to the internal security, a section of the Opposition benches, specially the BJP Members started shouting and obstructing your observation.

...(Interruptions)

12.02 hrs

*(At this stage, Shri Sushil Kumar Modi and some other Hon. Members came and stood on the floor near the Table)*

SHRI PRANAB MUKHERJEE: Some Opposition Members went to the extent of saying, instead of sermonising, the Speaker should allow the Leader of the Opposition to speak first. This is an unprecedented incident in the House that the Speaker of the House was not allowed to complete his observation.

...(Interruptions) There are no words to condemn this type of behaviour. When the Speaker is the custodian of the rights, privileges, dignity of the House, to prevent him from discharging his duties is a gross disrespect to the Chair and the House....(Interruptions)

We strongly condemn this behaviour of a section of the Opposition Members. Thank you, Mr Speaker, Sir.

12.03 hrs.

## PAPERS LAID ON THE TABLE

MR.SPEAKER: Now, Papers to be laid on the Table of the House. Item number 3, Shri Shivraj V. Patil.

THE MINISTER OF HOME AFFAIRS (SHRI SHIVRAJ V. PATIL): I beg to lay on the Table—

- (1) A copy of the Indo-Tibetan Border Police Force, Motor Transport and Motor Mechanic Cadre (Group 'B' and 'C' posts) Recruitment (Amendment) Rules, 2004 (Hindi and English versions) published in Notification No. G.S.R. 181 (E) in Gazette of India dated the 10th March, 2004 under sub-section (3) of Section 156 of the Indo-Tibetan Border Police Force Act. 1992.

- (2) Statement (Hindi and English version) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 388/2004]

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA): I beg to lay on the Table a copy of the Notification No. S.O. 264 (E) (Hindi and English versions) published in Gazette of India dated the 27th February, 2004 constituting the Jute Manufactures Development Council consisting of members mentioned therein with effect from 27th February, 2004 for a period of two years, issued under section 3 of the Jute Manufactures Development Council Act, 1983.

[Placed in Library. See No. LT 389/2004]

...(Interruptions)

MR. SPEAKER: Shri Lalu Prasad, please sit down.

...(Interruptions)

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): I beg to lay on the Table—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the National Judicial Academy, New Delhi, for the year 2002-2003, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Judicial Academy, New Delhi, for the year 2002-2003.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 390/2004]

THE MINISTER OF STATE OF THE MINISTRY OF NON-RESIDENT INDIANS AFFAIRS (SHRI JAGDISH TYTLER): I beg to lay on the Table a copy of the Detailed Demands for Grants (Hindi and English versions) of the Ministry of Non-Resident Indian Affairs for the year 2004-2005.

[Placed in Library. See No. LT 391/2004]



THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BIJOY HANDIQUE): On behalf of Shri Praful Patel. I beg to lay on the Table--

- (1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619 A of the Companies Act, 1956:—
- (a) (i) Review by the Government of the working of the Indian Airlines Limited, New Delhi, for the year 2002-2003.
- (ii) Annual Report of the Indian Airlines Limited, New Delhi, for the year 2002-2003, alongwith Audited Accounts and comments of the comptroller and Auditor General thereon.
- (iii) Statement regarding Review by the Government on the Comments of Auditor on the Accounts of the Indian Airlines Limited, New Delhi, for the year 2002-2003.  
[Placed in Library. See No. LT 392/2004]
- (b) (i) Review by the Government of the working of the Airlines Allied Services Limited, New Delhi, for the year 2002-2003.
- (ii) Annual report of the Airlines Allied Services Limited, New Delhi, for the year 2002-2003, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.
- (iii) Statement regarding Review by the Government on the Comments of the Comptroller General of India on the Accounts of the Airlines Allied Services Limited, New Delhi, for the year 2002-2003.
- (2) Two statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 393/2004]

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA): I beg to lay on the Table a copy of the Detailed Demands for Grants (Hindi and English

versions) of the Ministry of Company Affairs for the year 2004-2005.

[Placed in Library. See No. LT 394/2004]

THE MINISTER OF STATE IN THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRIMATI PANABAKA LAKSHMI): I beg to lay on the Table--

- (1) A copy of the Drugs and Cosmetics 2nd (Amendment) Rules, 2003 (Hindi and English versions) published in Notification No. G.S.R. 73 (E) in Gazette of India dated the 31st January, 2003 under section 38 of the Drugs and Cosmetics Act, 1940 together an Explanatory Memorandum and a Corrigendum thereto published in Notification No. G.S.R. 185 (E) dated the 11th March, 2004.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 395/2004]

- (3) A copy of the Prevention of Food Adulteration (1st Amendment) Rules, 2004 (Hindi and English versions) published in Notification No. G.S.R. 388 (E) in Gazette of India dated the 25th June 2004 under sub-section (2) of section 23 of the Preventin of Food Adulteration Act. 1954.

[Placed in Library. See No. LT 396/2004]

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINES (DR DASARI NARAYAN RAO): I beg to lay on the Table a copy each of the following papers (Hindi and English versions):—

- (1) Memorandum of Understanding between the National Aluminium Company Limited and the Department of Mines, Ministry of Coal and Mines, for the year 2004-2005.

[Placed in Library. See No. LT 397/2004]

- (2) Memorandum of Understanding between the Hindustan Copper Limited and the Department of Mines, Ministry of Coal and Mines, for the year 2004-2005.

[Placed in Library. See No. LT 398/2004]

- (3) Memorandum of Understanding between the Mineral Exploration Corporation Limited and

the Department of Mines, Ministry of Coal and Mines, for the year 2004-2005.

[Placed in Library. See No. LT 399/2004]

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRI M.A.A. FATMI): I beg to lay on the Table—

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Banaras Hindu University, Varanasi, for the year 2001-2002, alongwith Audited Accountns.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Banaras Hindu University, Varanasi, for the year 2001-2002.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 400/2004]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Orissa Primary Education Programme Authority, Bhubaneswar, for the year 2002-2003, alongwith Audited Accounts.
- (ii) Statement regarding review (Hindi and English versions) by the Government of the working of the Orissa Primary Education Programme Authority, Bhubaneswar, for the year 2002-2003.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT 401/2004]

- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Regional Engineering Collage (National Institute of Technology), Silchar, for the year 2001-2002, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Regional Engineering College (National Institute of Technology), Silchar, for the year 2001-2002.

- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. See No. LT 402/2004]

- (7) (i) A copy of the Annual Report (Hindi and English versions) of the Dr. B.R. Ambedkar Regional Engineering College, Jalandhar, for the year 2001-2002, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Dr. B.R. Ambedkar Regional Engineering College, Jalandhar, for the year 2001-2002.
- (8) Statement (Hindi and English versions) showing reasons for delay in laying papers mentioned at (7) above.

[Placed in Library. See No. LT 403/2004]

- (9) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Technology (formerly Regional Engineering College) Warangal, for the year 2002-2003, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Institute of Technology (formerly Regional Engineering College), Warangal, for the year 2002-2003.

[Placed in Library. See No. LT 404/2004]

- (10) Statement (Hindi and English versions) showing reasons for delay in laying papers mentioned at (9) above.
- (11) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Technology, Rourkela, for the year 2002-2003, alongwith Audited accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Institute of Technology, Rourkela, for the year 2002-2003.
- (12) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (11) above.

[Placed in Library. See No. LT 405/2004]

- (13) (i) A copy of the Annual Report (Hindi and English versions) of the University of Delhi (Part I to III), Delhi for the year 1999-2000.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the University of Delhi, for the year 1999-2000.
- (14) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (13) above.

[Placed in Library. See No. LT 406/2004]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): I beg to lay on the Table—

- (1) A copy each of the following Notifications (Hindi and English versions) under section 31 of the Securities and Exchange Board of India Act, 1992:—
  - (i) The Securities and Exchange Board of India (Self Regulatory Organizations) Regulations, 2004 published in Notification No. F.No. SEBI/LAD/DOP/3348/2004 in Gazette of India dated the 19th February, 2004.
  - (ii) The Securities and Exchange Board of India (Ombudsman) (Amendment) Regulations, 2003 published in Notification No. F.No. SEBI/LAD/DOP/22090/2003 in Gazette of India dated the 5th December, 2003.
  - (iii) The Securities and Exchange Board of India (Employees Service) (Amendment) Regulations, 2003 published in Notification No. F.No. SEBI/LE/15/2003 in Gazette of India dated the 23rd December, 2003.
  - (iv) The Securities and Exchange Board of India (Procedure for Holding Enquiry by Enquiry Officer and Imposing Penalty) (Second Amendment) Regulations, 2003 published in Notification No. F.No. SEBI/LAD/DOP/24418/2003 in Gazette of India dated the 30th December, 2003.

- (v) The Securities and Exchange Board of India (Mutual Funds) (Amendment) Regulations, 2004 published in Notification No. F.No. SEBI/LAD/DOP/4/2004 in Gazette of India dated the 12th January, 2004.
- (vi) The Securities Appellate Tribunal (Salaries and allowances and other conditions of service of the officers and employees) (Amendment) Rules, 2003 published in Notification No. G.S.R. 530 (E) in Gazette of India dated the 9th July, 2004.
- (vii) The Securities Appellate Tribunal (Salaries and Allowances and other Terms and Conditions of Presiding Officer and Other Members) Rules, 2003 published in Notification No. G.S.R. 178(E) in Gazette of India dated the 9th March, 2004.
- (viii) The Securities and Exchange Board of India (Foreign Institutional Investors) (Amendment) Regulations, 2004 published in Notification No. F.No. SEBI/LAD/DOP/19023/2004 in Gazette of India dated the 27th January, 2004.
- (ix) The Securities and Exchange Board of India (Foreign Institutional Investors) (Second Amendment) Regulations, 2004 published in Notification No. F.No. SEBI/LAD/DOP/3349/2004 in Gazette of India dated the 19th February, 2004.
- (x) The SEBI (Central Database of Market Participants) Regulations, 2003 published in Notification No. F.No. SEBI/LE/03/23142 in Gazette of India dated the 9th December, 2003.
- (xi) The Securities and Exchange Board of India (Criteria for Fit and Proper Person) Regulations, 2004 published in Notification No. S.O. 398 (E) in Gazette of India dated the 26th March, 2004.
- (xii) S.O. 467(E) published in Gazette of India dated the 6th April, 2004 making certain amendments in two Notifications mentioned therein.

- (xiii) The Securities and Exchange Board of India (Venture Capital Funds) (Amendment) Regulations, 2004 published in Notification No. S.O. 468(E) in Gazette of India dated the 6th April, 2004.
- (xiv) The Securities and Exchange Board of India (Foreign Venture Capital Investors) (Amendment) Regulations, 2004 published in Notification No. S.O. 469(E) in Gazette of India dated the 6th April, 2004.
- (xv) The Securities and Exchange Board of India Portfolio Managers) (Amendment) Regulations, 2004 published in Notification No. S.O. 654(E) in Gazette of India dated the 2nd June, 2004.
- [Placed in Library. See No. LT 407/2004]
- (2) A Copy each of the following Annual Reports and Accounts (Hindi and English versions) of the Regional Rural Banks for the year ended the 31st March, 2004, together with Auditor's Report thereon:—
- (i) Adhiyaman Grama Bank.
- [Placed in Library. See No. LT 408/2004]
- (ii) Alaknanda Gramin Bank, Pauri (Garhwal).
- [Placed in Library. See No. LT 409/2004]
- (iii) Bareilly Kshetriya Gramin Bank, Bareilly.
- [Placed in Library. See No. LT 410/2004]
- (iv) Avadh Gramin Bank, Lucknow.
- [Placed in Library. See No. LT 411/2004]
- (v) Bastar Kshetriya Gramin Bank, Jagdalpur.
- [Placed in Library. See No. LT 412/2004]
- (vi) Bhojpur-Rohtas Gramin Bank, Ara.
- [Placed in Library. See No. LT 413/2004]
- (vii) Bundi-Chittorgarh Kshetriya Gramin Bank, Bundi.
- [Placed in Library. See No. LT 414/2004]
- (viii) Chhindwara Seoni Kshetriya Gramin Bank, Chhindwara.
- [Placed in Library. See No. LT 415/2004]
- (ix) Damoh-Panna-Sagar Kshetriya Gramin Bank, Damoh.
- [Placed in Library. See No. LT 416/2004]
- (x) Dewas-Shajapur Kshetriya Gramin Bank, Dewas.
- [Placed in Library. See No. LT 417/2004]
- (xi) Ellaquai Dehati Bank, Srinagar.
- [Placed in Library. See No. LT 418/2004]
- (xii) Fatehpur Kshetriya Gramin Bank, Fatehpur.
- [Placed in Library. See No. LT 419/2004]
- (xiii) Giridih Kshetriya Gramin Bank, Giridih.
- [Placed in Library. See No. LT 420/2004]
- (xiv) Hadoti Kshetriya Gramin Bank, Kota.
- [Placed in Library. See No. LT 421/2004]
- (xv) Jamuna Gramin Bank, Agra.
- [Placed in Library. See No. LT 422/2004]
- (xvi) Hazaribagh Kshetriya Gramin Bank, Hazaribagh.
- [Placed in Library. See No. LT 423/2004]
- (xvii) Junagadh Amreli Gramin Bank, Junagadh.
- [Placed in Library. See No. LT 424/2004]
- (xviii) Kshetriya Gramin Bank Hoshangabad, Hoshangabad.
- [Placed in Library. See No. LT 425/2004]
- (xix) Mallabhum Gramin Bank, Bankura.
- [Placed in Library. See No. LT 426/2004]
- (xx) Mandla Balaghat Kshetriya Gramin Bank, Mandla.
- [Placed in Library. See No. LT 427/2004]
- (xxi) Marathwada Gramin Bank, Nanded.
- [Placed in Library. See No. LT 428/2004]
- (xxii) Marudhar Kshetriya Gramin Bank, Churu.
- [Placed in Library. See No. LT 429/2004]
- (xxiii) Marwar Gramin Bank, Pali-Marwar.
- [Placed in Library. See No. LT 430/2004]

- (xxiv) Muzaffarnagar Kshetriya Gramin Bank, Muzaffarnagar.  
[Placed in Library. *See* No. LT 431/2004]
- (xxv) Nagarjuna Grameena Bank, Khammam.  
[Placed in Library. *See* No. LT 432/2004]
- (xxvi) Nalanda Gramin Bank, Biharsharif.  
[Placed in Library. *See* No. LT 433/2004]
- (xxvii) Panchmahal Vadodara Gramin Bank, Godhra.  
[Placed in Library. *See* No. LT 434/2004]
- (xxviii) Pratapgarh Kshetriya Gramin Bank, Pratapgarh.  
[Placed in Library. *See* No. LT 435/2004]
- (xxix) Shahdol Kshetriya Gramin Bank, Shahdol.  
[Placed in Library. *See* No. LT 436/2004]
- (xxx) Shivalik Kshetriya Gramin Bank, Hoshiarpur.  
[Placed in Library. *See* No. LT 437/2004]
- (xxxi) Shivpuri-Guna Kshetriya Gramin Bank, Shivpuri.  
[Placed in Library. *See* No. LT 438/2004]
- (xxxii) Solapur Gramin Bank, Solapur.  
[Placed in Library. *See* No. LT 439/2004]
- (xxxiii) Sultanpur Kshetriya Gramin Bank, Sultanpur.  
[Placed in Library. *See* No. LT 440/2004]
- (xxxiv) Thar Anchalik Gramin Bank, Jodhpur.  
[Placed in Library. *See* No. LT 441/2004]
- (xxxv) Vidisha Bhopal Kshetriya Gramin Bank, Vidisha.  
[Placed in Library. *See* No. LT 442/2004]
- (xxxvi) Alwar Bharatpur Anchalik Gramin Bank, Bharatpur.  
[Placed in Library. *See* No. LT 443/2004]
- (xxxvii) Aravali Kshetriya Gramin Bank, Swai Madhopur.  
[Placed in Library. *See* No. LT 444/2004]
- (xxxviii) Barabanki Gramin Bank, Barabanki.  
(Placed in Library. *See* No. Lt 445/2004)
- (xxxix) Bhilwara Ajmer Kshetriya Gramin Bank, Bhilwara.  
[Placed in Library. *See* No. LT 446/2004]
- (xl) Bikaner Kshetriya Gramin Bank, Bikaner.  
[Placed in Library. *See* No. LT 447/2004]
- (xli) Bundelkhand Kshetriya Gramin Bank, Tikamgarh.  
[Placed in Library. *See* No. LT 448/2004]
- (xlii) Rewa Sidhi Gramin Bank, Rewa.  
[Placed in Library. *See* No. LT 449/2004]
- (xlili) Shekhawati Gramin Bank, Sikar.  
[Placed in Library. *See* No. LT 450/2004]
- (xliv) Valsad Danga Gramin Bank, Valsad.  
[Placed in Library. *See* No. LT 451/2004]
- (3) A copy each of the following Annual Reports (Hindi and English versions) under sub-section (8) of section 10 of the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980:—
- (i) Report on the working and activities of the Canara Bank for the year 2003-2004 alongwith Accounts and Auditors' Report thereon.  
[Placed in Library. *See* No. LT 452/2004]
- (ii) Report on the working and activities of the Corporation Bank for the year 2003-2004 alongwith Accounts and Auditors' Report thereon.  
[Placed in Library. *See* No. LT 453/2004]
- (iii) Report on the working and activities of the Andhra Bank for the year 2003-2004 alongwith Accounts and Auditors' Report thereon.  
[Placed in Library. *See* No. LT 454/2004]
- (iv) Report on the working and activities of the UCO Bank for the year 2003-2004 alongwith Accounts and Auditors' Report thereon.  
[Placed in Library. *See* No. LT 455/2004]
- (v) Report on the working and activities of the Punjab National Bank for the year 2003-2004 alongwith Accounts and Auditors' Report thereon.  
[Placed in Library. *See* No. LT 456/2004]

- (vi) Report on the working and activities of the Dena Bank for the year 2003-2004 alongwith Accounts and Auditors' Report thereon.

[Placed in Library. See No. LT 457/2004]

- (4) A copy of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (Removal of Difficulties) Order, 2004 (Hindi and English versions) published in Notification No. S.O. 466 (E) in Gazette of India dated the 6th April, 2004 under sub-section (2) of section 40 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

[Placed in Library. See No. LT 458/2004]

- (5) A copy each of the following Notifications (Hindi and English versions) under sub-section (4) of section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Acts, 1970 and 1980 :—

- (i) The Oriental Bank of Commerce (Employees') Pension (Amendment) Regulations, 2004 published in Notification No. 3941 in Gazette of India dated the 22nd May, 2004.

[Placed in Library. See No. LT 459/2004]

- (ii) The Vijaya Bank (Employees') Pension (Amendment) Regulations, 2004 published in Notification No. PER/PA and PD/PENS/150/2004 in Gazette of India dated the 15th June, 2004.

[Placed in Library. See No. LT 460/2004]

- (iii) The Punjab and Sind Bank General (Amendment) Regulations, 2003 published in Notification No. PSB/G(A) R/ 2003 in Gazette of India dated the 6th December, 2004.

[Placed in Library. See No. LT 461/2004]

- (iv) The Corporation Bank General (Amendment) Regulations, 2003 published in Notification No. Ref. No. ISD:629:2003-04 in Gazette of India dated the 31st January, 2004.

[Placed in Library. See No. LT 462/2004]

- (6) A copy of the Insurance Regulatory and Development Authority (Qualification of Actuary) Regulations, 2004 (Hindi and English versions) published in Notification No. F. No. IRDA/Reg./2/2004 in Gazette of India dated the 5th January, 2004 under sub-section (3) of section 114 of the Insurance Act, 1938.

[Placed in Library. See No. LT 463/2004]

- (7) A copy of the Reserve Bank of India General (Amendment) Regulations, 2004 (Hindi and English versions) published in Notification No. SYD-1569/2.5.09/2003-2004 in Gazette of India dated the 17th March, 2004 under sub-section (4) of section 58 of the Reserve Bank of India Act, 1934.

[Placed in Library. See No. LT 464/2004]

- (8) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :—

- (i) S.O. 643 (E) published in Gazette of India dated the 31st May, 2004 together with an Explanatory Memorandum making certain amendments in the Notification No. 36/2001-Cus.(NT), dated the 3rd August, 2001.

[Placed in Library. See No. LT 465/2004]

- (ii) S.O. 737 (E) published in Gazette of India dated the 25th June, 2004 together with an Explanatory Memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or *vice-versa* for the purpose of assessment of import.

[Placed in Library. See No. LT 466/2004]

- (iii) S.O. 738 (E) published in Gazette of India dated the 25th June, 2004 together with an Explanatory Memorandum regarding revised rate of exchange for conversion of certain foreign currencies into Indian currency or *vice-versa* for the purpose of assessment of import.

[Placed in Library. See No. LT 467/2004]

- (9) A copy of the Notification No. S.O. 741(E) (Hindi and English versions) published in Gazette of India dated the 28th June, 2004

together with an explanatory Memorandum notifying Khasra numbers in respect of the Tehsils or sub-Tehsils mentioned therein in the State of Uttaranchal as the Industrial Estates or Industrial Areas issued under section 80-IC of the Income-tax Act, 1961.

[Placed in Library. See No. LT 468/2004]

- (10) A copy of the Notification No. S.O. 742(E) (Hindi and English versions) published in Gazette of India dated the 29th June, 2004 together with an Explanatory Memorandum making certain amendments in the Notification No. S.O. 709 (E) dated the 20th August, 1998. issued under section 48 of the Income-tax Act, 1961.

[Placed in Library. See No. LT 469/2004]

- (11) A copy of the Quarterly Statement on the Economy and Budget (Hindi and English version) for the quarter—January-March, 2004 under sub-section (1) of section 7 of the Fiscal Responsibility and Budget Management Act, 2003.

[Placed in Library. See No. LT 470/2004]

- (12) A copy of the Detailed Demands for Grants (Hindi and English versions) of the Parliament, Secretariats of the President and Vice-President for the year 2004-2005.

[Placed in Library. See No. LT 471/2004]

THE MINISTER OF STATE IN THE MINISTRY OF ENVIRONMENT AND FORESTS (SHRI NAMO NARAIN MEENA): I beg to lay on the Table :—

- (1) A copy of the Annual Accounts (Hindi and English versions) of the Central Pollution Control Board, Delhi, for the year 2002-2003, together with Audit Report thereon.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 472/2004]

12.05 hrs.

## MESSAGES FROM RAJYA SABHA

[English]

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha :—

- (i) "In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha. I am directed to return herewith the Appropriation (Vote on Account) No. 2 Bill, 2004, which was passed by the Lok Sabha at its sitting held on the 21st July, 2004 and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."
- (ii) "In accordance with the provisions of sub-rule (6) of rule 186 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I am directed to return herewith the Appropriation (No. 2) Bill, 2004, which was passed by the Lok Sabha at its sitting held on the 21st July, 2004 and transmitted to the Rajya Sabha for its recommendations and to state that this House has no recommendations to make to the Lok Sabha in regard to the said Bill."

12.05½ hrs.

## BUSINESS ADVISORY COMMITTEE

### Second Report

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND MINISTER OF URBAN DEVELOPMENT (SHRI GHULAM NABI AZAD): Sir, I beg to present the Second Report of the Business Advisory Committee.

MR. SPEAKER: The House stands adjourned to meet on 16th August, 2004 at 11.00 a.m.

12.06 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, August 16, 2004/Sravana 25, 1926 (Saka).*

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