

LOK SABHA DEBATES

(English Version)

Fourth Session
(Fourteenth Lok Sabha)



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LOK SABHA DEBATES

LOK SABHA

Friday, May 13, 2005/Vaisakha 23, 1927 (Saka)

The Lok Sabha met at Eleven of the Clock.

(MR. SPEAKER in the Chair)

OBITUARY REFERENCES

[English]

MR. SPEAKER : Hon. Members, I have to inform the House of the sad demise of two of our former colleagues, Shri Tulsidas Dasappa and Shri Chandradev Prasad Verma.

Shri Tulsidas Dasappa was Member of the Fourth to Sixth Lok Sabhas from 1967 to 1979 representing the Mysore Parliamentary Constituency of Karnataka.

An able parliamentarian, Shri Dasappa was a member of Estimates Committee from 1975 to 1977 and Public Accounts Committee from 1977 to 1978.

A veteran freedom fighter, Shri Dasappa participated in the Quit India Movement in 1942.

An active social worker, Shri Dasappa was associated with Bhoodan Movement and Sarvodaya Sangh.

Shri Dasappa was associated with various social and cultural institutions in different capacities. He was the General Secretary of Delhi University Union in 1955; Chairman, Primary Committee for Nationals Awards (Kannada Film) from 1970 to 1971; and Antar Bharati Adhunik Sahitya Vibhag, Mysore University and Trustee, Janpada Seva Trust and 'Karuna Griha' a home for the physically handicapped children, to name a few.

A man of letters, Shri Dasappa wrote articles on Youth Welfare and Gandhian thoughts and was also the co-publisher of 'Kranti Yuga' in Kannada.

Shri Dasappa represented Indian Youth Congress at the World Federation of Democratic Youth Conference, at Prague, erstwhile Czechoslovakia, in 1959.

Shri Tulsidas Dasappa passed away on 19 April, 2005 at Bangalore, Karnataka at the age of 76, after a brief illness.

Shri Chandradev Prasad Verma was Member of the Sixth, Seventh and Eleventh Lok Sabhas from 1977 to 1984 and 1996 to 1997 representing Arrah Parliamentary Constituency of Bihar.

An able administrator, Shri Verma was the Union Minister of State of Rural Areas and Employment from 1996 to 1997.

Shri Verma was a member, Bihar Legislative Assembly from 1957 to 1962, 1967 to 1972 and 1992 to 1995. He served as a Cabinet Minister in the State Government from 1970 to 1971 and from 1993 to 1995 and held various important portfolios.

Shri Verma was a member, Committee on Private Members' Bills and Resolutions and Committee on Public Undertakings from 1977 to 1979 in the Sixth Lok Sabha.

A freedom fighter, Shri Verma Suffered imprisonment during the Quit India Movement.

A well known social worker, Shri Verma was President, Jai Prakash Ashram, Paliganj, Patna in 1972; Mahatma Phule Trust, Patna in 1990 and Bihar Rajya Swatantrata Sainani Sangathan, Patna in 1992, to name a few.

He was the Founder Secretary, G.J. College, Rambagh, Patna.

A man of letters, Shri Verma had to his credit a book titled "Smarika-Shaheed Ank". He edited a journal brought out by Bihar Rajya Swatantra Sainani Sangathan. He worked as an Assistant Editor and Secretary in 'Janata', a Hindi daily published from Patna from 1951 to 1952 and was thereafter, its Chief Editor from 1952 to 1957.

Shri Chandradev Prasad Verma passed away on 30 April, 2005 at Patna, Bihar at the age of 84, after a brief illness.

We deeply mourn the loss of these friends and I am sure the House would join me in conveying our condolences to the bereaved families.

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

11.04 hrs.

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

11.05 hrs.

ORAL ANSWERS TO QUESTIONS

*[English]***National Judicial Commission**

+

*681. SHRI P. KARUNAKARAN :

SHRI DUSHYANT SINGH :

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

(a) whether the Government has a proposal to set up a National Judicial Commission;

(b) if so, the main objective of the establishment of the Judicial Commission;

(c) whether similar Commissions are proposed to be set up at the State level also;

(d) if so, the steps taken therefor; and

(e) the time by which the commission is likely to be established ?

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

(b) Does not arise.

(c) Under article 235 of the Constitution of India, the administrative control over the members of subordinate Judicial Service vest with the concerned High Court. Further, in exercise of powers conferred under proviso to article 309 read with articles 233 and 234 of the Constitution, the Governor of the State makes rules for recruitments, appointments and promotion of Judges in the Subordinate Courts, in consultation with the State Public Service Commission and the High Court exercising Jurisdiction in relation to such State.

(d) and (e) Do not arise.

SHRI P. KARUNAKARAN : From the answer given by the hon. Law Minister, it is clear that there is no proposal on the side of the Government to set up a National Judicial Commission. At the same time, a debate is going on through out the country about the need for setting up of a Commission or some other institution to monitor and to make some more secure set-up in the judicial arena.

I would like to know, through you, from the hon. Minister

whether he has received suggestions and requests from various platforms including the Constitution Review Committee headed by the former Chief Justice; if, so, the details and the responses of the Government towards these suggestions.

SHRI H.R. BHARDWAJ : Mr. Speaker, Sir, there is no doubt that there is a debate going on in the country on two matters, firstly, whether after the Advocate-on-Records case, the nine Judges case, the power that has been assumed by Judiciary in appointment of Judges really restricts the part of the President of India in upper-judicial appointments of superior Courts. The last Government—the NDA Government—introduced a Bill for setting up a National Judicial Commission. Thereafter, the last Government also appointed Justice Venkatachaliah Review Committee. Some of the recommendations were made by Justice Venkatachaliah and his colleagues which were not the same as was recommended by the NDA Government. It is because in the NDA Government's recommendation, the Law Minister and two representatives of the Prime Minister were sought to be made Members of the National Judicial Commission. Justice Venkatachaliah did not like it for the reason that no Law Minister should sit in a Commission for transfer of Judges, and there should be exclusively a domain for the Judiciary. We had the same opinion that in the matter of transfer of judges, the Executive should not participate. So, this Government has decided not to pursue that Bill, but nonetheless, we are debating this issue as to how to improve the process of appointment of Judges, and how to make the Judiciary accountable. These two questions are under consideration. I would be very much grateful if some suggestions are made at a particular time in a debate in this House and outside the Parliament.

SHRI P. KARUNAKARAN : It is true that the Judiciary is supreme in our country, especially in the democratic set-up. It has a vital role to play, no doubt, as far as democracy of India is concerned. At the same time, we have the reports of corruption and nepotism in many parts of the States which really – as far as the democracy is concerned – is painful. What steps can the Government take to make the judiciary fully free from that type of criticism?

SHRI H.R. BHARDWAJ : Sir, you are aware that as of now there is only one provision in the Constitution for impeachment for misbehaviour of the judiciary and there is a Judges Inquiry Act. But besides that, in recent times there have been complaints. One or two Chief Justices have made public statements that 20 or 25 percent of the judiciary is reeling under corruption. This is a serious allegation. Having taken note of it, I have ordered a study in my Department to

have a statutory Committee to go into the complaints of allegation against the senior judges of the High Courts and the Supreme Court. Just like the Peers Committee, this mechanism will be controlled by the judiciary itself.

We are studying right now the Canadian and American models. I am also in touch with the Chief Justice of India to find out what is suitable to the Indian conditions. We have also studied some provisions of Australia and other countries. So, this is a matter which is engaging the attention of the Government. We will be very happy to do something on this point after consultation with the Chief Justice of India.

MR. SPEAKER : Shri Dushyant Singh—Not present.

[Translation]

PROF. RAM GOPAL YADAV : Mr. Speaker, Sir, all over the world, wherever there is a democratic system in authoritarian states in my opinion, there is no question of any difference between the judiciary and the executive. But, in a democratic set up, all the appointments are made by the executive but no one can say that the judiciary is committed. Judiciary is totally independent.

Sir, everyone knows that after 1932, when the Federal Supreme Court had repealed all bills referred by President Roosevelt regarding three laws, then the President of United States of America had to threaten that if the same attitude continued, then he would be compelled to appoint his judges in the Supreme Court. Though, this never happened, thereafter, Judiciary never interfered in the work of the executive unnecessarily and the executive has also never interfered in judiciary's work.

Sir, it is the misfortune of our country that though the executive does not interfere in the judiciary, the judiciary has taken all the powers of making appointments in its hands. The work that should have been done or the appointments that should have been made by the executive are being carried out by the judiciary on its own. Someone files a writ and the court decides for itself whether one should be allowed to sport a red light on one's vehicle or not, and how much salary one should get and the manner in which appointments should be made, and who should be appointed and who should not be appointed.

Sir, under such circumstances, I feel that there is a need to constitute a Judicial Commission in our country so as to make the judiciary accountable. Hon'ble Minister himself is a very able Law Minister and also an eminent lawyer hence he should make some appropriate provisions in this regard so as to avoid such controversial situation.

[English]

SHRI H.R. BHARDWAJ : Sir, I am aware of the famous saying, the theory of Roosevelt, 'a stitch in time saves nine'. We will not be like that because that was a promise made to the electorates during his election campaign. But India is a democratic country. For 55 years or so, we have successfully carried on with the Constitution. The only problem that we have faced is after the nine judges' judgement. I do feel that it has created problems and the appointments are not being made in the speed with which they should do. You will appreciate that for the High Courts, we have the State Governments which have to be consulted because it is from their Consolidated Fund, we run the High Courts. So, the views of both the Chief Minister and the Governor are very, very relevant. Similarly, the views of the Central Government are also relevant. All these are taken under the present process.

Sir, you are also aware and the House is also aware that all these appointments are made as per the aid and advice of the Council of Ministers. This is a very wholesome process. Within this, the only problem which I feel today is that the judiciary has made it binding on the President of India to accept their recommendation. This is an area which we would like to discuss with all the political parties. If we can agree, we can say that it should not be binding. We can say that it should be done through consultation. Consultation means effective consultation.

This is an area where the hands of the Executive have been tied and we are feeling uncomfortable about it. We would take time to study this.

In respect of the allegation of corruption, I have already submitted that we are studying this. I feel, the present dispensation of only impeachment is not good enough. There should be provision in law to deal with erring judges by withdrawing judicial work, asking them to go on leave or to resign. All these compulsions and all these provisions should be studied. At an appropriate time, we would come back to the House.

SHRI S.K. KHARVENTHAN : Thank you, Sir

Nowadays, in most of the High Courts, Judges are not selected on merit basis but on political considerations. Hence, non-meritorious candidates become High Court Judges. I would like to know from the hon. Minister what steps are going to be taken by the Government to prevent this malady.

SHRI H.R. BHARDWAJ : The merit is decided by the

High Court from where the appointments are moved and recommendations are made. Thereafter, the State Government is consulted. They also go into the antecedents of the persons recommending. After their views, we also study their antecedents. Then, the Chief Justice of India goes into it. The filtration is so much that quality, ability and integrity are assured out of the available stuff in the Bar. So, that is taken care of but as I already submitted to the House, this is an area which needs to be reconsidered in view of the practical difficulties which arise with the change of time. I agree, there is a demand all over that this old boy net should be done away with and a new process should be started. But this is a very delicate area where we would tread with caution.

SHRIMATI SUSMITA BAURI : Sir, I would like to know from the hon. Minister through you whether there is any necessity to constitute State Commissions if the National Judicial Commission is formed. For High Court Judges and Supreme Court Judges, should separate Judicial Commissions be formed? I would also like to know whether for All-India Judicial Officers, a Judicial Commission like the National Judicial Commission should be formed.

SHRI H.R. BHARDWAJ : I have replied already that there is no need for State Judicial Commissions. There is a proposal pending to constitute All-India Judicial Services but that also has to be studied carefully because of the various problems raised by the High Courts. The High Courts recruit their senior Judicial Officers in consultation with the State Governments. So, unless the States and High Courts agree, it would be difficult to take a decision.

SHRI KINJARAPU YERRANNAIDU : Mr. Speaker, Sir, India is the largest democracy in the world. All the organs are accountable to the people of this country. Whether it is the Executive, the Judiciary, or the Legislature, ultimately, the people are supreme. For several years, we are discussing the constitution of the Judicial Commission. This is the demand from the public. The demand from the lawyers is that there should be All-India Judicial Services and there shall be a Judicial Commission. Every Government is discussing it but postponing the creation of a National Judicial Commission. No Government has taken steps to create it. Ultimately, we are accountable to the people of this country. So, why are the Governments hesitating to constitute a Judicial Commission? Every Chief Minister, every Union Law Minister and every Prime Minister wants to create it but nobody has taken any decision in this regard. The Chief Justice of the Supreme Court has also several times said that there is corruption. There are only consultations between the State Governments and the Union Government but there is no concurrence. Concurrence is different from consultation. There might have

been consultations already but what is the role of the Union and State Governments? In this context, I would like to know whether the Government would convene a meeting of Chief Ministers to discuss all these issues and come to a conclusion to create a Judicial Commission.

SHRI H.R. BHARDWAJ : May I inform the hon. Member that the first thing this Government did after assuming office was to call a joint Conference of Chief Ministers and Chief Justices. I am very happy to state that in a very cordial atmosphere we discussed all these issues. Let me also inform the hon. Member that the Judiciary does not favour a National Judicial Commission and it is well known.

Now, there is no consensus on this issue of having a Judicial Commission for appointment of Supreme Court and High Court Judges for two reasons. Who will man this judicial Commission? That is the basic difference. Justice Venkatachaliah—he was one of the best Chief Justices we had—also not agreed with what the NDA had tried to usher in because it was being manned by people who were not judicial judges or connected with the judiciary. Therefore, he rejected that the Minister of Law and two nominees of the Prime Minister to be the members in the National Judicial Commission. So, obviously, I agree with you that this is an issue where we should carry major political parties as well as Chief Ministers' together. The moment we will have a consensus on this, we will have no hesitation to improve the system.

SHRI VARKALA RADHAKRISHNAN : Now, after our experience in Justice Ramaswamy's case, there is a national issue regarding judicial accountability. The Legislature as well as Executive are accountable but the Judiciary is not accountable.

Now, there were instances in which even after the reservation policy with regard to appointment of higher judiciary, the names of judges are recommended by the Chief Justice. So, in recommending the names, the policy of reservation so far as Scheduled Castes, Scheduled Tribes and other Backward Classes is not looked into. There were a lot of complaints in the appointment of higher judiciary. This is a long-pending issue. How could we solve this problem?

Moreover, there was a recent statement by a Supreme Court Judge that 20 percent of the judiciary are corrupt. So, is there any legal mechanism to deal with all these matters?

Last time we had an occasion to discuss about the Judicial Commission. I had also an occasion to discuss about

the Judicial Commission in the 13th Lok Sabha. So, in that context, will the hon. Minister give me a definite reply as to what the UPA Government proposes to do in these matters with regard to all these complaints, that is, non-observation of reservation in higher judiciary etc....*(Interruptions)*

MR. SPEAKER : The Minister has already replied this.

...*(Interruptions)*

SHRI VARKALA RADHAKRISHNAN : There is no statutory provision. In-house proceedings by the judges themselves is the only provision. So, is there any statutory provision?...*(Interruptions)*

MR. SPEAKER : There is a limit to everything.

...*(Interruptions)*

SHRI H.R. BHARDWAJ : The hon. senior Member has raised two issues. One is with regard to the accountability. As I have submitted, we are studying this problem. Now, the judiciary itself is very anxious that some mechanism with statutory backing should be in place.

Secondly, as far as representation of Scheduled Castes and Scheduled Tribes in higher judiciary is concerned, we are aware of the constitutional provision. In every letter which I address to the Chief Justice of a High Court and Chief Justice of India, I always emphasise that due representation and due weightage should be given to the candidates from the Scheduled Castes, Scheduled Tribes, Minorities and Women. So, these are the guidelines which we are following. We are emphasising that time has been reached where we cannot ignore these sections of the society. I am very happy that some responses are coming...*(Interruptions)*

MR. SPEAKER : It is more than enough.

...*(Interruptions)*

SHRI H.R. BHARDWAJ : So, we will try to look forward.
...*(Interruptions)*

[Translation]

Consolidation of Land Holdings

*682. SHRI MUNSHI RAM :

SHRI A. SAI PRATHAP :

Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) the total amount allocated by the Government

to the States for consolidation of land holdings during each of the last three years;

(b) whether any draft has been prepared by the Government to promote participation of people, panchayats and voluntary organisations in the development of barren land;

(c) the programmes chalked out by the National Wasteland Development Board in regard to such land so far; and

(d) the efforts made so far to generate employment in rural areas by developing wasteland?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH) : (a) to (d) A statement is laid on the Table of the House.

Statement

(a) Land and its management falls within the exclusive legislative and administrative jurisdiction of the States as provided in Entry No. 18 of List II (State List) to the Seventh Schedule to the Constitution of India. However, the Union Government has been playing an advisory and coordinating role in the field of land reforms. The Central Government is not allocating any funds to the State Governments for consolidation of land holdings.

(b) and (c) The National Wasteland Development Board (NWDB) was set up in the Ministry of Environment & Forests in May 1985. To promote development of non-forest wastelands, Department of Wastelands Development (DoWD) was created in the Ministry of Rural Development in July 1992 and NWDB was transferred to DoWD. In April 1999, DoWD was renamed as the Department of Land Resources (DoLR). DoLR is implementing three Area Development Programmes namely, Integrated Wastelands Development Programme (IWDP), Drought Prone Areas Programme (DPAP) and Desert Development Programme (DDP) on watershed basis through participatory approach w.e.f. 1.4.1995 for the development of wastelands in the country. These programmes are currently implemented under Hariyali guidelines w.e.f. 1.4.2003, which envisage implementation of the programmes through Panchayati Raj Institutions (PRIs) such as Block Panchayats and Gram Panchayats. In case these panchayats are not adequately empowered, then Zilla Panchayat can act as project Implementing Agency (PIA) or may appoint a suitable line department or State institution. Failing these options, ZP/DRDA may consider appointing a reputed Non-Governmental Organization (NGO) having adequate experience.

(d) The activities under the above programmes are largely labour intensive and include soil and moisture conservation works, water harvesting structures, contour bunding, contour channel, ponds, pasture development, etc. Since 1.4.1995 under the above three programmes, 48.58 crores man-days of employment have been generated.

[Translation]

SHRI MUNSHI RAM : Mr. Speaker, Sir, the legislation regarding consolidation of land holdings was brought by the former Prime Minister of India Chaudhary Charan Singh so that the small farmers of the country might get the land and that it might not go in the hands of land mafia. In his reply, the hon. Minister has said that the Union Government does not allocate any funds to the state government of consolidation of land holdings, while it is necessary to consolidate land holdings. The Union Govt. should help the states because even today, lakhs of hectares of land is in the hands of land mafia which we can give to the poor farmers after consolidating land holdings. They are earning lakhs and crores of rupees in connivance with the officials and the land mafia are trampling the poor farmers' right. I would urge the hon. Minister to provide help to the state government in consolidation of land holdings.

DR. RAGHUVANSH PRASAD SINGH : Mr. Speaker, Sir, it is a state subject. The governments of 5-6 states have completed the consolidation work and in 6-7 states this work has been stopped due to local reasons. Consolidation has not even started in the remaining states. We only give suggestions in this regard and till now there is no provision for giving them assistance nor has any assistance been provided. We undertake the monitoring job only and therefore, I am informing the House that consolidation of land holdings has been completed in Punjab, Haryana, Maharashtra and Uttar Pradesh. There are many states like Andhra Pradesh and Bihar where this work has been stopped. The situation is that the work has not even started in some states, and in others, no legislation regarding consolidation has so far been made. There are many benefits of consolidation. But, if the state governments are able to implement it, then we can give them suggestions and guide them.

MR. SPEAKER : It is a state subject, what can he do?

SHRI MUNSHI RAM : It is a state matter but the Union Government should intervene. The Government should implement consolidation if they want to give land to the small farmers. Today, several land mafias are ploughing the land in connivance with the officials. I want to urge that it should be checked. Sir, through you, I would like to know from the hon.

Minister the state-wise and district-wise details regarding creation of employment for man-days worth Rs. 48.58 crore.

DR. RAGHUVANSH PRASAD SINGH : I have the state-wise information and not district-wise. If the hon'ble Member desires, I will send the district-wise information also.

[English]

SHRI A. SAI PRATHAP : It had been the dream of late Prime Minister, Shri Rajiv Gandhi to develop wastelands in the country. It has been noticed through surveys conducted in the country that Drought Prone Area Programme and Desert Development Programme have not been working satisfactorily in generating rural employment.

My question is whether the Government proposes to take the help of foreign expertise in development of wastelands in our country and, if so, kindly give the details of the same.

[Translation]

DR. RAGHUVANSH PRASAD SINGH : No Sir, we are aware of the wasteland available in the country. The remote sensing system is also available. Therefore, there is no need for foreign help in this matter. A programme named, 'Haryali' is being implemented which is progressing very well, it include, all three programmes namely, I.W.D.P., D.D.P. and D.P.A.P. Hanumant Rao committee was constituted it's 10 years' term has passed. Now Parthasarathi Committee has been constituted. Sir, you gave directions on a relevant reference yesterday i.e. conservation of water, storage of water, rain harvesting etc. Now every body feels that there may be a serious water crisis in the times to come. Therefore, programme for conservation of water and watershed management programme are being run. Sir, through you, I request the Members to create such an atmosphere and ask the DRDA and the state Governments to prepare a master plan for this purpose. The Central Government would extend full support in its execution. The programme, relating to water conservation, watershed management, drought proofing are already there in the Common Minimum Programmes on top priority so as to solve the crisis of water in the long run.

[English]

MD. SALIM : My supplementary arises out of the supplementary put by the hon. Member.

[Translation]

If land mafia are to be tackled and land is to be given

to the landless people, then consolidation of land is not the only way out. Wherever, this programme has been undertaken, be it Punjab or Haryana, it has benefited the farmers, however, in Bihar and several other states this programme has either been stopped or has not been undertaken at all. Our experience in West Bengal and Kerala shows that land mafia has been effectively tackled without undertaking the consolidation of land holdings and land has been allotted to landless people over there. You rightly stated that as per the constitutional provision, the Central Government cannot undertake the consolidation of land holdings, this is done by the state Governments. You coordinate, monitor and extend advice to them, then, in today's circumstances, would you advise the state Government to rope in the Panchayats in this job to get back the land from the land mafia or from the state Governments so as to allot this land to the landless farmers.

DR. RAGHUVANSH PRASAD SINGH : Sir, land reforms have been stressed in our common minimum programme. Land consolidation is in the jurisdiction of state Government in terms of consolidation of land holdings. There are three types of land—Surplus land, Government land and Bhoodan land. A meeting of Revenue Ministers of states was called and it was decided that it has got to be implemented with cooperation of state Governments, therefore, the Central Government regularly undertake monitoring and advise the state Governments that all the surplus wasteland and government land should be made cultivable and disbursed among the landless farmers. Some Bhoodan land is still left. We are also in contact with the state Governments. We keep writing letters to the revenue Ministers and Chief Ministers to distribute the surplus land, wasteland and Bhoodan land to the landless farmers.

SHRI RAM KIRPAL YADAV : Sir, the honorable Minister said that three-four types of programmes like IWDP, DPAP and DDP are being implemented for the development of wasteland. Through you, I would like to know that there are several districts in Bihar and Jharkhand like Aurangabad, Jamui, Banka, Nawada etc. where large tracts of land is available....(*Interruptions*)

[*English*]

MR. SPEAKER : The question is on consolidation of land holdings.

[*Translation*]

SHRI RAM KIRPAL YADAV : Sir, this question also relates to the issue of barren land. Arrangements are being

made to irrigate the barren land. I want to submit that there are many districts like Jahanabad, Aurangabad and Jamui where several acres of land is lying barren or there are hilly areas where there is no provision of water and the farmers there have to face a lot of difficulties. There are other lands also in Bihar like Mokama Tal, Jalla area just near Patna city etc. Mokama Tal is spread over an area of 1200 kms. If proper arrangement of water is made there....(*Interruptions*)

[*English*]

MR. SPEAKER : You should be ready with your supplementaries.

[*Translation*]

SHRI RAM KIRPAL YADAV : Sir, only one crop is grown there. Several programmes are being run by the Rural Development Ministry there for which funds are allocated under a special programme to provide relief to the farmers so that they could irrigate their barren land and also drain out water from the water-logging prone areas. Will the Hon. Minister provide facilities to the farmer by launching these schemes soon?

SHRI RAJNARAYAN BUDHOLIA : Sir, such problems do exist in the areas about which the Hon. Member has just mentioned. There are the problems of water scarcity and water-logging and if we receive any such schemes approved by the DRDA and the concerned panchayats through the states, we will certainly give our approval to them to get the people rid of such problems. If any part of the country or say, Bihar faces the problems of water scarcity and water-logging, and if we receive a project to get rid of these problems, we usually, provide assistance to the concerned state....(*Interruptions*)

[*English*]

MR. SPEAKER : The Minister should not reply.

[*Translation*]

DR. RAGHUVANSH PRASAD SINGH : Mr. Speaker, Sir, through you, I want to know from the Hon. Minister as to what are the results so far of the development programmes being undertaken by the Land Reforms Department for the development of barren land in the country particularly about the area of barren land made cultivable in Bundelkhand of Uttar Pradesh. How far work has been done in the fields of constructing Contaur Dam, Contaur Cannals, ponds and development of pastures and the number of man-days created

in Uttar Pradesh from 1.4.95 to date under the above mentioned programmes....*(Interruptions)*

MR. SPEAKER : You should ask this question separately.

...*(Interruptions)*

DR. RAGHUVANSH PRASAD SINGH : Mr. Speaker, Sir, the Hon. Member is asking only about Bundelkhand but I would like to inform him about the entire country. 70 IWD Schemes have been completed under which 6.26 lakhs hectares of land has been made cultivable.

[English]

MR. SPEAKER : Hon. Members, please co-operate with the Chair. I agree that it is a very important question. There are already 22 names, three more apart from nineteen. I cannot allow 22 supplementaries. Already five hon. Members have participated.

...*(Interruptions)*

MR. SPEAKER : Everybody's question is important. I deeply value it. If you think this is a matter which should be discussed, you can give a proper notice for a proper discussion.

[Translation]

SHRI MITRASEN YADAV : Mr. Speaker, Sir, I want your protection. The Hon. Minister comes from Bihar and he belongs to village. Most of our people are dependent on agriculture. I want to know from the Hon. Minister about the area of barren land in our states. We do have barren land in our country, at the same time, we have a vast tract under Manjha area along the banks of various rivers and the land mafia has encroached upon such area and they are undertaking sugar cane cultivation on lakhs of bighas of such land. Actually this is the land distributed to the poor.

[English]

MR. SPEAKER : You take it up with the State Government.

[Translation]

SHRI MITRASEN YADAV : The people in villages are dependent on agriculture land but 80 per cent people there do not have enough land for want of land reforms law. There are several people who do not own this much land where they can bury their dead children....*(Interruptions)*

[English]

MR. SPEAKER : Please ask the question. This is not a debate.

[Translation]

SHRI MITRASEN YADAV : Why are you shying away from providing land to such people despite the availability of land....*(Interruptions)*

MR. SPEAKER : What can the Central Government do in this matter? You are raising an issue here related to the state government.

[English]

Just for the sake of putting a question, you are putting it.

[Translation]

SHRI MITRASEN YADAV : According to the Constitution, it is a state subject. But action should be taken to allot the barren land, surplus land which have been made cultivable to the poor....*(Interruptions)*

[English]

MR. SPEAKER : Is it in your jurisdiction?

[Translation]

DR. RAGHUVANSH PRASAD SINGH : Mr. Speaker, Sir, Hon. Member is asking about the data of the states all over the country regarding waste land. I will get these data sent to him. The Hon. Member is speaking about a particular place where some people have usurped others' land. If the hon. Member writes to us, we will attract the attention of the State Government to such issues....*(Interruptions)*

[English]

MR. SPEAKER : You are very cooperative.

[Translation]

DR. RAGHUVANSH PRASAD SINGH : However, the hon. Member himself should write to the State government. We can do something only through the State Government. According to the Constitution the Central Government cannot intervene directly in this matter....*(Interruptions)*

[English]

MR. SPEAKER : Therefore, Members of Parliament should write to their State Governments.

...*(Interruptions)*

MR. SPEAKER : Prof. M. Ramadoss will ask the last question.

...(Interruptions)

MR. SPEAKER : Already seven hon. Members have asked questions.

...(Interruptions)

SHRI ANIL BASU : I have also to ask an important supplementary. Please allow me...(Interruptions)

MR. SPEAKER : Please do not disturb others.

...(Interruptions)

PROF. M. RAMADOSS : Hon. Speaker, Sir, this question relates to consolidation of holdings in India. Consolidation of holdings is a very important measure for improving productivity and efficiency in agriculture. Now, we are not able to improve productivity because our land sizes are fragmented. They are of small sizes and scattered.

MR. SPEAKER : What is your question?

PROF. M. RAMADOSS : I would like to know from the hon. Minister the status of sub-division and fragmentation of land holdings in the country.

MR. SPEAKER : You should put a separate Question for that. This does not come under this Question.

PROF. M. RAMADOSS : No, Sir. I am only asking a question in connection with consolidation of land holdings. I would like to know the status of sub-division and fragmentation. If it is to the detriment of the interest of agriculture, why should the Central Government not think of consolidation of holdings?

MR. SPEAKER : I do not know if he is a moving encyclopaedia.

[Translation]

DR. RAGHUVANSH PRASAD SINGH : Mr. Speaker, Sir, I have stated the statewide status of consolidation of land holdings in the country.

[English]

MR. SPEAKER : Last supplementary on this Question, by Chaudhary Lal Singh...(Interruptions)

MR. SPEAKER : Hon. Members, please do not raise

your hands. Please put your hands down because once the hon. Members raise their hands, it will be noted down and the hon. Members will be called accordingly.

...(Interruptions)

MR. SPEAKER : Chaudhary Lal Singh, are you interested in putting a question?

CHAUDHARY LAL SINGH : Yes, Sir. Thank you.

MR. SPEAKER : Please put your question.

[Translation]

CHAUDHARY LAL SINGH : Mr. Speaker, Sir, with your grace, I want to know...(Interruptions)

MR. SPEAKER : It is the grace of Parliament, not of the Speaker which is required now.

...(Interruptions)

CHAUDHARY LAL SINGH : I would like to tell the hon. Minister that the process of consolidation of land holdings is going on since 1947. I would like to give an example in this regard. In our state Jammu & Kashmir, Sir Lawrence completed the consolidation in 1750 in one go riding on a horse as a mode of travel. Today, there is everything including vehicles and computers. I want to know as to what problem has been persisting in the states...(Interruptions)

[English]

MR. SPEAKER : How can the hon. Minister reply on this issue? It is a State matter.

[Translation]

CHAUDHARY LAL SINGH : You please listen, I will tell you how it is related to it. I want to say that two questions were asked in this regard. One question was asked in 1985 regarding the measures taken to develop the wasteland and the other in 1992 regarding the schemes formulated thereunder...(Interruptions)

[English]

MR. SPEAKER : Please put your specific question.

[Translation]

CHAUDHARY LAL SINGH : After this, Hariyali Scheme was also introduced in 1999 and 2003. Now you can see that schemes are being implemented in the drought prone areas

for as long as 20 years. There is no relevance of such schemes in these areas...(Interruptions)

[English]

MR. SPEAKER : Please ask your question.

[Translation]

CHAUDHARY LAL SINGH : I want to know as to when you are going to draw up a time-bound programme for these schemes?

[English]

MR. SPEAKER : It is a very specific question relating to the time bound issue.

[Translation]

DR. RAGHUVANSH PRASAD SINGH : Sir, Jammu & Kashmir is a state where the process of consolidation of land holdings has been abandoned. This process was going on there but now it has been stopped. Now the hon. Member is asking about the drought prone area programme. This is a programme to be implemented in a period of five years which envisages people's participation. Hariyali, forestry, water harvesting and water conservation have been included and newlender etc. It will take time but the work is likely to be completed within five of six years.

[English]

MR. SPEAKER : Q. No. 683, Shri Kashiram Rana—not present.

Shri V. K. Thummar.

Production and Marketing of Cotton

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*683. SHRI V. K. THUMMAR :

SHRI KASHIRAM RANA :

Will the Minister of TEXTILES be pleased to state :

(a) the details of the funds allocated under the Technology Upgradation Fund (TUFs) for production and marketing of cotton during the last three years and the details of the activities undertaken under the said scheme, year-wise;

(b) whether the production of high quality cotton is getting adversely affected due to non-availability of

adequate amount under the Cotton Technology Upgradation Fund;

(c) if so, the details thereof; and

(d) the steps taken by the Government for modernizing production and marketing of cotton and the success achieved as a result thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (d) A statement is laid on the Table of the House.

Statement

(a) While the Technology Upgradation Fund Scheme (TUFs) has been launched to upgrade technology in different segments of the textile industry, the Technology Mission on Cotton (TMC) has been launched for improving production, productivity and quality of cotton. The TMC comprises four Mini Missions with focus on research in cotton production technology under Mini Mission-I, dissemination of technology to farmers under Mini Mission-II, improvement in marketing infrastructure under Mini Mission-III and modernization of ginning and pressing factories under Mini Mission-IV. Production and distribution of certified seed, setting up of seed delinting plant, farmers' field school, insecticide resistance management, establishment/strengthening of bio-agent laboratories, distribution of sprinkler sets, training to extension workers, front line demonstration on production technology/integrated paste management technology, improvement of existing market yard, setting up new market yard and modernization of ginning and pressing factories are some of the activities undertaken under the TMC. Funds allotted for Mini Missions-I, II, III and IV of the TMC during the last 3 years are as under :

	(In Crore Rupees)		
	2002-03	2003-04	2004-05
Mini Missions-I	3.80	4.20	4.00
Mini Missions-II	20.00	38.00	50.00
Mini Missions-III & IV	30.00	30.00	40.00

(b) No, Sir.

(c) Does not arise.

(d) As may be seen from the table given below, the domestic production, yield and consumption of cotton during the 2002-03 to 2004-05 have increased and import of cotton has decreased.

	Unit	2002-03	2003-04	2004-05 (Prov.)
Production of cotton	In Lakh bales of 170 Kg. each	136.00	177.00	232.00
Consumption of cotton		168.83	173.96	198.00
Import of cotton		17.67	7.21	6.00
Yield	In Kg. per hectare	302	394	440

Source : Cotton Advisory Board.

[Translation]

SHRI V. K. THUMMAR : Mr. Speaker, Sir, the reply given by the hon. Minister to my question, creates two types of situations. Cotton is one of the most widely cultivated crop in India. In some regions, farmers are fully dependent on cotton crop.

The hon. Minister is related to my state, Gujarat. There are several reasons for the cotton getting damaged there. I want to know from the hon. Minister if he has got any survey conducted in the country to assess the loss of cotton in terms of its value. Although they talk about its technical advancement. In the Annual Report of the Ministry of Textiles for the year 2004-05 presented to the Parliament, it is stated that the share of the Government of India will be Rs. 200 crore but in the reply to my question he has informed that Rs. 40 crore have been provided to it. I want to know from the hon. Minister as to why there is such a difference between the informations provided in the Annual Report and the reply to the Parliament Question. Today, rates of cotton have come down so much that the farmers are not selling their produce at that rate. Last year, the price for 20 Kg of cotton was Rs. 600 which has come down to Rs. 400 this year. I want to know the rates of cotton in the international market...*(Interruptions)*

MR. SPEAKER : You please give a chance to the Minister to reply to your question.

...*(Interruptions)*

SHRI SHANKERSINH VAGHELA : Mr. Speaker, Sir, this is not true that cotton crop is spoilt, rather there is a bumper cotton crop this time around. Earlier we estimated production of 213 lakh bales but it reached the figure of 232 lakh bales. Besides this MSP is being implemented all over the country. The interest of three States i.e. Tamil Nadu,

Karnataka and Gujarat lies in quality yield. Besides this, we have made all the purchase on the basis of MSP. The cotton yield in the fields of the farmers will be purchased by CCI under operation MSP till the last day of the crop season. I am grateful to the Maharashtra Government who gave the rate of Rs. 2500 to the farmers and bore a burden of approximately two or three thousand crore rupees. I wish, other state Governments should also come forward like this. With the support of not only the Government of India, but the State Governments also the farmers will benefit a lot.

SHRI V. K. THUMMAR : I would like to say to the hon. Minister that with the advent of B.T. Cotton seeds our cotton production has certainly gone up and for that reason inflow of B.T. Cotton seeds into the country has increased. But with that the black marketing is also reaching such high levels that the farmers are forced to purchase the seeds from black market.

14 percent premium is being charged from the farmers under the crop insurance scheme whereas loan to them is granted at an interest of 12% which is compelling the farmers to commit suicide. The hon. Minister of Textiles is from Gujarat and he is well aware of the whole situation in Gujarat. Cotton is a cash crop and this should be fully sold. Despite the need for curtailing imports, imports are being made unabated. Therefore, I want to know as to what does the Government want to do in order to restrict import of cotton and to ensure that the farmers get remunerative prices of cotton, explicit reasons should be given in this regard because the farmers are dying and I am sure this trend will continue and more farmers will commit suicide. I request the Government to help the farmers so as to prevent them from committing suicide.

SHRI SHANKARSINH VAGHELA : Mr. Speaker, Sir, Monsanto company has monopoly over Bt. Cotton and Ministry of Agriculture is trying to bring other good quality seeds into the fray and we are also concerned and we want that the farmers should get good quality seeds. The hon. Member made a mention of crop insurance scheme, the agriculture ministry is looking into that also. My ministry is not involved in it. Third point, the hon. Member made is that the Government should think over it, and I would like to say that we do care for the farmers as much as we should and we never experienced any difficulty as per CCI norms also. We have not received any complaints from the farmers about non operation of MSV. We are taking all the things into account and providing assistance to them accordingly.

[English]

SHRI J.M. AARON RASHID : Sir, in my constituency

(Periyakulam), Andipatii Assembly segment is full of cotton weavers. They are still producing cotton items using conventional methods. Will the Government introduce new methods to boost production and export of quality cotton? Will the Government buy cotton items, what they have produced, to help improve their lifestyle?

[Translation]

SHRI SHANKARSINH VAGHELA : Sir, here I would certainly like to say that the quality of cotton in India is not good. Hon. Member Shri Thummaji has said that we import about six lakh bales of cotton, in this regard I would like to say that we import long staple cotton. We import the cotton which is compulsory as per our planning and we are making exports even suffering some loss in the process. If we do not produce good quality cotton after providing irrigation facility then we will have to face stiff competition from China and Egypt in the days to come and we do face some problem in it. Therefore, we should ensure good price of cotton. If the state Government also takes initiative in this regard, the farmers can be motivated to grow better quality cotton. Under the PMC-3 and TMC i.e. Technological Cotton Mission 3 and 4 launched by my Ministry also, we provide assistance in ginning and APMC for improving quality. TMC is a Rs. 500 crore project which is already approved by the Cabinet and this process will continue.

SHRIMATI KRISHNA TIRATH : Mr. Speaker, Sir, India is an agricultural country and after independence we had adopted Khadi. We should export rather than import. It would be better if the hon. Minister tells the House as to what provisions should be made to promote cultivation of cotton and how good crop of cotton can be grown and what efforts the government is making in this regard?

SHRI SHANKARSINH VAGHELA : We are compelled to import cotton as we do not have long staple cotton, and have to import for good quality cotton. Secondly, we want to give sufficient amount for improvement to APMC and ginning factories through TMC and so far as irrigation or the question of competition by the farmers, be it with Israel or some other country is concerned, per acre yield in our country is low. It would be better if our farmers make progress in this regard.

SHRIMATI KRISHNA TIRATH : Sir, I want to know from the hon. Minister as to what action the Government is taking in this regard?

SHRI SHANKARSINH VAGHELA : The Government is making necessary efforts required for improvement. The Ministry of agriculture is taking care of seeds. We are providing

ginning and APMC facility as per our technology mission so that the farmers could get its benefits.

[English]

SHRI W. WANGYUH KONYAK : Sir, a large amount of money is being spent on cotton products. We are going to spend about Rs. 94 crore on cotton in the year 2005-06. I would like to know from the hon. Minister whether 10 percent money from the Ministry of Textiles has been given to the DONER Ministry or not; and how many States from the North-East have got the benefit out of this amount.

[Translation]

SHRI SHANKARSINH VAGHELA : Sir, no proposal pertaining to north eastern region has been received in the Ministry so far. I would like to tell the hon. Member that demands of that particular region should be forwarded to my Ministry. There is a separate Ministry to take care of the North-Eastern region. Whatever proposals you have send them to us and the Ministry will consider them.

[English]

MR. SPEAKER : Q. No. 684—Shri Anandrao V. Adsul—
Not present.

Shri Sugrib Singh—Not present.

Value Added Tax

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*685. SHRI IQBAL AHMED SARADGI :
SHRI KHARABELA SWAIN :

Will the Minister of FINANCE be pleased to state :

(a) details showing the name and number of States that had agreed on the model VAT Act in the meeting of State Finance Ministers held on 18.06.2004.;

(b) whether such States had arrived at a common formula;

(c) if so, the details thereof;

(d) whether any deadline has been fixed by the Union Government for implementation of the system all over the country;

(e) if so, details thereof;

(f) steps taken by the Union Government to ensure

successful implementation of VAT all over the country at the earliest;

(g) whether VAT implementation will be made by different States retrospectively;

(h) whether Union Government has received any proposal from State Governments to abolish all existing taxes other than VAT to make it a success and if so, the details of such proposal; and

(i) steps taken for successful implementation of VAT to make it beneficial for traders and consumers?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (i) A statement is placed on the Table of the House.

Statement

(a) to (i) 20 States/Union Territories have implemented VAT with effect from 1st April, 2005. The State of Haryana has already implemented VAT with effect from 1st April, 2003. Two States viz. Assam and Meghalaya have introduced VAT w.e.f. 1st May, 2005. Thus, 23 States/Union Territories have implemented VAT. A table indicating the status of implementation of VAT by States/Union Territories is enclosed as Annexure.

As VAT is a tax intended to replace the State Sales Tax, it is a State subject. The Central Government is only playing the role of a facilitator in this tax reform process jointly undertaken by the States. An Empowered Committee of State Finance Ministers was set up to decide on all issues relating to implementation of State level VAT. The Empowered Committee, which is a representative body of all the States, has finalized the structure and design of the State level VAT. No deadline has been fixed by the Union Government for implementation of the system all over the country and no State has, as yet, indicated willingness to implement VAT retrospectively.

Central Government has not received any proposal from State Governments to abolish all existing taxes other than VAT to make it a success. However, as per the decision of Empowered Committee of State Finance Ministers, it is expected that a number of State level taxes on purchase or sale of goods like State sales tax, turnover tax, purchase tax, additional sales tax, surcharge, entry tax (not in lieu of octroi) will be subsumed in VAT.

Central Government has provided the necessary

financial and technical assistance to the State Governments to ensure successful implementation of VAT.

Annexure

Status of Implementation of VAT by States/UTs

Sl.No.	Name of State/UT	Status
1	2	3
1.	Haryana	VAT introduced earlier w.e.f 1st April, 2003.
2.	Andhra Pradesh	VAT implemented w.e.f 1st April, 2005.
3.	West Bengal	
4.	Kerala	
5.	Karnataka	
6.	Orissa	
7.	NCT of Delhi	
8.	Tripura	
9.	Bihar	
10.	Arunachal Pradesh	
11.	Sikkim	
12.	Punjab	
13.	Goa	
14.	Mizoram	
15.	Nagaland	
16.	Dadra and Nagar Haveli	
17.	Daman and Diu	
18.	Jammu and Kashmir	
19.	Manipur	
20.	Maharashtra	
21.	Himachal Pradesh	
22.	Assam	VAT implemented w.e.f 1st May, 2005.
23.	Meghalaya	

1	2	3
24.	Andaman and Nicobar Islands	These UTs have no sales tax/VAT.
25.	Lakshadweep	
26.	Uttar Pradesh	These 10 States/ UTs have not yet implemented VAT.
27.	Tamil Nadu	
28.	Uttaranchal	
29.	Rajasthan	
30.	Gujarat	
31.	Madhya Pradesh	
32.	Chhattisgarh	
33.	Jharkhand	
34.	Chandigarh	
35.	Pondicherry	

SHRI IQBAL AHMED SARADGI : Sir, in the Statement, the hon. Minister replied that 23 States have implemented VAT. I would like to compliment the Finance Minister for making so much effort and also assuring the State Governments full cooperation of the Centre to persuade them to agree to the implementation of VAT. I would like to know whether the hon. Minister, during discussions in the VAT meetings, has given an assurance on the compensation package for any revenue loss that the State might incur on switching over to the new tax regime. If so, what are the incentives, or the package, offered to the States? Were the States satisfied with the offer made?

MR. SPEAKER : Otherwise, they would not agree.

SHRI P. CHIDAMBARAM : Sir, the Empowered Committee of State Finance Ministers recommended a compensation package. The Cabinet has accepted that package in toto. Under the package, States will get compensation for loss, if any, at the rate of 100 percent in the first year, that is 2005-06; 75 percent in the second year; and 50 percent in the third year. The package was approved as per the recommendations of the Empowered Committee.

SHRI IQBAL AHMED SARADGI : Sir, the Empowered Committee met twice in the month of April, 2005. I would like to know from the hon. Minister whether all the States that attended the meeting agreed to impose uniform levy rates on

various products in lieu of erstwhile Sales Tax. If so, will those States come out with notification of VAT rates? By what time will they be announcing the VAT rates?

SHRI P. CHIDAMBARAM : Sir, from the very beginning, the Empowered Committee meetings have been attended to by all Finance Ministers of the States. Where a particular Finance Minister is unable to attend for some reason, he would depute another Minister or his officer. I cannot say whether at any particular meeting every Finance Minister was present—I cannot say that from memory—because I do not have the Minutes. Eighty-two meetings have taken place so far. The Empowered Committee agreed on a set of rates. These rates are included in the Schedule to the Bills passed by each State. These rates are also mentioned in the White Paper put out by the Empowered Committee. In the last meeting, if I recall, on the 26th of April, some changes were made to some rates. That again was changes made after consensus emerged on the changes. It is possible that one or two States have not yet notified the changed rates. But, since this meeting took place only on the 26th of April and States would have to take steps to notify the changed rates, I think we should be patient with the State Governments and allow them to implement it. The Empowered Committee is monitoring the situation.

[Translation]

SHRI SHAILENDRA KUMAR : Mr. Speaker, Sir, traders all over the country are apprehensive about the effects of VAT. They feel that they will have to pay exorbitant taxes. The most recent example in this regard is the National Capital, Delhi. It has about 80,000 traders. Under this law there is a provision that no goods can be sold by the trader without a bill if he is not registered. Even small traders will have to pay Rs. One lakh as registration fee. Hon. Minister has said about the charging of entry fee. He has mentioned here about various States just now. Take the case of Uttar Pradesh. Everywhere the traders are worried that their business would get ruined. If any proposal regarding tax exemption under confederation of the Government?

[English]

SHRI P. CHIDAMBARAM : Sir, I do not know where the hon. Member gets the information that there is an entry fee of Rs. 1 lakh. On the contrary, there is a threshold exemption up to Rs. 5 lakh turnover and a trader, who has a turnover up to Rs. 5 lakh, does not have to pay VAT. Between Rs. 5 lakh and Rs. 50 lakh, there is a compounding rate. Most States have fixed the compounding rate of one per cent of so. Therefore, these apprehensions are really misapprehensions.

A section of traders continue to protest. I have, in this House, on that day, made an appeal to that section of traders that it would not be correct to carry on this protest. If they have any genuine apprehensions, they are most welcome to meet with the Finance Minister of the State concerned. They are welcome to meet with the Empowered Committee. The Chairman of Empowered Committee has met with a large number of trade organisations. There is an Expert Committee under Dr. Govind Rao, which is there to assist the Empowered Committee and interact with the State Governments to allay any apprehensions. I think, these apprehensions must be put to rest. We are willing to meet with any section of traders to allay their apprehensions. But, I would once again appeal to that section of traders to please give up their protests, come on to VAT. Sir, 23 States and Union Territories have implemented and it is a single biggest tax reform in this country. They should cooperate in implementing VAT.

SHRI R. PRABHU : Mr. Speaker, Sir, the hon. Minister has just said that there is a lot of misapprehension among traders. There is a lot of misapprehension among consumers also. Value Added Tax is basically the difference between output tax and input tax. Tracing a commodity from the production to the consumer, there are distributors and wholesalers. I would like to know from the hon. Minister this. Would the consumer, who has no output tax, only an input tax, have to pay tax in real terms of the compounded value or just a one-point tax?

SHRI P. CHIDAMBARAM : The manner in which the VAT works is no different from excise duty. Excise duty is a tax on value addition on manufacture. VAT, which replaces sales tax, is a tax on the value addition in the distribution chain. Suppose, there is a VAT on a certain raw material, the VAT is paid. That raw material is used by component manufacturer to make the component and VAT is payable on the component. But the VAT payable on the component will be reduced by the VAT paid on the raw material. Similarly, the component goes into a final product and the VAT paid on the final product will be reduced by the VAT paid at the earlier stage. Therefore, the singular advantage of VAT, which is accepted in 130 countries in the world, is that it is a non-cascading tax. By definition, a non-cascading tax is certainly a superior tax and imposes a lower burden on the consumer than a cascading tax. A sales tax, as it operates today in States where sales tax continues, is a cascading tax.

12.00 hrs.

There is sales tax on the raw material; there is sales tax on components; and there is sales tax on the finished

product. One is not set off against the other. In VAT, there is a set off. The ultimate consumer, of course, pays the sales tax today. Similarly, the ultimate consumer will pay the VAT which is one rate on the entire value addition that has taken place in the chain. Therefore, I believe and all economists believe that the VAT burden will, in the long run, be lower than a sales tax burden.

WRITTEN ANSWERS TO QUESTIONS

[English]

Defaulting Stock Brokers

*684. **SHRI ANANDRAO VITHOBA ADSUL :**
SHRI SUGRIB SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government has declared some stock brokers as defaulters under the relevant laws/regulations during the last three years;

(b) if so, the details thereof and the action taken against them, stock exchange-wise;

(c) whether some Overseas Corporate Bodies have also been blacklisted during the said period;

(d) if so, the details thereof; and

(e) the steps taken by the Government to regulate the activities of brokers and Overseas Corporate Bodies in the country with a view to protecting the interests of the investors?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) Under section 9 (2) (k) of the Securities (Contracts) Regulation Act, 1956, bye-laws of recognised stock exchanges may provide for the consequences of default by a stock broker. Accordingly, from time to time, recognised stock exchanges, under their respective bye-laws, declare as defaulters such stock brokers who are unable to fulfil their obligations; or who admit or disclose their inability to fulfil or discharge their duties etc.

(b) The details of stock brokers who have been declared defaulters and action taken against them in respect of BSE, NSE and Calcutta stock exchanges are given in the Statement enclosed.

(c) to (e) Overseas Corporate Bodies (OCBs) were prohibited from investing in the stock exchanges under the

Portfolio Investment Scheme (PIS) with effect from November 29, 2001. OCBs Were derecognised as a class of investor entity with effect from 16th September, 2003.

The list containing the name of the OCBs coming to the adverse notice of RBI includes the names of those erstwhile OCBs who had not responded to the request of RBI for details of their non PIS transactions. The operations in the accounts of such OCBs have been blocked by RBI. As and when the requisite information is received from the OCBs, their accounts are deblocked.

As on 31st December 2003, there were 382 OCBs who come to the adverse notice of the RBI. AS on date the number of such of OCBs is 343.

SEBI Act, 1992, read with SEBI (Stock Brokers and Sub-brokers) Regulations, 1992, empowers SEBI to register and regulate the working of stock brokers as also to undertake inspection of stock brokers. The various steps taken by SEBI to check the activities of brokers in the country are enlisted below :

SEBI has been undertaking both surprise and annual inspection of stock brokers of the active stock exchanges and subsidiaries in exercise of the power

conferred under regulation 19 of the SEBI (Stock Brokers and Sub-brokers) Regulation, 1992.

- Investigation are also carried out into the activities of stock brokers as and when required.
- Regulation 18A of SEBI (Stock Brokers and Sub-brokers) Regulation, 1992 provide for appointment of a compliance officer by brokers who shall be responsible for monitoring the compliance of various rules and regulations and to report independently to SEBI any non-compliance observed by him.
- SEBI has also mandated the stock exchanges to inspect at least 20% of the active stock brokers every year. From the surveillance angle also, exchanges monitor brokers' trading position based on various parameters such as margin payments, concentration, capital adequacy etc.
- Stock brokers have to strictly adhere to capital adequacy, net worth and margining requirements which are an essential part of overall risk management.

Statement

Details of Defaulter Brokers

Sl.No.	Name of the Defaulter	Date of Declaration of default	SEBI Reg. No.	Action Taken
1	2	3	4	5

The Stock Exchange, Mumbai

1.	Parth Share & Stock Brokers Pvt. Ltd.	19-Jul-2002	INB010989830	Registration cancelled
2.	Poddar Stock Broking Pvt. Ltd.	23-Aug-2002	INB011145530	Registration Cancelled
3.	Gandhi & Shah Corporate Services	23-Aug-2002	INB010984737	Registration Cancelled
4.	Opulent Broking Pvt. Ltd.	12-Nov-2002	INB011074433	Registration Cancelled
5.	Triumph Securities Ltd.	12-Nov-2002	INB010980530	Registration Cancelled
6.	Kantilal Mangaldas Sec. Pvt. Ltd.	08-Sep-2003	INB010831534	Registration Cancelled
7.	T.H. Vakill Share & Securities Pvt. Ltd.	03-Mar-05	INB011047538	Action to be taken only after Completion of 6 months from the date of declaration of defaulter

1	2	3	4	5
National Stock Exchange				
1. Triumph International Finance India Ltd.	3-May-2002	INB230634232	Retistration Cancelled	
2. Dangi Financial & Management Consultancy Pvt. Ltd.	24-Mar-2003	INB230777337	Registration Cancelled	
3. Blue Blends Stocks & Securities Ltd.	1-Nov-2003	INB230638434	Registration Cancelled	
4. Alba Capital Markets P. Ltd.	16-Dec-2004	INB230645133	Action to be taken only after Completion of 6 months from the date of declaration of defaulter	
Calcutta Stock Exchange				
1. Kunj Beharl Kejriwal	09-08-2002	INB030034010	Registration Cancelled	
2. Narsingh Dasw Daga	09-08-2002	INB030057712	Registration Cancelled	
3. Anuradha Malik	09-08-2002	INB030060817	Registration Cancelled	
4. Virendra Singh Bengali	09-08-2002	INB030669916	Registration Cancelled	
5. BPS Securities	18-05-2002	INB030804332	Action being initiated	

Review of Food for Work Programme

*686. SHRI B. VINOD KUMAR : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Government has carried out a comprehensive review of "Food for Work Programme";

(b) if so, the outcome thereof;

(c) the total quantum of foodgrains distributed, State-wise under the scheme as on March 31, 2005;

(d) the number of States in which the scheme is being implemented;

(e) the total assets/works created/done under the scheme as on March 31, 2005;

(f) the total amount sanctioned and expenditure incurred under the scheme as on March 31, 2005?

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGUVANSH PRASAD SINGH) : (a) and (b) Yes Sir, the programme implementation in major States was reviewed on 3rd March 2005, through video conferencing and again on

15th March 2005 in the meeting of the performance Review Committee in which States have been asked to further accelerate the pace of utilization of resources and complete the preparation of Perspective Plan for Five Years. A series of regional workshops of the Collectors/CEO of Zilla Panchayats or the authority nominated by the State Governments to implement the National Food for Work Programme have started from 2nd May 2005 and will continue till 16th June 2005 which would cover all the NFFWP Districts.

(c) The total quantum of State-wise foodgrains authorized, lifted and distributed during 2004-05 (upto 31st March 2005) is given in the Statement enclosed.

(d) All the States except Goa have been covered under the programme which makes a total number of 27 States. 150 Districts have been covered in these States.

(e) The total number of works completed are 12266 and 32194 works are under progress as reported by States upto 31st March 2005.

(f) The Statement indicating State-wise allocation of funds, release and expenditure incurred during 2004-05 (till 31-3-2005) is enclosed.

Statement**Performance under National Food for Work Programme during 2004-05**

Sl. No.	States	Month Code	No. of Distts. Identified	Funds (Rs. in lakhs)			% of Utilization	Foodgrains (In MTs)			
				Allocation	Released	Utilization		Allocation	Authorization	Lifting	Utilization
1.	Andhra Pradesh		8	12214.72	12214.72			125413	125413		
2.	Arunachal Pradesh	3	1	190.80	190.80	4.88	2.56	1249	0		
3.	Assam		5	16645.79	16645.79			108984	108984		
4.	Bihar	1	15	26411.54	26456.54	1030.89	3.90	271183	272432	954	954
5.	Chhattisgrah	3	10	10410.19	10410.19	6393.51	61.42	109045	109045	101203	78503
6.	Gujarat	3	6	3994.69	3994.69	234.51	5.87	41042	41042	19085	74
7.	Haryana	3	1	281.85	281.85	0.00		2894	2894	0	0
8.	Himachal Pradesh	3	1	303.91	303.91	200.58	66.00	3121	3121	3121	2060
9.	Jammu and Kashmir	3	2	494.26	494.26	145.97	29.53	5074	5074	2987.8	
10.	Jharkhand	3	14	22595.70	22595.70	2021.03	8.94	232004	232004		
11.	Karnataka	3	3	2925.38	2925.38	176.15	6.02	30038	30038	2951	2951
12.	Kerala	3	1	547.14	547.14	125.37	22.91	5618	5618	0	0
13.	Madhya Pradesh	3	15	15808.32	15808.32	6787.57	42.94	162310	162310	93565	72772
14.	Maharashtra	3	11	15495.26	15495.26	1982.62	12.80	158998	158998	13284	10789
15.	Manipur		1	399.22	399.22			2614	2614		
16.	Meghalaya	2	1	543.85	543.85	95.23	17.51	3562	3562		
17.	Mizoram		1	95.52	95.52			626	626		
18.	Nagaland		1	455.72	455.72			2984	2984		
19.	Orissa	3	18	22283.67	22283.67	14640.55	65.70	228863	228863	183704	134522
20.	Punjab		1	716.32	716.32			7356	7356		
21.	Rajasthan	3	5	3532.69	3532.69	2498.55	70.73	36269	36269	34766	28156
22.	Sikkim	3	1	315.73	315.73	150.00	47.51	2068	2068		
23.	Tamil Nadu	3	4	4851.58	4851.58	2652.41	54.67	49815	49815	14450	14310
24.	Tripura	3	1	1543.37	1543.37	644.32	41.75	10105	10105	765	765
25.	Uttaranchal	3	2	1014.86	1014.86	52.46	5.17	10418	10418	2425	195
26.	Uttar Pradesh	3	15	26378.11	26378.11	1982.07	7.51	270779	270779	11738	8612
27.	West Bengal	3	6	11449.81	11449.81	1451.64	12.68	117568	117568	32740	10189
Total			150	201900.00	201945.00	43270.31	21.43	2000000	2000000	517739	364852

Note : Blank Column denote non-reporting by the respective State.

Bauxite Deposits***687. SHRI JUAL ORAM :****SHRI GIRIDHAR GAMANG :****Will the Minister of MINES be pleased to state :**

(a) the estimated bauxite deposit in the country, State-wise;

(b) the specific steps taken for the proper exploitation of the bauxite resources in the country, State-wise; and

(c) if so, the details thereof?

THE MINISTER OF MINES (SHRI SISH RAM OLA) :

(a) The following are the State-wise total reserves of bauxite as on 1.4.2000 :

Total in Situ Reserves of bauxite

State	Reserves (in million tonnes)
All India	3075.71
Andhra Pradesh	612.76
Bihar	4.11
Chhattisgarh	198.22
Goa	64.28
Gujarat	185.49
Jammu and Kashmir	2.03
Jharkhand	117.35
Karnataka	45.89
Kerala	14.23
Madhya Pradesh	131.49
Maharashtra	124.78
Orissa	1529.64
Rajasthan	0.53
Tamil Nadu	26.00
Uttar Pradesh	18.91

(b) and (c) All mineral concessions including bauxite are granted by the State Governments as per the provisions of Mines & Minerals (Development & Regulation) Act, 1957 and Mineral Concession Rules, 1960. In case of bauxite,

prior approval of Central Government is taken before granting mineral concession by the State Government. Non-fuel and non-atomic mineral sector including bauxite has been thrown open for private investment including foreign direct investment in all States/ The prospective investors who are interested in the exploitation of minerals including bauxite make investment based on the availability of minerals and economic viability of its exploitation.

The State-wise break-up of number of operating mines and production during 2003-04 is given in following table :

Details of No. of Mines of Bauxite

Name of State	No. of Mines	Production (tonnes) 2003-04
Chhattisgarh	08	887359
Goa	03	70369
Gujarat	92	1864387
Jharkhand	32	1518096
Kerala	03	16070
Karnataka	03	29403
Madhya Pradesh	44	190937
Maharashtra	11	1167720
Orissa	03	4934155
Tamil Nadu	05	278040
Total	204	10956536

Recovery of Dues***688. SHRIMATI MANORAMA MADHAVRAJ :** Will the Minister of FINANCE be pleased to state :

(a) whether the member banks of Indian Bank Association are operating under a Model Code of Conduct for collection of dues and re-possession of security (CDRS Code);

(b) if so, the details thereof;

(c) whether the Government is aware that the recovery agents resort to questionable methods to recover the dues or to take possession of security thereby violating the Indian Penal Code provisions;

(d) if so, details thereof indicating the number of

cases that came to the notice of the Government during the last three years; and

(e) the action taken by the Government thereon?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) Indian Banks Association (IBA) has approved a Model Code for collection of dues and repossession of security by banks. This was circulated to all member banks of IBA on 13th November 2003 for adoption on voluntary basis. A copy of the Model Code is available on the website of IBA i.e. www.iba.org.in/circular.

(c) to (e) Yes, Sir. Government has been receiving representations from individuals and different organizations regarding dubious methods adopted by recovery agents of bank. Reserve Bank of India has issued guidelines to Scheduled Commercial Banks on Fair Practices Code in May 2003 advising banks to formulate guidelines duly approved by their Board of Directors. In terms of the guidelines, the banks have been advised not to resort to undue harassment of the borrowers in the matters of recovery of loans of forceful possession of assets. Government/RBI also take up specific complaints received from individuals/Associations relating to these matters with concerned banks for redressal and appropriate remedial action.

Fake PAN Cards

*689. SHRI G.V. HARSHA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the cases of fake Permanent Account Number (PAN) cards are increasing;

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

(c) details of action taken/initiated against the persons found involved in the case;

(d) whether any case of negligence on the part of officers of the Income Tax Department has come to notice in spreading the fake PAN card racket;

(e) if so, the action taken/to be taken by the Government against the officials of the IT Department in this regard; and

(f) the steps taken/proposed to be taken by the Government to stop such fake PAN card rackets in future?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) No, Sir. An instance of tampering with data

by some private persons by unauthorizedly obtaining password of some Assessing Officers at Delhi came to the notice of the Income Tax Department in December, 2004.

(c) On a complaint filed by the Income Tax Department, the Crime Branch of Delhi Police has arrested four persons for investigating into case.

(d) and (e) No official of the Income Tax Department has been found involved in the case.

(f) The Department has taken the following steps :

(i) Changes in the core fields of PAN data can now be made only through an application, with supporting evidence, furnished to either of the two PAN service providers, namely, UTI Investors Services Ltd. (UTIISL) or National Securities Depository Ltd. (NSDL);

(ii) Departmental officers are under instructions to immediately correct the unauthorized changes.

National Policy on Jute

*690. SHRI ADHIR CHOWDHURY :
SHRI CHANDRA BHUSHAN SINGH :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government has recently announced a National Policy on Jute;

(b) if so, the salient features thereof;

(c) the number of ailing units in jute industry, state-wise;

(d) whether the views of the jute related organizations working under various Ministries have been considered and incorporated in the said policy;

(e) if so, the extent to which the interest of jute workers and organizations have been protected; and

(f) the steps taken by the Government to improve the marketing and export of jute products.

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) Yes Sir. Government has announced the National Jute Policy 2005 of India on 15th April 2005. The objectives of the policy are to increase the quantity of export jute and jute products by achieving a CAGR of 15% per annum, produce good quality jute fibre and value added

diversified jute products, ensure remunerative prices to the jute farmers and enhance per hectare yield. The National Jute policy is also aimed at enabling jute farmers to produce better quality jute fiber and ensuring remunerative prices. The specific sectoral thrusts to achieve the aforesaid objectives are to :

- (i) Enhance R & D efforts to improve yield and quality of jute fibre along with improved emphasis on technology transfer and better agronomic practices.
- (ii) Accelerate Modernisation of the jute industry.
- (iii) Restructure and revitalize the existing Public Sector undertakings.
- (iv) Revamp the Market Support Scheme to enhance the share of exports in total production of jute goods from existing 18% to 35% in next 10 years.
- (v) Enhance efforts in R&D to achieve higher degree of jute diversification to restructure and revamp existing public institutions and establish new ones to give a fresh impetus to the jute sector.
- (vi) Operationalise the Jute Technology Mission expeditiously.

(c) The State wise number of ailing units in jute industry are given below :

West Bengal	29
Orissa	1
Tripura	1
Andhra Pradesh	1
Uttar Pradesh	2
Bihar	1

(d) To elicit the views of all the stake holders of the jute sector in the formulation of the National Jute policy, a National Conference was held on 19 & 20th November 2004 at Kolkata. The conference had representation from all the important stakeholders, including representatives from jute related organizations under the Union and State Governments. The conference was also attended by the representatives of Trade Unions in the Jute Industry. The recommendations of the conference were taken into account while framing the National Jute Policy 2005.

(e) With the rise of inescapable competition facing the Indian jute sector, both in the international and domestic markets, it will be the endeavour of the Government to facilitate upgrading the skills of both workers, and supervisors and managerial staff who are employed in the jute industry. The Government will support programmes of organisations and institutions engaged in HRD that address the professional manpower need of the industry.

In recognition of the pioneering role of IJT, this institution will be assisted to grow and progress as an autonomous institution on innovative lines. It will be developed as an International Centre for Education in Natural fibers.

The Government will ensure that statutory dues of the workers engaged in jute mills are paid in time. The working conditions and emoluments of workers should improve so that the quality of life of such workers is enhanced. The Government will ensure that there is no exploitation of labour.

(f) The National Jute Policy 2005 enunciates that with regard to marketing, the thrust will be on adopting suitable market promotion programmes for increasing consumer awareness and highlighting the environmental advantages of jute by working closely with Environmental groups. The policy envisages an objective to increase the export of jute and jute products to nearly Rs. 5000 crores by 2010 from the current level of almost Rs. 1000 crores. Towards achieving the above target the following measures have been proposed in the policy :

1. Establishment of a multi disciplinary institutional mechanism to formulate policy measures and suggest specific action plans.
2. Creation of a "Brand Equity Fund", for jute and jute products consistent with WTO norms;
3. Incorporation of an Export Promotion Council in the National Jute Board to effectively facilitate promotional efforts aimed at boosting exports of jute and jute products.

Kisan Credit Card

*691. SHRI KISHANBHAI V. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the government has received any complaints that various banks are avoiding providing credit cards to the poor farmers in rural areas;

(b) if so, the details in this regard, State-wise; and

(c) the steps taken/proposed to be taken in order to ensure that the Kisan credit Cards are promptly issued to the needy farmers in rural areas?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (c) With over 4.84 crore Kisan Credit Cards (KCCs) having been issued in the country till February 2005, the scheme has made satisfactory progress. As and when complaints are received regarding non-issue of KCCs by individual bank branches, they are forwarded to the concerned banks for redressal. The banks have been advised, inter-alia, to take the following measures to further improve the coverage of Kisan Credit Cards :

- (i) Mount publicity measures to popularise the Kisan Credit Card (KCC) scheme.
- (ii) Bring into KCC fold new farmers, and also existing farmers who are not covered under KCCs;
- (iii) Issue suitable guidelines to their branches, so that crop loans are routed only through KCC;
- (iv) Launch a time bound programme aimed at motivating non-willful defaulters to clear their dues so as to enable them to take benefit of the scheme;
- (v) Include term loans for agriculture and allied activities, and a reasonable component of consumption credit, as per the revised KCC Scheme, etc.
- (vi) implement the suggestions made by the National Council for Applied Economic Research (NCAER) in its study Report on KCC.

World Bank Report

*692. SHRIMATI NIVEDITA MANE :
SHRI KIRTI VARDHAN SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether World Bank has projected a downward trend in economic growth rate for 2005 as reported in the Business Standard dated the April 13, 2005;

(b) if so, whether the Government has examined this issue; and

(c) if so, the details thereof and the corrective action taken by the Government in this regard?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) The World Bank's report titled 'Global Development

Finance, 2005' predicts a slow down in global growth from 3.8% in 2004 (Calendar) to 3.1% in 2005. South Asian growth is forecast to slow from 6.6% to 6.2% over the same period.

(b) Forecasts by different organizations relating to real Gross Domestic Product growth rate for India are as below:

Organization	Over all Real GDP growth (per cent)
CSO Advance Estimates	6.9 for 2004-05
IMF (for calendar year)	7.3 for 2004 6.7 for 2005 (World Economic Outlook, April, 2005)
ADB	6.5 for 2004-05 6.9 for 2005-06
RBI	Around 7.0 for 2005-06
Planing Commission	8 (10th Plan period 2002-07 estimation)

As per the above forecasts, the economic growth in India, in particular, is expected to be healthy.

(c) The Union Budget for 2005-06 provides for a number of initiatives such as emphasis on enhanced public investment, diversifying agriculture, promotion of public-private partnership for infrastructure development, liberalization of Foreign Direct Investment and facilitating growth in industries and services sector through an enabling policy environment. These measures are expected to have a favourable impact on the growth of the Indian economy.

Promotion in Textile Sector

*693. SHRI E. PONNUSWAMY : Will the Minister of TEXTILES be pleased to state :

(a) whether the share of India's textile industry is only 3-5 per cent of the total Global trade;

(b) if so, the reasons therefor;

(c) the steps taken to face the Global competitiveness and explore opportunities in textile sector including technical textiles?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) As per latest available WTO data, India's percentage share in the world textile and clothing during 2003 was 4.8% and 3.5% respectively.

(b) US, EU and Canada account for a major share of world trade in textiles, and due to the quota restrictions imposed by these countries till 31st December, 2004 under the erstwhile Multi-Fibre Arrangement, India's export growth to these markets was restrained. Besides, lack of investments on modernisation and technological up-gradation, particularly in weaving and processing segments, are areas of our weaknesses that have been inhibiting the growth of our textile exports.

(c) The complete dismantling of the quota regime w.e.f. 1st January, 2005 does provide greater export opportunities for India's textile industry. The industry will have to improve its efficiency and productivity to meet the emerging global competition.

The Government has been taking continuous measures to provide an enabling environment for the industry to enhance its competitiveness in the global market and increase export of textiles, including technical textiles. Some of the important initiatives taken are :

- (i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1.4.1999 to facilitate the modernisation and upgradation of the sector. The machinery and equipment for non-woven/technical textiles has been covered under the TUFS.
- (ii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.
- (iii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.

- (iv) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.
- (v) The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option.
- (vi) The imports of specified textiles and garment machinery items has been allowed at concessional rate of customs duty encourage investments and to make our textile products competitive in the global market. 28 nos. of machinery for technical textiles are allowed at a concessional customs duty of 5%. The cost of machinery has also been reduced through fiscal policy measures.
- (vii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.
- (viii) National Institute for Fashion Technology (NIFT), its seven branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
- (ix) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.
- (x) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

Distress of Cotton Sector

*694. SHRI M. SREENIVASULU REDDY : Will the Minister of TEXTILES be pleased to state :

- (a) whether the Indian Cotton Sector is in deep distress due to the cumulative effect of drought, increased cost of cultivation and declining subsidies;

- (b) if so, the details thereof;
- (c) whether the Government proposes to take immediate steps to resolve the crisis; and
- (d) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHALA) : (a) Looking at the domestic production and consumption of cotton during the cotton years 2002-03 to 2004-05 (given below), the Government does not consider that the Indian cotton sector is in deep distress.

(In Lakh bales of 170 kg. each)

	2002-03	2003-04	2004-05 (Estimated)
Production of cotton	136.00	177.00	232.00
Consumption of cotton	168.83	173.96	198.00

Source : Cotton Advisory Board.

- (b) Does not arise.
- (c) Does not arise.
- (d) Does not arise.

High Cost Power Generation

*695. SHRI G. KARUNAKARA REDDY : Will the Minister of POWER be pleased to state :

- (a) the details of the kind of fuel used in power generation in the country at present;
- (b) the estimated average cost of power generation during 2004-05 in respect of various projects in the country as a result of using each kind of fuel;
- (c) whether the Union Government have explored the possibilities of lowering the cost of power generation in the country; and
- (d) if so, the details of the same?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) Coal, Lignite, Natural gas, Liquefied Natural gas and liquid fuels (Low Sulphur Heavy Stock/Hot Heavy Stock, Naphtha/Light Diesel Oil/High Speed Diesel etc.) are different types of fuels used in the country for power generation. The cost of generation of power varies from station to station depending upon the capital cost, technology used, fuel, size of plant, location etc. Central Electricity Regulatory

Commission (CERC) determines the tariffs for central power generating stations. Based on the information received from CERC and National Thermal Power Corporation (NTPC), costs of energy to power utilities/tariff for different kind of fuels in respect of North Eastern Electric Power Corporation (NEEPCO) and Neyveli Lignite Corporation (NLC) for 2004-05 are given in Statement-I enclosed and in respect of NTPC power stations for 2003-04 are given in Statement-II enclosed. The cost of energy supplied by NTPC to various utilities for 2004-05 are yet to be audited.

(c) and (d) The following measures have been taken with the objective of lowering the cost of power generation in the country:-

- (i) The Electricity Act, 2003 provides an enabling framework for accelerated and more efficient development of the power sector. It creates a competitive framework for generation which should exert a downward pressure on costs.
- (ii) Exemption in Customs Duties for setting up of mega power plants.
- (iii) Exemption on Central Excise Duty/counter Vailing Duty (CVD) on Naphtha used as fuel for generation in respect of 12 power projects. Exemption on Central Excise Duty/DVD on Low Sulphur Heavy Stock and other specified liquid fuels used for power generation.
- (iv) Reduction of custom duty on coal to 5%.
- (v) Providing interest subsidy on loans by power Finance Corporation for renovation and modernization and life extension of old and inefficient generating units.
- (vi) Ensuring timely completion of projects to check/restrict time and cost over-run.

Statement-I

Sl.No.	Name of the Station	Total Tariff Paise/kWh
1	2	3
Gas based stations		
North-Eastern Electric Power Corporation Ltd. (NEEPCO)		
1.	NEEPCO Assam GPS	222
2.	NEEPCO Agartala GPS	178

1	2	3
Lignite based stations		
Neyveli Lignite Corporation (NLC)		
1. NLC Thermal Power Station-I*		182
2. NLC Thermal power Station-II stage-I		122
3. NLC Thermal Power Station-II stage-2		176
4. NLC Thermal Power Station-I Expansion		236

*Single part Tariff including energy charge.

Statement-II

NTPC station-wise cost of energy to SEBs-2003-04

Name of Stations	Cost of energy to SEBs (Rs/KWh)
1	2
Coal	
Singrauli	0.98
Rihand	1.24
NCTPP Dadri	2.13
Unchahar	1.71
Tanda	1.99
Korba	0.76
Vindhyachal	1.19
Ramagundam	1.20
Simadhri	1.40
Farakka	1.63
Kahalgau	1.79
Talcher (Kaniha)	1.17
Talcher TPS	1.06
Gas	
Anta	1.72
Auraiya	1.95
Dadri Gas	2.15

1	2
Kawas	3.38
Gandhar	2.61
Faridabad	1.78
Naphtha	
Kayamkulam	3.64
NTPC Average	1.47

[Translation]

National Disaster Relief Fund

*696. SHRI HANSRAJ G. AHIR : Will the Minister of FINANCE be pleased to state :

(a) the amount of money deposited by the Government in the ' National Disaster Relief Fund' created this year;

(b) the assistance provided from the funds to the victims of recent Tsunami waves;

(c) whether there is any provision to provide assistance to famine, drought and flood-stricken people from the National Disaster Relief Fund;

(d) if so, whether the Government propose to provide assistance to the victims of famine particularly those in Maharashtra from this fund; and

(e) if not, the reaction of the Government on provision of assistance to famine, drought and flood-stricken people from this fund?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) to (e) No Fund, named National Disaster Relief Fund, exists or is proposed to be created by Government of India. However, the Twelfth Finance Commission (TFC) has recommended continuance of the existing National Calamity Contingency Fund (NCCF) and Central grants for States Calamity Relief Fund. Government of India has accepted the recommendations of TFC. There is a budget provision of Rs. 1500 crore in 2005-06 to be transferred to NCCF.

Government of India approved Central assistance of Rs. 1068.22 crore for immediate relief, subsidy to fishermen and restoration of communication links from NCCF for Tsunami affected area of Tamil Nadu and Rs. 142.02 crore and Rs. 47.19 Crore respectively for Kerala and Andhra

Pradesh during 2004-05. Additional assistance of 54,000 MT, 20,000 MT and 10,000 MT of rice was also approved for Tamil Nadu, Kerala and Andhra Pradesh respectively.

Drought/famine and flood are eligible for assistance from NCCF.

The Government of India has recently approved an assistance of Rs. 174.66 crore from NCCF in accordance with the norms subject to adjustment of balances in the calamity Relief Fund for drought affected areas of Maharashtra.

[English]

BPL Census

*697. SHRI B. MAHTAB :

SHRI G.M. SIDDESWARA :

Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the criteria to identify BPL families fixed by the Planning Commission is serving its purpose;

(b) if not, the reasons therefor;

(c) whether there is a discrepancy between the data provided by Central and State agencies; and

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

THE MINISTER OF RURAL DEVELOPMENT (DR. RAGHUVANSH PRASAD SINGH) : (a) to (d) As per information furnished by the Planning Commission they do not fix the criteria for identification of poor. However based on the recommendations of the Expert Group on Estimation of Proportion and Number of Poor (Lakdawala Committee), it estimates state-specific poverty lines, derived from the national level poverty line, using state-specific price indices and inter-state price differentials. After carefully considering the representations of the various States, the Planning Commission has decided to continue with Expert Group methodology.

The Ministry of Rural Development provides financial and technical assistance to the States and UTs to conduct a Below Poverty Line (BPL) Census with a view to identifying the households living below the poverty line in the rural areas who could be provided assistance under various programmes of the Ministry. The methodology for BPL Census 1992 and 1997 was based on income and expenditure approach

respectively. However, for BPL Census, 2002, a score based methodology based on 13 socio-economic indicators has been adopted on the basis of the recommendations of the Expert Group constituted for the purpose. The 13 socio-economic parameters include land holding, shelter, clothes, food security, sanitation, consumer items, education, means of livelihood and indebtedness. The present methodology, which was finalized after a wide range of deliberations with the various Central Ministries, State Government and prominent experts in the field, helps arrange all the rural households in the order of poverty.

While the methodology used by the Planning Commission is for estimating the number and proportion of the poor, the BPL Census assisted by this Ministry is conducted by the State Governments to help them in identifying the likely beneficiaries under the schemes of this Ministry. Apparently, there will be differences in the two sets of numbers due to Sample method and Census method. The guidelines issued for BPL Census, 2002 provide adequate flexibility to the States to identify the likely beneficiaries by taking into account the regional and local variations.

Outstanding IT

*698. SHRI NIKHIL KUMAR :

SHRI SRICHAND KRIPLANI :

Will the Minister of FINANCE be pleased to state :

(a) the outstanding amount of income tax due from nationalised/private banks and the financial institutions in the country as on March 31, 2005;

(b) the reasons for accumulation of outstanding amount; and

(c) the steps taken/proposed to be taken by the Government to recover the outstanding amount of Income Tax?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) As per the latest available dossiers of arrear demand of Rs. 1 crore and above, a total amount of Rs. 6381 crore is pending against 263 nationalised banks, private banks, public sector financial institutions and private non-banking finance companies as on 31.12.2004.

(b) There are various reasons for accumulation of outstanding amount like demand in dispute before various appellate authorities, assessee having no assets, assessee company being in liquidation, demand having been stayed etc.

(c) Recovery of outstanding demand is a continuous process involving various statutory procedures. Action taken by the Government to recover any dues would depend on the facts of each case.

Credit Cards

*699. SHRI KINJARAPU YERRANNAIDU :

SHRI A.V. BELLARMIN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India (RBI) had appointed a working group on regulatory mechanism for credit cards being issued by the public sector banks and multinational banks;

(b) if so, the details thereof,

(c) whether the working group has submitted its report;

(d) if so, the main recommendations made by the working group;

(e) the reaction of the union Government thereto; and

(f) the other steps taken by the Government/RBI for regulation of credit cards and to protect the interest of credit card customers?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : (a) and (b) Yes, Sir. Pursuant to the announcement of Mid-term Review of the Annual Policy statement for the year 2004-05 in October, 2004, a Working Group was constituted in Reserve Bank on India (RBI) to examine the regulatory and customer protection aspects of plastic cards and suggest measures for card usage in a safe, secure and customer friendly manner.

(c) and (d) Yes, Sir. The Working Group has suggested regulatory measures which need to be introduced for encouraging growth of Credit Cards in a safe, secure and efficient manner as well as to ensure that the rules, regulations, standards and practices of the card issuing banks are in alignment with best customer practices. The main recommendations of the Working Group cover the issues of Transparency and Disclosure, Protection of Customer Right, the Right to Privacy of Information, Telemarketing, Unsolicited Cards, and Insurance Cover for card Outstandings in case of death of a cardholder.

(e) The recommendations are being examined by RBI and follow up action will be initiated immediately thereafter.

(f) RBI has taken up the issues relating to customer grievances on credit cards with banks issuing credit cards. A meeting of the major card issuing banks and the Indian Bank's Association (IBA) was convened on December 24, 2004 to discuss issues relating to the credit card operations of banks, particularly in the context of the concerns arising out of a large number of complaints being received from organizations/ individual members of the public. In response to the decisions taken in the meeting, IBA formed a Working Group to look into the above mentioned issues and evolve a Fair Practice Code for credit card issuers and a Model Code of Conduct for Direct Selling Agents. The Group has finalised the Fair Practice Code for Credit Card Operations and Model Code of Conduct for Direct Sales Agents (DSAs). Government/RBI also refer specific complaints received from individual/ association relating to credit card with concerned banks for redressal and appropriate remedial action.

Energy Conservation Programme

*700. SHRI SANAT KUMAR MANDAL : Will the Minister of POWER be pleased to state :

(a) whether the Government has launched National Energy Conservation Programme;

(b) if so, the details thereof and benefits accrued there from in saving energy in the country;

(c) the details of incentives given by the Government to each State under the programme during the last three years;

(d) whether any changes/amendments have been made in the programme recently; and

(e) if so, the details thereof?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) The Hon'ble Prime Minister launched the 'National Campaign on Energy Conservation 2005' on 14th December, 2004 to create awareness about the benefits of energy conservation.

The national campaign relies on encouraging voluntary action in the area of energy conservation. The campaign targets the domestic, commercial, agricultural, industrial and educational sectors to take up measures and efforts to conserve energy. The impact of awareness creation is not

immediately quantifiable. 44 Industries and commercial establishments spread all over the country are participating in the National Campaign on Energy Conservation. The following milestones have been achieved after the launch of the campaign in its first quarter (January-March, 2005).

1. Capacity Building on Energy Conservation of 1390 Energy Professionals through participation in the Workshop/Seminars and Programmes has been achieved;
2. Exposure to around 2700 students to Energy Conservation practices and methods;
3. 40 Industrial units and hotels have declared their Energy Policies reflecting a strong management commitment to Energy Conservation;
4. 35 Seminars, Workshops and training Programmes on Energy Conservation have been organized by the participating industries and other institutions.

(c) No incentive has been given to any State under the present campaign.

(d) and (e) The National Campaign is dynamic and hence new activities are continuously included. Out of 86 activities, planned for the period January-March, 2005, minor modifications were made in 9 activities and additional 29 new activities were incorporated due to encouraging response from the industries and other institutions.

[Translation]

Power Grid in South India

7156. SHRI MAHBOOB ZAHEDI : Will the Minister of POWER be pleased to state :

- (a) whether power grid in the Southern Region has been split into four measuring components basis;
- (b) if so, the details thereof along with the reasons therefor;
- (c) whether the Government propose to go in for divisions of Eastern Grid on the line of Southern Grid; and
- (d) if so, the details thereof?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) Power Grid Corporation of India Ltd. (PGCIL) has reported that the Southern Region was bifurcated in 2001 keeping in view the parameters like geotropical spread including difficult terrain, size of transmission system and number of sub-stations. Southern Region-I consists of Andhra

Pradesh and parts of Karnataka. Southern Region-II consists of Tamil Nadu, Kerala, Pondicherry and parts of Karnataka. The headquarters of Southern Region-I is at Secundrabad and that of Southern Region-II is at Bangalore.

(c) and (d) In view of the parameters mentioned above, PGCIL has informed that there is, at present, no plan to bifurcate the Eastern Region.

[English]

Muga Silk

7157. SHRI M.K. SUBBA : Will the Minister of TEXTILES be pleased to state :

(a) whether the Institute of Advanced Study in Science and Technology has developed an effective low cost technique for indoor rearing of Assam's Muga silk;

(b) if so, whether this new method of indoor rearing of Muga silk has the potential of rearing Muga production by more than double compared to the traditional outdoor rearing;

(c) whether any project proposal for development and promotion of the new method for indoor Muga rearing has been submitted;

(d) if so, the details thereof; and

(e) the Central aid sought for the said project?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) As per the information available the Institute for Advanced Study in Science and Technology has not developed an effective low cost technique for indoor rearing of Assam's muga silk. However, the research institutes of Central Silk Board located in Assam have made efforts to develop indoor rearing technology for muga worms. Till date none of these technologies developed were cost effective yielding less than 20% as compared to outdoor rearing.

(c) and (d) Central Silk Board has not received any proposal for the development and promotion of new method of indoor rearing.

(e) Does not arise.

[Translation]

Interest Relief on Loan given to 1984 Riot Victims

7158. SHRI KAILASH MEGHWAL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government has announced interest relief on the loan given by commercial banks to the 1984 riot victims;

(b) if so, the details thereof alongwith criteria adopted for relief;

(c) the number of cases of interest repayment are still pending; and

(d) the reasons for pendency?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Government of India had formulated the Central Interest Subsidy Scheme (CISS) 1990 and revised it in 1993 in order to provide relief to the victims of 1984 riots. As a part of the rehabilitation measures for the riot victims, Government decided to provide relief in the form of reduction of interest to 6% on the bank loans under CISS. The scheme was revised in 1993 by scaling down the interest rate to 1% (simple) on eligible loans to give further relief to the riot affected borrowers. The above schemes were extended to cover Financial Institutions (FIs) also consequent to Supreme Court order dated 14.08.1995. Further, on 29.11.1997, Government modified the scheme to extend relief by way of write off of eligible loans upto and inclusive of Rs. 50,000/- as principal granted on 1st November, 1984 or afterwards, together with outstanding interest with the following modifications :

- The eligible loans together with outstanding interest charged at the rate(s) applicable to such loans as per RBI guidelines issued from time to time till 30.6.1996 to be written off by Banks/FIs were reimbursed by Government of India.
- The outstanding interest, other expenses etc. charged/debited beyond 30.6.1996 shall also be written off but will not be reimbursed by Government of India.
- The accounts which already stand closed on or before 30.6.1996 would not qualify for any relief under the scheme.
- Borrower will be eligible only if the aggregate of loans availed by same borrower from more than one Bank/FI, is Rs. 50,000/- or less.

(c) and (d) The reserve Bank of India has reported that in one case involving payment to Punjab National Bank the payment is yet to be made, as the genuineness of the claim is to be established.

[English]

Funds Raised by NTPC

7159. SHRIMATI KALPNA RAMESH NARHIRE : Will the Minister of POWER be pleased to refer to reply given to Unstarred Question No. 290 dated the July 6, 2004 and state :

(a) the total funds raised by the National Thermal Power Corporation from the market through Initial Public offering; and

(b) the manner in which the accumulated funds help the SEBs in minimizing their losses?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) National Thermal Power Corporation (NTPC) raised Rs. 5368 crore from the market through Initial Public Offering including offer of sale by the Government of India. Out of this amount, Rs. 2684 crore has been remitted to the Government and NTPC retained an amount of Rs. 2684 crore exclusively for funding its six identified projects viz. Rihand-II (2x500 MW), Vindhyachal III (2x500 MW), Kahalgaon II (3x500 MW), Sipat I (3x660 MW), Sipat II (2x500 MW) and Feroze Gandhi Unchahar II (1x210 MW).

The main objective of NTPC is to add generation capacity to meet the demand for power in the country in the most efficient manner. The current average tariff of Rs. 1.49 per unit of power sold by NTPC to SEBs is the lowest in the country.

[Translation]

Construction of Bridges

7160. SHRI GANESH SINGH : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Government is aware that several villages in the country are not linked to each other even today in the absence of bridges across the rivers/rivulets;

(b) whether the Government is also aware that a number of States in the country have submitted special proposal for approval for the construction of bridges across such rivers;

(c) whether the Government is contemplating to approve such proposals; and

(d) if so, the details thereof alongwith the time to be taken for the same?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) to (d) Yes, Sir. State Government have conducted surveys to prepare District Rural Road and identify a Core Network of roads including proposed roads to eligible unconnected habitations. Maps of such Core Networks include rivers and major streams. Under PMGSY, unconnected habitations are to be provided all-weather road connectivity and construction of CD works and minor bridges are accordingly funded under the Scheme, where such works are essential to provide connectivity. However, since rural road is a State subject and PMGSY is a specific central intervention, PMGSY does not provide the construction of bridges across rivers in isolation.

**Assistance from International
Financial Institutions**

7161. SHRI RANEN BARMAN :

SHRI JOACHIM BAXLA :

Will the Minister of FINANCE be pleased to state :

(a) whether World Bank and other international financial institutions are providing infrastructural facilities to

projects in different States particularly in West Bengal and Delhi;

(b) if so, the details thereof;

(c) the loan given for these project by the said institutions during each of the last three years and the amount used by Government out of it; and

(d) the reasons for non-utilization of remaining loan amount?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (c) Presently, there is no on-going World Bank and other International Financial Institutions assisted projects in the States of West Bengal and Delhi in infrastructure sector. A statement showing World Bank and other International Financial Institutions assisted Projects in the State Sector is enclosed.

(d) The implementation period of the World Bank/ ADB assisted Projects are 4-5 Years and utilisation of the assistance for any project is spread over the implementation period. As a result there would always be some unutilised amount at any point of time, reflecting the assistance in pipeline, which will be used as project implementation progresses.

Statement

*List of State Sector Projects being financed by World Bank and other International Financial Institutions
during the last three years*

						(US \$ million)
Sl. No.	Name of the project	Donor	Participating States	Date of Approval/ Agreement	Amount	Disbursement achieved upto 31.3.2005
1	2	3	4	5	6	7
Year 2002-03						
1.	Kerala State Transport Project	IBRD	Kerala	6.5.02	255.00	72.484
2.	Mizoram State Road Project	IDA	Mizoram	6.5.02	60.00	24.034
3.	Mumbai Urban Transport Project	IBRD/IDA	Maharashtra	05.08.02	542.00	93.538
4.	Uttar Pradesh State Roads Project	IBRD	Uttar Pradesh	19.02.03	488.00	69.783
5.	MP Road Sector Development Programme	ADB	Madhya Pradesh	5.12.2002	30.00	18.000
6.	MP Road Sector Development Project	ADB	Madhya Pradesh	5.12.2002	150.00	2.20

1	2	3	4	5	6	7
Year 2003-04						
7.	Tamil Nadu Road Sector Project	IBRD	Tamil Nadu	28.08.03	348.00	27.598
8.	Assam Power Sector Development Programme	ADB	Assam	10.12.2003	150.00	90.00
9.	Assam Power Sector Development Project	ADB	Assam	10.12.2003	100.00	0.00
10.	Urban Water Supply & Environment Improvement Project*	ADB	Madhya Pradesh	12.12.2003	200.00	0.00
11.	Chhattisgarh State Road Development Project	ADB	Chhattisgarh	15.12.2003	180.00	0.00
Year 2004-05						
12.	Karnataka Urban Water Sector Improvement Project*	IBRD	Karnataka	18.2.2005	39.50	0.00
13.	Multisector Project for Infrastructure Rehabilitation in J & K*	ADB	Jammu & Kashmir	21.12.2004	250.00	0.00

*Yet to be declared effective.

IDA—International Development Assistance

IBRD—International Bank for Reconstruction and Development

ADB—Asian Development Bank

[English]

Funds Available with IEPF

7162. SHRI SURESH WAGHMARE : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) the funds available to Investor Education and Protection Fund for the year 2004-05;

(b) whether the funds have been fully utilized;

(c) if so, the details thereof;

(d) the total amount made available to Investors Association out of this amount; and

(e) the amount have been received by the Government on account of unclaimed dividend, Interest, etc. since the inception of IEPF?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) An amount of Rs. 3 crores was available with Investor Education and Protection Fund (IEPF) by way of budgetary provisions, for the year 2004-05.

(b) and (c) No, Sir. The funds could not be utilized fully.

(d) An amount of Rs. 66,63,680/- has been made available to various Investors Associations.

(e) An amount of Rs. 357,88,56,331.80 has been credited to Investor Education and Protection Fund since its inception, as on 28.02.2005.

[Translation]

Drinking Water Scheme

7163. SHRI GIRIDHARI YADAV : Will the Minister of RURAL DEVELOPMENT to pleased to state :

(a) whether the work is being undertaken in Bihar under the drinking water scheme;

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

(c) the amount allocated by the Union Government to Bihar under the said scheme during the last three years alongwith the amount out of above utilized and surrendered by this State during each of the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) Yes, Sir.

(b) Drinking Water is a State subject. The central Government supplement the efforts of the States in providing drinking water facilities to rural habitations by rendering financial assistance under a Centrally Sponsored Scheme, namely Accelerated Rural Water Supply Programme (ARWSP). The State Government are empowered to plan, sanction, implement and execute rural water supply projects from the funds provided under ARWSP. The details of works undertaken are not maintained at the Central level.

(c) The amount released to the Government of Bihar under ARWSP (Normal) and the unspent balance during the last three years are as under :

Year	Amount released (Rs. in Lakh)	Amount unutilized (Rs. in Lakh)
2002-03	3703.00	831.5986
2003-04	3159.50	1562.68576
2004-05	7400.03	4574.296

In case the unspent balance of any State/UT at the beginning of the financial year is more than 15% of that year's allocation, the excess amount is deducted from the second instalment of ARWSP funds released to that State/UT.

Besides above, funds were also released under other components of ARWSP for specific purposes. These are :

- Rs. 445.37 lakhs in 2003-04 for coverage of 3299 schools under PM's programme.
- Rs. 1541.00 lakh in 2004-05 for calamity relief.
- Rs. 725.84 lakh in 2004-2005 for taking up 413 rural water supply schemes under Swajaldhara in Patna, Vaishali, East Champaran, Bhagalpur and Siwan districts.

Changes in Guidelines under PMGSY

7164. SHRI SUBHASH SURESHCHANDRA DESHMUKH : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether any changes have been made in the rules regarding the works under "Pradhanmantri Gram Sadak Yojana"; and

(b) if so, the details of the changes made in the rules to overcome the difficulties being faced while carrying out the work?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMANTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) and (b) The implementation of the Pradhan Mantri Gram Sadak Yojana (PMGSY) is governed by the Guidelines of the Programme issued from time to time. The Ministry of Rural Development has consolidated the clarifications issued on various occasions on Pradhan Mantri Gram Sadak Yojana (PMGSY) and issued Consolidated Guidelines on 1.11.2004. The main changes incorporated in the new consolidated Guidelines are given in the statement enclosed.

Statement

Changes in Guidelines of PMGSY

1. Inclusion of Associated Through Routes

In districts where new connectivity works are eligible to be taken up, normally no upgradation works will be done. The exception is in case in a State the existing rural Through Routes are in poor condition and the new link does not provide the required all weather connectivity to the market. In such cases, upgradation/renewal/maintenance of rural Through Routes associated with the new connectivity link is now permitted provided its Pavement Condition Index (PCI) is less than 3 (i.e. road is in poor condition) and the road is over 6 years old.

2. Upgradation Proposals on basis of priority based on PCI

Upgradation works are to be undertaken only after new connectivity of all eligible habitations have been taken up in the District. In respect of Districts where no new connectivity is required to be done, a Comprehensive Upgradation Priority List (CUPL) will be prepared on the basis PCI of the rural Through Routes of the Core Network as follows:

- (i) **Priority-I** will be Through Routes which are constructed as WBM roads. In such cases, upgradation will comprise of bringing the existing profile to good condition with in geometrics, necessary drainage works and road signages and providing the appropriate crust and surface as per design requirement.
- (ii) **Priority-II** are other fair weather Through Routes

or gravel through routes or through routes with missing links or lacking cross drainage. In such a case upgradation will consist of converting the road into an all-weather one with appropriate geometrics and all necessary provisions.

(iii) **Priority-III** will be other Through Routes which are at the end of their design life, whose PCI is 2 or less, i.e., are 'poor' or 'very poor'. In such cases, upgradation will include improvement in design where necessary, with width, surfacing, etc., as per projected traffic requirements.

(iv) Presently sealed-surface all-weather roads with PCI more than 2 and sealed surface all-weather roads which are less than 10 years old (even if PCI is less than 2) will not be taken up for upgradation.

3. Time period for execution of works:

9 working months are available per road work subject to 12 months per package.

4. Special provisions for Hill States :

Hill States may take up new connectivity works in two stages. In the first stage formation cutting, CD works and slope stabilisation would be done. After a gap of two rainy seasons, balance work of pavement layers and surface would be taken up. The 5 year contracted maintenance would follow the 2nd phase with maintenance in the 2 year intervening period being done departmentally. 9 months period would be separately available for the two stages.

5. Funding of SRRDAs

SRRDAs will maintain 3 separate accounts for 'Programme funds' 'Administrative funds' and 'Maintenance funds'. To support the administrative and quality control costs in PIU and SRRDAs, costs would be funded out of PMGSY as follows :

Item	% of funds released
(a) Admin. expenses for PIUs	1.00%
(b) Travel Expenses of PIUs	0.50%
(c) Admin. & Travel expenses (SRRDA)	0.25% (Rs. 25 lakh maximum)
(d) Independent Quality Monitoring 2nd tier	0.50%

6. Quality Control :

Though the Quality Control Handbook specifies that contractors will maintain field laboratories (supervised by PIUs as the first level of quality monitoring), in actual practice this is not being operationalised in many States because the second level of independent quality monitoring under the State Quality Coordinator is not functioning in such States, in the absence of the 2nd tier, the 3rd tier of NQMs was bearing the main load and at a higher cost (due to higher travel expenses). In order to encourage the SRRDA to operationalise the 2nd tier, 0.5% of the cleared value of proposals will be additionally released to SRRDAs to fund the 2nd tier quality control. Payments to Contractor will not be made unless he sets up the State Level Quality Control Laboratory, deploys the requisite number of Engineers and prepares a work programme.

7. Instalment Release Procedure

The first instalment would be released at 50% of the cleared value or annual allocation whichever is lower. The second instalment equal to the balance on account of works awarded would be subject to fulfilment of accounts and auditing conditions and actual progress of expenditure (60% of funds) and completion of works (80% to 100% of earlier years).

8. Consultation with Panchayat Institutions

As a part of the PMGSY process, PIUs are now required to organise an informal "transect walk". It will be undertaken by the AE/JE at the time of preparation of DPRs. The Panchayat Pradhan Mantri Gram Sadak Yojana, Local Patwari will participate. Forest Department officials also will be associated.

9. Maintenance

Since rural Through Routes / Main Rural Links carry comparatively larger traffic and keeping them in good condition is particularly important, Through Routes (whether upgraded under PMGSY or subjected to maintenance contract as an associated Through Route of a PMGSY link route) on expiry of 5-year post-construction maintenance shall be placed under Zonal maintenance contracts consisting of 5-year maintenance including renewal. The State Government will make the necessary budget provision and place the funds to service the zonal maintenance contracts at the disposal of the SRRDA in the Maintenance Account.

*[English]***Foreign Banks**

7165. SHRI KISHAN SINGH SANGWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Government are aware that foreign banks operating in India are not showing their real income thus evading tax of a large magnitude;

(b) if so, the details thereof and name of the banks identified by the Government; and

(c) the action taken against such banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (c) The foreign banks operating in India are subject to regulation and supervision of Reserve Bank of India and also terms and conditions given to them at the time of granting of licence by RBI. The performance of foreign banks is kept under constant review by RBI through Annual Financial Inspection. They are also subject to all the guidelines issued by RBI to scheduled commercial banks regarding different aspects of their operation including income and profit. All cases of deviation are taken up with the banks concerned by RBI for corrective action, if any.

*[Translation]***Land Resource Development Institute**

7166. SHRI HARIBHAU RATHOD :

SHRI RAJNARAYAN BUDHOLIA :

Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Government has introduced the Land Resource Development Scheme;

(b) if so, the details thereof alongwith its objectives thereof; and

(c) the amount sanctioned for this scheme during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) to (c) The Government has not introduced any Scheme called the Land Resource Development Scheme. Department of Land Resources in the Ministry of Rural Development implements three Area Development Programmes, viz. Drought Prone Areas Programme (DPAP), Desert Development Programme

(DDP) and Integrated Wastelands Development Programme (IWDP). DPAP was launched in 1973-74 to tackle the special problems faced by those areas that are constantly affected by severe drought conditions. DDP was started in the year 1977-78 in hot and cold desert areas of the county. IWDP was started in the year 1989-90 for development of wastelands. The three programmes are being implemented in accordance with the common guidelines for watershed development w.e.f. 1995-96. The amount sanctioned for these on-going schemes during the current year is as follows :

DPAP Rs. 353.00 crores

DDP Rs. 268.00 crores

IWDP Rs. 485.00 crores

Expo Gold Card

7167. SHRI RAJNARAYAN BUDHALIA : Will the Minister of FINANCE be pleased to state :

(a) whether some banks are offering Expo Gold Card facility to their customers who are doing business in export;

(b) if so, the details thereof; and

(c) the salient features of this Expo Gold Card?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) Yes, Sir. Reserve Bank of India in consultation with select banks and exporters announced a Gold Card Scheme on May 18, 2004. The gold cards are being issued by the banks to credit worthy exporter including small and medium exporters with good track record for easy availability of export credit on the best terms. The details of the scheme are available at RBI's website viz. www.rbi.org.in/ notification. Till 25th April, 2005 following 10 banks have issued gold cards:

Sl.No.	Name of Bank	Number of cards issued
1	2	3
1.	State Bank of India	1004
2.	Bank of India	667
3.	Punjab National Bank	396
4.	Canara Bank	390
5.	Bank of Baroda	187
6.	Indian Overseas Bank	112

1	2	3
7.	Central Bank of India	79
8.	Syndicate Bank	65
9.	Vijaya Bank	25
10.	ICICI Bank Ltd.	19

[English]

Merger of Co-operative Banks

7168. SHRI BASU DEB ACHARIA : Will the Minister of FINANCE be pleased to state :

(a) whether various Committees constituted by Govt/ RBI in the past have recommended in regard to restructuring of co-operative banks;

(b) if so, the details of recommendations made therein; and

(c) the action taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. The key Committees have been 'Task Force to study the functioning of co-operative credit system and suggest measures for its strengthening' (Capoor Committee-1999), 'Joint committee on revitalization support to co-operative credit structure' (Vikhe Patil Committee-2001) and 'Task Force on Revival of Co-operative Credit Institutions' (Prof. A. Vaidyanathan Committee-August, 2004).

Gist of the recommendations made by the various committees are as under :

- (i) removal of State Government's intervention in administration and financial matters;
- (ii) ensuring full voting rights on all users of financial services including deposits;
- (iii) permitting co-operatives registered under parallel Acts (in States applicable) to be members of co-operatives registered under the Co-operative Societies Act and vice versa;
- (iv) limiting the exercise of powers of the State Governments to supersede Boards;
- (v) bringing co-operative banks at par with

commercial banks in terms of prudent financial regulations;

(vi) prescribing capital adequacy norms for co-operative banks; and

(vii) prohibiting any co-operative other than co-operative bank from accepting public deposits from any person other than its members.

(c) The recommendations of the various committees were suitably incorporated in the Banking Regulation (Amendment) and Misc. Provisions Bill 2003. The Bill was introduced in the Lok Sabha but it lapsed consequent to the dissolution of the 13th Lok Sabha. The Government has accepted the report of the Task Force headed by Prof. A. Vaidyanathan, in principle, for implementation in consultation with State Government.

Grant of Uttaranchal

7169. SHRI RAJENDER KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government provides 90 per cent grant to Uttaranchal under the externally aided projects; and

(b) if so, the details of grants provided to the States during each of the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) The Government had provided 90 percent grant to Uttaranchal under externally aided projects as additional central assistance during the last three years. The details of grants released to the States as additional central assistance (ACA) for externally aided projects during each of the last three years are furnished in the enclosed statement.

Statement

Grant to Uttaranchal

(Rs. Crore)				
Sl.No.	States	2002-03	2003-04	2004-05
1	2	3	4	5
1.	Andhra Pradesh	578.50	1,288.41	523.89
2.	Arunachal Pradesh	1.99	4.21	8.05
3.	Assam	46.20	421.42	264.16

1	2	3	4	5
4. Bihar		0.19	-	-
5. Chhattisgarh		3.36	1.42	2.67
6. Goa		-	-	-
7. Gujarat		305.06	465.73	273.37
8. Haryana		50.42	12.26	43.78
9. Himachal Pradesh		30.59	19.64	34.43
10. Jharkhand		-	0.32	0.31
11. Jammu and Kashmir		34.05	27.32	25.74
12. Karnataka		147.45	230.99	281.36
13. Kerala		219.03	48.78	220.02
14. Madhya Pradesh		220.53	178.68	137.13
15. Maharashtra		119.15	84.60	119.81
16. Manipur		9.16	9.61	60.65
17. Meghalaya		7.30	9.26	14.44
18. Mizoram		18.82	23.81	68.58
19. Nagaland		3.39	3.73	6.23
20. Orissa		345.60	160.64	427.67
21. Punjab		33.58	26.90	29.40
22. Rajasthan		117.35	203.84	196.08
23. Sikkim		3.76	12.02	8.29
24. Tamil Nadu		80.92	67.70	55.76
25. Tripura		0.80	2.42	2.22
26. Uttaranchal		180.64	103.66	59.22
27. Uttar Pradesh		212.98	183.54	157.96
28. West Bengal		191.13	199.94	377.71
Total		2,961.95	3,790.85	3,398.92

World Bank Report

7170. KUNWAR MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government is aware that as per a recent World Bank's report, the time taken for starting, establishing and exiting a business in India is higher as compared to most other countries;

(b) if so, the details thereof;

(c) the reaction of the Union Government thereto; and

(d) the corrective measures taken or proposed to be taken by the Union Government in this regard particularly keeping in view the fact that the country is presently trying to ramp up foreign direct investment inflow?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) The World Bank's report titled "Doing Business in 2005" indicates that the time taken in India for starting a business, registering property, enforcing a contract and closing the business is higher compared to average for South Asian countries.

(c) and (d) In pursuance of Government's commitment to further facilitate Indian industry, Government has permitted access to Foreign Direct Investment (FDI) through automatic route, except for a small negative list. An Investment Commission has been set up in December 2004 to engage, discuss with and invite domestic and foreign businesses to invest in India. Procedural simplification and removal of bottlenecks is an on-going process, which the Government is addressing continuously.

Central Investment in PEs in Tamil Nadu

7171. SHRI K.C. PALANISAMY : Will the Minister of FINANCE be pleased to state :

(a) the details of total central investment made in the Public Enterprises in the State of Tamil Nadu during the last three years;

(b) whether these investments are very low compared with other States; and

(c) if so, the details and reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (c) Sir, Central investment in Public Sector Enterprises is made keeping in view the national priorities and considerations of techno-economic feasibility. According to the Public Enterprises Surveys published by Department of Public Enterprises, the quantum of investment in Central Public Enterprises in

terms of gross block in the State of Tamil Nadu as compared to the total for all States and UTs. for the latest available last three years is as under :

	(Rs. in crore)		
	31.3.2002	31.3.2003	31.3.2004
Tamil Nadu	33956.63	37644.88	38517.53
All States & UTs.	490397.24	525300.67	596725.37

Privatisation of T & D

7172. SHRI UDAY SINGH : Will the Minister of POWER be pleased to state :

(a) whether the Government has issued licence to Reliance Energy for setting up of its own transmission line and power sub-stations in Western Region of the country;

(b) if so, the details thereof;

(c) whether the Power Grid Corporation has opposed the move of the Reliance Energy in this task; and

(d) the measures taken/being taken by the Government to ensure that the working of Central Power utilities may not suffer due to private intervention in this field?

THE MINISTER OF POWER (SHRI P.M. SAYEED): (a) to (d) No, Sir. In accordance with the Electricity Act, 2003, the power to grant a license to any person to transmit electricity as a transmission licensee is vested with the Central Electricity Regulatory Commission (CERC) or the State Electricity Regulatory Commission.

[Translation]

Cases against C&E Officers

7173. SHRI MANSUKHBHAI D. VASAVA :

SHRI TUKARAM GANPAT RAO RENGE PATIL :

Will the Minister of FINANCE be pleased to state :

(a) the number of cases registered by CBI against customs and excise officers during the last three years;

(b) the status of the inquiry; and

(c) the action against whom permission to initiate action has not been granted by the Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) The

information is being collected and will be laid on the Table of the House.

[English]

Tax Information Network

7174. SHRI CHANDRA BHUSHAN SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the Government had decided to launch the second phase of the Tax Information Network (TIN);

(b) if so, the details thereof;

(c) whether the computerization of Annual Information Returns on high value transactions will result in eventual widening and deepening of the country's tax base; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir. Phase II of Tax Information Network (TIN) will be launched from 1.7.2005. It consists of facilities for dematerialization of Tax Deduction at Source (TDS) and Tax Collection at Source (TCS) Certificates and for electronic filing of Annual Information Returns.

(c) and (d) Yes, Sir. Section 285BA of the Income-tax Act, 1961 read with Rule 114E of the Income-tax Rules provide for furnishing of Annual Information Return by specified persons in respect of prescribed high value transactions recorded or registered before them on or after 1st April, 2004.

Education Cess

7175. SHRI ABDUL RASHID SHAHEEN : Will the Minister of FINANCE be pleased to state :

(a) the percentage of the fund mobilization due to Education Cess, spent on minority education;

(b) what proportion of the fund is allotted to Maulana Azad Education Foundation; and

(c) State-wise details of actual expenditure incurred out of this fund?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) The revenue realized through Education Cess is being utilized by the Government solely and exclusively to provide universalized, quality, elementary education including Sarva Shiksha Abhiyan and Mid-day Meal Scheme. Since Government

expenditure is classified on functional concept, it is not feasible to indicate the percentage of funds mobilized due to Education Cess, which has been spent on minority education.

(b) and (c) Does not arise.

Review of Tax Package

7176. SHRI NAVJOT SINGH SIDHU : Will the Minister of FINANCE be pleased to state :

(a) whether Government of Punjab and PHD Punjab Chamber of Commerce & Industry have urged the Central Government to review the decision regarding grant of tax package to Himachal Pradesh & Uttaranchal;

(b) if so, the details thereof; and

(c) the Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) No Sir. Representations have been received stating that the income-tax and other concessions for the States of Himachal and Uttaranchal have adversely affected the industrial development of Punjab and requests have been made for extending similar concessions to the industries in the state.

(c) The representations have been examined and have not been found to be acceptable.

[Translation]

Amount Lying in GFI

7177. SHRI Y.G. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) the amount deposited in the consolidated fund of the country at present;

(b) whether the Government has fixed any target with regard to the consolidated fund;

(c) if so, the details thereof; and

(d) the schemes for which the consolidated fund is utilized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (d) Article 266 of the Constitution of India provides that all revenues received by the Government of India, all loans raised by that Government by the issue of treasury bills, loans or ways and means advances and all moneys received by the Government

in repayment of loans shall form one consolidated fund to be entitled "the Consolidated Fund of India" and no moneys out of the Consolidated Fund of India shall be appropriated except in accordance with law and for the purposes and the manner provided in the Constitution. The estimated receipts in the Consolidated Fund of India and estimated expenditure on various services, as per Annual Financial Statement for the year 2005-06, presented in the Parliament on 28th February, 2005, are Rs. 11,87,986.44 crore and Rs. 11,94,380.49 crore, respectively.

[English]

Vigilance Cells in Ministries and Departments

7178. SHRI RAJEN GOHAIN : Will the Minister of FINANCE be pleased to state :

(a) whether vigilance cells exist in the departments particularly in the departments of customs and central excise;

(b) if so, criteria fixed for conducting inquiry into complaints by these cells;

(c) whether any time limit is fixed for conducting inquiry into any complaints lodged by VIPs;

(d) if so, the details thereof; and

(e) the effective steps taken by the Government for early disposal of the complaints?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir. Vigilance cells exist in both the Boards viz. Central Board of Excise & Customs and Central Board of Direct Taxes which enquire into all verifiable complaints having vigilance angle.

(c) and (d) Steps are taken to comply with Central Vigilance Commission's guidelines which prescribe that investigations into all complaints to be completed within six months from receipt of the same. Nature of complaints, number of persons to be examined, places and locations to be visited during enquiry, and the scrutiny of the records and information etc. determine the actual time to complete an enquiry into a complaint.

(e) Pending complaints are monitored and periodical review is conducted. Special drives are also carried out from time to time for early disposal of complaints.

**Unauthorised Occupation of
NTC Mills Land**

7179. SHRI GURUDAS KAMAT :

SHRI M. RAJA MOHAN REDDY :

SHRI SUKHDEV SINGH DHINDSA :

Will the Minister of TEXTILES be pleased to state :

(a) the details of surplus land, location-wise under the control of National Textile Corporation Mills in various parts of the country;

(b) the estimated value of each land as per prevailing market rates;

(c) the rate of lands, if any, sold during the last three years, year-wise and total amount collected as a result thereof;

(d) whether the Government proposes to utilize the surplus land available at present in NTC as on date;

(e) If so, the details thereof;

(f) whether the surplus NTC land has been authorisedly occupied by some persons; and

(g) if so, the steps taken by the Government to evacuate the said property?

THE MINISTER OF TEXTILES (SHRI SHANKARSINH VAGHELA) : (a) to (c) Location-wise details of surplus land in mills of National Textile Corporation (NTC) along with the value realisable through their sale are given in the Statement enclosed.

(d) and (e) As per the Draft Rehabilitation Scheme approved by BIFE, all the surplus assets of NTC are to be sold and the sale proceeds are to be utilized for implementation of the said scheme. There is no proposal to utilize the surplus land by NTC.

(f) and (g) An estimated 66.31 Acs of NTC land is under encroachment and action has been initiated as per Law for their eviction.

Statement

Sl.No.	Name of the Mill	Total area of land available for sale (in acres)	Estimated market value as per the Rehabilitation Scheme	Area of land so far sold (in acres)	Value realisable from the sale (date of the sale in brackets) (Rs. crores)
1	2	3	4	5	6
NTC (APKK&M) Ltd. Bgl.					
1.	Alagappa Mills, Alagappanagar	8.06	0.16	4.64	0.78 (13.12.02)
2.	Mysore Mills, Bangalore	27.79	100.93	18.69	79.16 (7/8.03)
3.	Natraj Mills, Nirmal	70.00	5.50	70.00	2.31 (Aug.03)
4.	MSK Mills, Gulbarga	205.32	3.58	165.20	17.08 (7.8.03)
5.	Netha Mills, Secunderabad	10.84	32.95	9.83	24.02 (27.10.03)
6.	Minerva Mills, Bangalore	30.00	109.00	27.21	71.51 (Dec. 03-July, 04)
7.	Kerala Luxmi Mills, Trichur	30.11	5.88	14.19	2.15 (14.19 acres)
8.	Adoni Mills, Adoni	7.17	1.04		-
9.	Sree Yellamma, Tolahunse	98.80	1.07		-
10.	Tirupati Mills, Reningunta	47.36	0.47		-
11.	Anantpur Mills, Tadapatri	9.25	0.42		-

1	2	3	4	5	6
12.	Azam Jahi Mills, Warrangal	200.25	53.05	65.69	18.22 (11.2.04)
	Total	744.95	314.05	375.45	215.23

NTC (DP&R) Ltd., N. Delhi

13.	Kharar Textile Mills, Kharar	26.38	0.92	8.28	1.05 (16.12.02)
14.	Suraj Textile Mills, Malout	7.05	0.17	7.05	0.56 (25.11.02)
15.	Ajudhia Textile Mills, Delhi	8.98	82.54	4.54	67.01 (23.2.05)
16.	Udaipur Cotton Mills, Udaipur	29.77	51.97		
17.	Edward Mills, Beawar	18.28	6.81		
18.	Dayalbagh Mills, Amritsar	9.84	19.05		
19.	Mahalaxmi Mills, Beawar	5.17	5.00		
20.	Bijaynagar Cotton Mills, Bijaynagar	7.83	2.08	7.83	1.95 (10.3.2003)
21.	Panipat Woolen Mills, Kharar	20.29	9.51	7.69	9.84
	Total	133.59	178.05	35.39	80.41

NTC (UP) Ltd., Kanpur

22.	Swadeshi Cotton Mills, Naini	12.62	6.13	6.43	3.20 (7.1.2003)
23.	Bijli cotton Mills, Hathras	7.56	3.06	5.82	4.69
24.	Swadeshi Cotton Mills, Kanpur	55.86	68.30	3.23	7.50 (36plots)
25.	Lord Krishna Mills, Saharanpur	24.70	9.62		
26.	Swadeshi Mills, Maunathbhanjan	9.20	6.89	4.80	3.15
27.	Atherton Mills, Kanpur	20.70	26.80		
28.	Luxmi Rattan Mills, Kanpur	13.48	18.55		
29.	New Victoria Mills, Kanpur	29.67	66.03		
30.	Muir Mills, Kanpur	37.28	79.52		
31.	Sree Vikram Mills, Lucknow	8.14	12.52		
32.	Raibareilly Textile Mills, Raibareilly	30.43	12.31		
	Total	249.64	309.73	20.28	18.54

NTC (MN) Ltd., Mumbai

33.	RBBA Mills, Hinghanghat				
	(Plot No. 1 with old bungalow)	5.95		0.16	0.18 (9.10.03)
	Ginning & Processing Factory	5.95		3.05	0.40 (21.11.02)

1	2	3	4	5	6
34.	Savatram Ram Prasad Mills, Akola	0.52		0.10	0.09 (7.3.2003)
35.	Vidarbha Mills Achalpur (Plot No. 1-2)	17.05	0.83	4.99	0.50 (2&28.5.03)
	(Plot No. 6)			0.89	0.36 (9.10.03)
36.	Model Mills (Plot No. 3), Nagpur	33.31	12.68	1.10	1.24 (19.6.03)
	Model Mills (Plot No. 2)			0.21	0.36 (8.9.2003)
	Model Mills (Plot No.1) Near S.T. Stand			6.98	9.50 (7.5.2004)
37.	RSRG Mills, Akola (Plot No.3)	15.81	2.24	1.96	0.45 (7.5.2004)
	Plot No. 1			1.10	0.25 (June, 2004)
	Plot No. 2			1.06	0.30 (June, 2004)
38.	Tata Mills Mumbai	10.62	98.44	4.40	13.75
39.	Indu Mills No.1, Mumbai	8.71	79.09		-
40.	Indu Mills No.6, Mumbai	4.57	72.63		-
41.	Indu Mills No.2, Mumbai	16.04	121.51		-
42.	Jam Mills, Mumbai	7.99	66.57		-
43.	Indu Mills No.4, Mumbai	7.79	59.02		-
44.	Sita Ram Mills, Mumbai	8.43	40.93		-
45-47.	Kohinoor Mills No.1, 2, 3 Mumbai	19.39	286.31		-
48.	Indu Mills No. 3, Kalachowkd, Mumbai	5.40	40.91		-
Total		167.53	879.16	26.00	27.38

NTC (SM) Ltd., Mumbai

49.	Barshi Mills, Barshi	36.50	0.87	1.87	0.12 (13.12.2002)
50.	Dhule Textile Mills, Dhule	12.80	1.23	10.28	2.52 (13.12.2002)
51.	Challiegaon Mills, Challiegaon	17.54	2.93	12.82	3.64 (13.12.2002)
52.	Apollo Mills, Mumbai	9.98	74.04		-
53.	Gold Mohur Mills, Mumbai	6.52	63.30		-
54.	Madhusudan Mills, Mumbai	18.05	157.91		-
55.	Mumbai Textile Mills, Mumbai	23.83	151.86		-
56.	Jupiter Textile Mills, Mumbai	10.91	95.48		-
57.	Elphinstone Mills, Mumbai	8.91	80.85		-
58.	Bharat Mills, Mumbai	8.37	73.21		-

1	2	3	4	5	6
59.	New Hind Mills, Mumbai	8.33	97.51		-
60.	Digvijay Mills, Mumbai	9.33	87.85		-
61.	Aurangabad Mills, Aurangabad	15.74	17.35		-
62.	Podar Process, Mumbai	2.39	20.89		-
63.	Nanded Mills, Nanded	91.42	15.05		-
Total		280.62	940.33	24.97	6.28

NTC (TN&P) Ltd., Coimbatore

64.	Swadeshi Cotton Mills, Pondicherry	53.30	65.63	10.39	12.66 (2.6.2003)
65.	Pankaja Mills, Coimbatore	11.07	24.41	0.34	0.69 (25.8.203)
66.	Omparasakthi Mills, Coimbatore	14.25	4.86	14.25	4.50 (Dec. 03)
67.	Kalleswarar 'A' Mills (site No.2)	16.06	36.36	0.19	0.54 (Nov. 03)
68.	Sri Rangavilas Mills, Coimbatore	17.20	17.65	6.21	7.82 (appd. by MOT)
69.	Coimbatore Murugan Mills Cmb.	2.31	5.42	0.84	1.89 (Sep-Nov. 04)
70.	Kothandaram Mills, Madurai	2.66	3.59		-
71.	Krishnaveni Mills, Coimbatore	4.52	5.09		-
72.	Bairamvarma Mills, Shencattah	20.20	1.01		-
73.	Somasundaram Mills, Coimbatore	7.43	16.71		-
74.	Sri Sarda Mills, Coimbatore	3.45	0.88		-
75.	Coimbatore Spg. & Wvg. Mills	20.49	94.63		-
Total		172.94	276.24	32.22	28.10

NTC (Gujarat) Ltd., Ahmedabad

76.	Ahmedabad New Tex. Mills, Ahm.	7.45	16.90		
77.	Rajkot Textile Mills, Rajkot	8.72	35.30		
78.	Ahmd Jupiter Mills Ahmedabad	22.44	32.23		
79.	Jehangir Textile Mills, Ahmedabad	16.30	26.39		
80.	Rajnagar Mills No.1 Ahmedabad	12.11	20.55		
81.	New Manekchowk Mills, Ahmd.	8.99	18.18		
82.	Mahalaxmi Textile Mills Bhavnagar	16.32	12.55		
83.	Himadari Textile Mills, Ahmedabad	7.22	8.77		
84.	Petlad Textile Mills, Petlad	29.28	7.11		

1	2	3	4	5	6
85.	Viramgam Textile Mills, Viramgam	50.91	1.55		
86.	Fine Knitting Textile Mills, Ahmed.	8.38	3.74		
Total		188.12	183.27		

NTC (Madhya Pradesh) Ltd. Indore

87.	New Bhopal Textile Mills, Bhopal	79.10	22.05		
88.	Burahanpur Textile Mills, Burahanpur	42.85	16.66		
89.	Indore Malwa Textile Mills, Indore	103.80	71.86		
90.	Hira Textile Mills, Ujjain	69.20	45.75		
91.	Kalyanmal Mills, Indore	33.57	20.16		
92.	Swadeshi Textile Mills, Indore	15.32	13.76		
93.	Bengal Nagpur Textile Mills, Rajnandgaon	52.10	12.71		
Total		395.94	202.95		

NTC (WBABO) Ltd., Kolkata

94.	Luxmi Narayan Textile Mills, Rishra	14.83	9.79		
95.	Rampooria Textile Mills, Serampore	30.60	14.69		
96.	Bengal Luxmi Textile Mills, Serampore	27.97	22.66		
97.	Bangashri Textile Mills, Sukhchar	29.08	25.30		
98.	Central Cotton Textile Mills, Belur	11.67	14.00		
99.	Jyoti weaving Textile Mills, Kolkata	4.29	11.57		
100.	Shree Mahalaxmi Textile Mills, Palta	11.24	13.49		
101.	Bengal Fine Textile Mills No. 2 Kattaganj	19.44	5.44		
102.	Bengal Fine Textile Mills No. 1 Konnagar	18.83	16.94		
103.	Gaya Cotton Textile Mills, Gaya	32.77	5.20		
104.	Aarti Cotton Textile Mills, Howrah	6.25	7.50		
105.	Manindra B.T. Textile Mills, Cossimbazar	35.28	5.25		
106.	Orissa Cotton Textile Mills, Bhagatpur	62.17	0.87		
107.	Bihar Co-operative Textile Mills, Mokameh	22.20	0.82		
108.	Associated Industries, Chandrapur	50.00	0.60		
Total		376.62	154.12		
Grand Total		2709.95	3437.90	514.31	375.94

**North Eastern Region Urban
Development Project**

7180. DR. COL. (RETD.) DHANI RAM SHANDIL : Will the Minister of FINANCE be pleased to state :

(a) whether approximately Rs. 900 crores loan assistance sought from the Asian Development Bank for Phase I of the project titled "North Eastern Region Urban Development Project" (NERUDP);

(b) if so, the details thereof;

(c) whether the Government has sought any loan assistance from ADB for second Phase of N.E.R.U.D.P;

(d) if so, the details thereof;

(e) whether the Government has sought any assistance from ADB for the districts of Shimla, Kullu, Kangra and Solan in Himachal Pradesh; and

(f) if so the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (d) A proposed ADB assisted North Eastern Region Urban Development Project (Phase I) for US\$ 200 million covering the cities of Aizawl, Gangtok, Agartala, Kohima and Shillong is in the pipeline for Calendar Year 2005 and North Eastern Region Urban Development Project (Phase II) for US\$ 200 million covering the cities of Guwahati, Dibrugarh, Itanagar and Imphal is in the pipeline of Calendar Year 2007.

(e) No, Sir.

(f) Does not arise.

**Implementation of Recommendations of
Ninth Finance Commission**

7181. SHRI TATHAGATA SATPATHY : Will the Minister of FINANCE be pleased to State :

(a) whether the Ninth Finance Commission was of the view that the solution to the problem of public debt lay in borrowed funds not being used for financing revenue expenditure (ii) being used efficiently and productively for capital expenditure so as to either earn returns or increase the productivity of the economy;

(b) if so, whether this recommendation of Ninth Finance Commission was implemented fully;

(c) if not, the reasons therefor; and

(d) the steps taken by the Government for use of finance efficiently and productively so as to earn returns or increase the productivity of the economy?

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

(b) No, Sir.

(c) States' revenue deficit as a percentage of their fiscal deficit went up from 18.5% in 1993-94 to 51.1% in 2003-04 (RE) on account of, amongst others, adoption of Vth Pay Commission recommendations, higher borrowings on unproductive investments and increasing pension expenditure.

(d) Government of India has accepted recommendations of Twelfth Finance Commission for Debt Consolidation and Relief Facility which makes it conditional for States to adopt fiscal responsibility law providing for eliminating revenue deficit to zero by 2008-09.

**Maharashtra's Borrowing from the
National Savings Fund**

7182. SHRI EKNATH MAHADEO GAIKWAD :

SHRI SURESH PRABHAKAR PRABHU :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Maharashtra has requested the Union Government to do away with the discriminatory rate of interest being charged on borrowing from the National Savings Fund;

(b) if so, the amount of borrowings outstanding against the State Government and the nature and extent of the discriminatory rate of interest in question, vis-a-vis the interest rates payable by Central and other State Governments on such borrowings; and

(c) the decision taken on the State Government's request?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) No, Sir. No request regarding rate of interest on the special securities, issued to the National Small Savings Fund (NSSF) against the share of net small savings collections, appears to have been received from the State Government of Maharashtra.

(b) and (c) Do not arise.

**Investigation into Accounts of
Xerox Modi Corporation**

7183. SHRI RAGHUNATH JHA : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether Xerox Modicorp had made any improper payments to push sales of their items and the Government announced a probe into the company's accounts;

(b) if so, whether the probe has been completed; and

(c) if so, the outcome thereof alongwith the action taken against the official found guilty in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) and (b) On information about allegations that the company had resorted to improper practices to secure orders, the Central Government launched an investigation into the affairs of the company under section 235 of the Companies Act, 1956. The investigation was assigned to an inspector appointed under the said Act. The inspector has submitted his report indicating violations of the Companies Act, as well as other enactments.

(c) Thirteen prosecutions for violation of various provisions of the Companies Act, 1956 as have been identified, have been ordered. The Central Bureau of Investigation, Directorate of Customs & Excise and Directorate of Enforcement have been advised to take necessary action as warranted, against the company and its directors for violation of the Acts under their jurisdiction such as Prevention of Corruption Act, Indian Penal Code, Customs & Excise Act, Foreign Exchange Regulation Act/Foreign Exchange Management Act etc.

[Translation]

Private Insurance Companies

7184. SHRI CHANDRA MANI TRIPATHI :
DR. LAXMINARAYAN PANDEY :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government is aware that some private sector insurance companies harass the policy holders in settlement of their claims;

(b) if so, whether the Government has received any complaints in this regard;

(c) if so, the details thereof indicating the action taken by the Government on such complaints;

(d) whether the Government has issued any directions to the private sector insurance companies for the redressal of grievances of policy holders; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PLANIMANICKAM) : (a) and (b) Government as well as the Insurance Regulatory and Development Authority (IRDA) have been receiving complaints against the insurers, including private insurers, relating to non-settlement or delay in settlement of claims, repudiation of claims/partial settlement of claims etc.

(c) to (e) IRDA which was established to protect the interest of the policy holders, has notified the Insurance Regulatory and Development Authority (Protection of Policyholders' Interests) Regulations, 2001. These regulations stipulate the duties and obligations of the insurers and policy holders in respect of an insurance contract, both at the point of sale and in the event of a claim, and setting up of in-house grievance redressal mechanism in the insurance companies. In addition to this, for grievances relating to the settlement of claims, the policy holders could approach the existing institutions like Insurance Ombudsman, IRDA Grievance Cell, Consumers Fora or the Courts.

**Proposal for Financial Assistance to
North East Handicraft Development**

7185. SHRI SHIVRAJ SINGH CHOUHAN : Will the Minister of TEXTILES be pleased to state :

(a) whether the North East Handicraft Development Corporation has submitted any proposal for assistance for manufacturing of goods from Bamboo and Wood;

(b) if so, the details thereof; and

(c) the action taken by the Government thereon?

THE MINISTER OF TEXTILE (SHRI SHANKERSINH VAGHELA) : (a) No proposal has been received recently from North Eastern Handicraft & Handlooms Development Corporation Ltd. Shillong for manufacturing of goods from Bamboo and Wood.

(b) and (c) Do not arise.

*[English]***Purchase of Cotton**

7186. SHRIMATI JAYABEN B. THAKKAR : Will the Minister of TEXTILES be pleased to state :

(a) whether the Gujarat Government is considering to purchase additional 5.00 lakh bales of cotton through cooperative sanghs to establish the market for which the Government of India has been requested to allow export of this cotton purchased by the State Government; and

(b) if so, the stand of the Union Government on the above issue?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) Permission of Government of India is not necessary either for procurement or for export of cotton. The Ministry of Textiles has no information about the proposal of the Government of Gujarat regarding procurement of cotton. As export of cotton is free without any restrictions, no request from Government of Gujarat has been received to allow export of cotton.

Sick Industrial Companies Act, 1985

7187. SHRI SUBODH MOHITE : Will the Minister of FINANCE be pleased to state :

(a) whether the Government proposes to enact amendments in sick industrial companies (special provision) Act, 1985 to strengthen it;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether the Government proposes to include service sector under the preview of Industrial unit; and

(e) if so, the details thereof?

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

(b) Does not arise.

(c) The Sick Industrial Companies (Special Provision) Act, 1985 has been repealed through Sick Industrial Companies (Special Provision) Repeal Act, 2003.

(d) and (e) Ministry of Small Scale Industries has informed that industry Related Service and Business Enterprises with investment upto Rs. 10 lakhs in fixed assets,

excluding land and building are eligible for benefits as Small Scale Service & Business (Industry Related) Enterprises (SSSBE). Items included in the list of SSSBE are eligible for same concessions and benefits as are applicable to SSIs. There is no proposal, however, to include service sector under Industries (Development and Regulation) Act, 1951.

Cyber Laws

7188. SHRI KULDEEP BISHNOI : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether it is mandatory for Member Countries of United Nations Commission on International Commission on International Trade Law (UNCITRAL) to introduce cyber laws for investigating agencies and judicial agencies;

(b) if so, the number of judges in the country got training about cyber technology and cyber laws during each of the last three years; and

(c) the fresh steps taken by the Indian Judiciary to gear up to tackle cyber crimes?

THE MINISTER OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ) : (a) United Nations Commission on International Commission on International Trade Law (UNCITRAL) by its very definition deals with trade laws. Accordingly, UNCITRAL'S work, in so far as Cyber Law is concerned, have been in the domain of Model Law of Electronic Commerce and Model Law of Electronic Signatures. These Model Laws being recommendatory in nature are not mandatory for Member Countries to implement.

(b) and (c) The National Judicial Academy, being the Apex Training Institute in the country for training of judges/ judicial Officers, is conducting various training programmes on Cyber Laws, Cyber Forensics and E-governance in judiciary.

Pension Scheme for Unorganized Sector

7189. SHRI RAYAPATI SAMBASIVA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether a five member team is appointed by the Asian Development Bank to work out a pension scheme for the approximately 37 crore unorganized sector workers in India;

(b) if so, whether the five member team has already submitted its report to the Government;

(c) if so, the number of individuals covered by the survey;

(d) the manner of considering the situation in urban and rural areas; and

(e) the main recommendations of the group and action taken/likely to be taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (d) As part of a technical assistance agreement, the Asian Development Bank appointed a five member Project Team to, inter-alia, conduct a national sample survey to study the income, expenditure and savings behaviour of the Indian labour force. The survey covered 40,862 earning members of the Indian labour force, in both urban and rural areas. The Project Team's report is yet to be finalised.

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

[Translation]

Encouragement of Farming of Opium

7190. SHRI MITRASEN YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether high quality opium is grown in Barabanki district and industries of Uttar Pradesh;

(b) whether the Union Government are considering any scheme to encourage the farming of opium so that foreign currency can be earned;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) The quality of opium poppy tendered by the opium cultivators of Barabanki District of Uttar Pradesh in crop year 2003-04 is 11.11% in terms of morphine content as against the average morphine content of 11.24% for the Uttar Pradesh unit for the said crop year.

(b) to (d) While continuous efforts are made to facilitate opium poppy cultivation by the licensed opium cultivators, in view of the limited requirement of opium in the domestic and export markets, there is no proposal at present to extend the area of licensed opium cultivation.

[English]

Agricultural Loan

7191. DR. ARUN KUMAR SHARMA : Will the Minister of FINANCE be pleased to state :

(a) whether banks have agreed to liberize certain conditions required for granting the agricultural loan in the North East region;

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

(c) the constraints faced by agriculture sector of North-East region in getting agricultural loan; and

(d) the implementation status, target and achievement made on the agricultural credit flow to farmers by banks during the last three years before and after introduction of new policy of doubling the loan, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir. National Bank for Agriculture and Rural Development (NABARD) provides Short Term and Long Term refinance to the banks in North East Region (NER) at following liberal terms and conditions :

(i) Lowest rate of interest i.e. 5.5% to State Cooperative Banks irrespective of their level of Non-Performing Assets (NPAs);

(ii) Credit limit sanctioned to RRBs and Cooperative Banks irrespective of their NPA levels/recovery performance;

(iii) Relaxation in eligibility criteria for drawal of refinance;

(iv) For investment credit, all activities are eligible for refinance @90% to 100% of the bank loan amount, etc.

(c) The Major reasons for slow off take of Agricultural Loans in NER are as under :

(i) Lack of Infrastructure and entrepreneurship;

(ii) Poor recovery performance of banks;

(iii) Agro adverse climatic conditions;

(iv) Lack of clear marketable title to land;

(v) Primitive agricultural practices.

(d) State-wise Ground Level Credit (GLC) disbursements under Agricultural & Allied Activities during 2001-02, 2002-03 and 2003-04 are given in the statement enclosed. The total disbursement in 2004-05 has been Rs. 1,15,243 crore, for which state-wise details are still under compilation.

Statement

State-wise Ground Level Credit (GLC) disbursements under agriculture and allied activities during 2001-02, 2002-03 and 2003-04

(Rs. lakh)

Sl. No.	Name of the States/UTs	2001-02	2002-03	2003-04
1	2	3	4	5
1.	Chandigarh	38,769	17,848	37,245
2.	New Delhi	141,581	182,540	242,367
3.	Haryana	400,908	463,705	628,620
4.	Himachal Pradesh	25,658	31,358	38,232
5.	Jammu and Kashmir	4,960	5,746	6,619
6.	Punjab	611,309	762,380	914,790
7.	Rajasthan	258,347	281,911	313,996
	Northern Region	1,481,532	1,745,488	2,181,869
8.	Arunachal Pradesh	539	994	390
9.	Assam	7,318	10,127	19,129
10.	Manipur	142	405	580
11.	Meghalaya	642	552	5,184
12.	Mizoram	357	684	544
13.	Nagaland	540	540	742
14.	Tripura	1,739	1,759	3,000
15.	Sikkim	368	325	425
	North Eastern Region	11,645	15,386	29,994
16.	Bihar	70,746	72,260	142,172
17.	Jharkhand	16,101	20,315	21,461

1	2	3	4	5
18.	Orissa	96,925	109,688	127,778
19.	West Bengal	144,881	184,244	212,944
20.	Andaman & Nicobar	578	382	385
	Eastern Region	329,231	386,889	504,740
21.	Madhya Pradesh	230,071	290,285	342,935
22.	Chhattisgarh	28,237	46,133	52,377
23.	Uttar Pradesh	560,667	618,123	810,833
24.	Uttaranchal	27,169	48,416	42,589
	Central Region	846,144	1,002,957	1,248,734
25.	Dadra and Nagar Haveli	110	59	0
26.	Daman and Diu	33	24	0
27.	Gujarat	371,251	408,741	479,822
28.	Goa	2,444	2,124	3,938
29.	Maharashtra	592,991	503,275	528,487
	Western Region	966,829	914,223	1,012,247
30.	Andhra Pradesh	748,287	754,059	1,001,424
31.	Karnataka	433,752	466,361	532,600
32.	Kerala	260,619	302,961	377,502
33.	Lakshadweep	33	26	78
34.	Pondicherry	4,073	5,341	6,970
35.	Tamil Nadu	528,105	627,046	695,166
	Southern Region	1,974,869	2,155,794	2,613,740
	Total	5,610,250	6,220,737	7,591,324
	Other Bonds*	5,700		
	Private Sector Commercial Banks*	425,412	585,255	1,023,008
	RIDF (Contributed by banks)*	163,182	149,985	83,747
	Grand Total	6,204,544	6,955,977	8,698,079

*State-wise data not available.

Raichur Thermal Power Station

7192. SHRI M. SHIVANNA :

SHRI VENKATESH A. NAIK :

Will the Minister of POWER be pleased to state :

(a) whether due to short supply of coal in the country, Karnataka is importing coal from China for its Raichur Thermal Power Station (RTPS);

(b) if so, the details thereof; and

(c) the reasons therefor?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) to (c) Ministry of Coal indicated in August, 2004 that there would be a shortage of 10 million tones of indigenous coal per annum and suggested that option of import of coal be considered. 9 power utilities have been identified for importing coal including Raichur Thermal Power Station of Karnataka Power Corporation Limited (KPCL), which is required to import 9.6 lakh tones of coal per annum. KPCL have informed that they have floated tenders in February, 2005 to import coal for Raichur thermal power station. Supplier has not yet been identified by KPCL.

Ad Valorem

7193. SHRI RAVI PRAKASH VERMA : Will the Minister FINANCE be pleased to state :

(a) whether the negotiation in Geneva has entered a stalemate and differences over the conversion of specific duty into ad valorem equivalents remain unresolved ;

(b) if so, the detail thereof ;

(c) the steps taken by the Indian Government to coordinate with other developing countries to take the issue of conversion of specific duty into ad valorem equivalents ; and

(d) the response of other developing countries in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) In the Ministerial Meetings of the Five Interested Parties (FIPs) and the Mini-Ministerial Meeting of some Members of the World Trade Organisation (WTO) held at Paris on 3-4 May, 2005 a broad understanding has been reached among them on the issue of methodology for conversion of non-ad valorem duties to their ad valorem equivalents in respect of agricultural

products. A decision whether to adopt this methodology or not will be taken in the WTO Committee on Agriculture, Special Session, with the consensus of its Members. Discussions on the methodology for conversion in context of the negotiations on market access for non-agriculture products are still underway.

(c) and (d) India has been making all efforts in the negotiations under the Doha Work Programme of the WTO to ensure that the outcome of the negotiations is consistent with India's Objectives and priorities, including by building coalitions with other Members of the WTO holding similar interests and concerns.

Development of Rural Technology

7194. SHRI N.N. KRISHNADAS : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Government provides financial assistance to NGOs or such institutions for the development of rural technology;

(b) if so, the details of such organisations or institutions and the financial assistance granted during each of the last five years, State-wise;

(c) the criteria for sanctioning fund for these institutions;

(d) whether there is any monitoring system to ensure proper utilisation of these funds; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) to (e) The information is being collected and will be laid on the Table of the House.

[Translation]

Economic Reforms

7195. SHRI THAWARCHAND GEHLOT : Will the Minister of FINANCE be pleased to state :

(a) the details of the achievements made so far, as per the announcement of the Government in regard to strengthening of the economy of the country;

(b) the details indicating the position of the fiscal deficit during, 2004-05 ;

(c) the points on which the Government succeeded in achieving the targets set in the budget for 2004-05 ; and

(d) the targets which could not be achieved along with the details thereof and the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) The Budget for 2004-05 indicated that the Government will follow a 5-year road-map to achieve the National Common Minimum Programme objective of bringing about rapid growth with stability and equity. The advance estimates of the Central Statistical Organisation places the growth in real Gross Domestic Product (GDP) for 2004-05 at 6.9 percent. This is despite a low kharif output due to poor monsoons. Inflation is also under check at 5.0 percent a end-March 2004-05 despite the unprecedented rise in international prices of oil. Other macro economic indicators like foreign exchange reserves, exports, manufacturing sector growth and the business confidence outlook indicate the strengthening of the economy.

(b) to (d) The fiscal deficit is placed at 4.5 percent of GDP for 2004-05 (RE) as against 4.4 percent of GDP envisaged by the Budget Estimates. Revenue deficit is placed at 2.7 percent of GDP in 2004-05 (RE) as against the budget estimate of 2.5 percent of GDP. Gross tax revenue as a proportion of GDP, which was budgeted at 10.2 percent is placed at 9.8 percent in the Revised Estimates for 2004-05. Total expenditure for 2004-05 is placed at 16.3 percent of GDP in the Revised Estimates as against the budgeted 15.4 percent of GDP. The Budget for 2004-05, seeking a front-loaded fiscal correction, estimated a much higher level performance than required under the Fiscal Responsibility and Budget Management Rules, 2004. While the optimistic Budget Estimates may not be achieved, the Revised Estimates for 2004-05 are compliant with the annual minimum targets stipulated by the Rules. As against a minimum reduction of 0.5 percent of GDP, revenue deficit is lower in 2004-05 (RE) by 0.9 percent of GDP. The reduction in fiscal deficit mandated under the FRBM Rules was 0.3 percent of GDP, the revised estimates indicates that this could be achieved.

Accelerating Disinvestment

7196. SHRI RAM SINGH KASWAN :

SHRI RANEN BARMAN :

SHRI SUSHIL KUMAR MODI :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government is contemplating to

accelerate the disinvestment process by selling off its share holding in some public sector companies during the current financial year;

(b) if so, the names of these companies and the percentage of share holding to be sold off; and

(c) the purpose for which the said sale proceeds are likely to be utilized?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Government has decided, in principle, to list large, profitable public Sector Enterprises (PSEs) on domestic stock exchanges and to selectively sell a minority stake in listed, profitable PSEs while retaining atleast 51% of the Shares alongwith full management control so as not to alter the Public Sector character of the companies. No decision has, however, been taken so far for disinvestment of any specific Public Sector Enterprise. All decisions will be taken on a case-by-case basis to optimize the Government's realisation from disinvestment.

(c) Government has decided that with effect from 1st April 2005 the realisations from disinvestment of Public Sector Enterprises (PSEs), which are credited to the Consolidated Fund of India will be appropriated from the Consolidated Fund of India for the creation of the National Investment Fund (NIF). The NIF would be professionally managed by selected Public Sector Financial Entities, with the requisite experience, to provide sustainable returns to the Government without affecting the corpus. The income from the NIF would be credited to the Consolidated Fund of India and would thereafter be appropriated to finance selected social sector schemes, which promote education and health care and for capital investment in selected profitable and revivable PSEs that yield adequate returns, in order to enlarge their capital base and to finance their expansion/diversification.

[English]

Surplus Gold and Silver

7197. SHRI SUKHDEV SINGH DHINDSA :

SHRI M. RAJA MOHAN REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether government has decided to sell the surplus gold and silver lying in the Government of India mints;

(b) if so, the estimated quantity of surplus gold and silver in mints; and

- (c) the quantity of gold and silver likely to be sold?

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

(b) There are about 5 Metric Tonnes of surplus gold and 1670 Metric Tonnes of Silver lying in India Government Mints.

(c) The bullion market demand would determine the quantity of gold and silver likely to be sold.

[Translation]

Power Exchanges

7198. DR. CHINTA MOHAN :

SHRI RAMJI LAL SUMAN :

Will the Minister of POWER be pleased to state :

(a) whether the Government has assessed the availability of power for the power exchanges in the country; and

(b) if so, the details thereof along with the quantum of power being exchanged in the country at present?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) It is estimated that about 15-17 Billion Units (Kwh; Kilo Watt Hours) of power are exchanged annually mostly on bilateral basis by various State Power Utilities (State Electricity Boards or Electricity Departments) in the country as on date.

The power exchange, when established is expected to provide a common platform for buyers and sellers across the country to interact and therefore enable optimal electricity trading.

Assessment of Schemes of Handloom/ Handicraft Sector

7199. SHRIMATI ANURADHA CHOUDHARY :

SHRI MOHD. TAHIR :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government has made any assessment of the implementation of Centrally sponsored schemes in the Handloom/Handicraft sector for the Scheduled Castes/ Scheduled Tribes and women;

(b) if so, the details thereof;

(c) the amount allocated for above categories in each State during the last three years;

(d) whether the Government has started any programme to impart training to the craftswomen engaged in this sector; and

(e) if so, the total number of exhibitions organized by the Government in this regard during the year 2004-05?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) The Centrally sponsored schemes being implemented for the development and promotion of handloom sector and welfare of handloom weavers cater to the handloom weavers, including Scheduled Castes/Scheduled Tribes and women. There is no specific scheme for any particular social category of handloom weavers. No assessment of the implementation of Centrally sponsored schemes implemented in the handloom sector has so far been made.

So far as Handicrafts are concerned, there is no centrally sponsored scheme being implemented by the office of the Development Commissioner (Handicrafts) in the Handicraft sector. The schemes being implemented for the development & promotion of handicrafts are Central Sector Schemes which cater to the needs of all artisans, including Scheduled Castes/Scheduled Tribes and Women. There is no specific scheme for any particular category of artisans.

(b) Does not arise.

(c) There is no allocation funds specifically for Scheduled Castes/Scheduled Tribes and women under the handloom sector schemes.

(d) Yes, Sir. A Central Sector Scheme "Integrated Handloom Training Project" has been introduced in December, 2003 for imparting training in the handloom sector for skill upgradation of handloom weavers including women weavers. The Scheme provides equal opportunity to the male and female weavers for training.

The Government is also implementing training schemes for handicraft artisans, which also cover crafts women.

(e) During the Year 2004-05, 220 Design Exhibitions-cum-Dyeing Workshops were conducted under the handloom sector.

A total number of 270 exhibitions were organized in the country during 2004-05 to provide marketing opportunities to artisans under the handicraft sector.

*[English]***Corruption in Insurance Companies**

7200. SHRI JIVABHAI A. PATEL :

SHRI V.K. THUMMAR :

Will the Minister of FINANCE be pleased to state :

(a) the organisational set up of the vigilance division in the Oriental Insurance Corporation Ltd. and the New India Assurance Company Ltd.;

(b) the number of cases of corruption, dishonesty and disproportionate assets investigated by the Vigilance Department during the last three years and till February, 2005;

(c) the details of complaints pertaining to corruption, dishonesty, fraud and illegal payments, investigated in Delhi regional offices/Head office of both the companies during the above period along with the details of action taken or proposed to be taken in this regard; and

(d) the steps taken by the Government to check corruption in insurance companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) Oriental Insurance Company Ltd. (OICL) and New India Assurance Company Ltd. (NIACL) have appropriate vigilance setups headed by Chief Vigilance Officer, with Vigilance Officers in every Regional Office.

(b) and (c) Total number of cases of corruption, dishonesty and disproportionate assets investigated during the last three years i.e. 2002-03, 2003-04 and 2004-2005 (till February) in OICL and NIACL are 341 and 156 respectively. OICL received 86 complaints in Delhi Regional Offices/Head Office during the last three years out of which 37 cases have been investigated. Action has been taken in 23 cases and 14 have been closed. Similarly NIACL received 27 complaints out of which 23 cases have been investigated. Action has been taken in 21 cases and two have been closed.

(d) Vigilance Officers of the Insurance Companies undertake surprise inspection of the Divisional Offices/Branch Offices for taking corrective/preventive action. Appropriate

action as per rules is taken against the officials found involved in corruption cases.

*[Translation]***SEBI**

7201. SHRI RAM CHANDRA PASWAN :

SHRI SURAJ SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether SEBI has received any complaints against those companies which have already issued their shares to the public in the share market during the years 1993, 1994 and 1995;

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

(c) the names of companies against whom complaints of violation of rules have been received by SEBI during the above period?

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

*[English]***Foreign Loan for Power Projects**

7202. SHRI JASHUBHAI DHANABHAI BARAD : Will the Minister of POWER be pleased to state :

(a) the number of power projects in the country for which the World Bank and Asian Development Bank has sanctioned loans, recently project-wise and State-wise;

(b) the rate of interest to be charged on the said loans by the World Bank and Asian Development Bank; and

(c) the manner in which the Union Government propose to repay the said loans?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) to (c) The Power Projects as indicated in the statement enclosed have been sanctioned by ADB & World Bank for funding during the last 5 years.

Statement

Sl. No.	Project	Loan No.	Executing Agency	State	Loan Amount (USD in Million)	Rate of Interest	Repayment		
ADB assisted Power Projects :									
1.	Power Transmission Improvement Project	1764-IND	PGCIL	Multistates	250	Interest rate is variable every six months. It is determined based on average cost of preceding six months of respective pools of outstanding borrowings established to fund such loans.	These loans are to be repaid in a period of 10-15 years after a grace period of 5 years. Repayment		
2.	Power Sector Distribution Project	1968-IND	PFC	Multistates	150				
3.	Gujarat Power Sector Development Programme	1803-IND	GEB	Gujarat	150				
	Gujarat Power Sector Development Project	1804-IND			200				
4.	M.P. Power Sector Development Programme	1868-IND	MPSEB	Madhya	150				
	M.P. Power Sector Development Project	1869-IND		Pradesh	200				
5.	Assam Power Sector Development Programme	2036-IND	ASEB	Assam	150				
	Assam Power Sector Development Project	2037-IND			100				
World Bank assisted Power Projects :									
1.	UP Power Restructuring Project	4545-IN	UPPCL	U.P.	150				
2.	Rajasthan Power Restructuring Project	1594-IN	RRVPL	Rajasthan	180				
3.	PSDP-II	4603-IN	PGCIL	Multistates	450				

*[Translation]**[English]***Assistance for Village Development Institute**

7203. SHRI SANTOSH GANGWAR :

SHRI ATIQ AHAMAD :

Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Government proposes to provide Central assistance for expansion of Regional Village Development Institutes;

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

(c) the time by which the Central assistance is likely to be released for the said purpose?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) No, Sir.

(b) and (c) Does not arise.

Loan Disbursed by PFC

7204. SHRI ASADUDDIN OWAISI : Will the Minister of POWER be pleased to state :

(a) whether power sector reforms and higher revenue collection of State utilities have led to rise in private participation;

(b) if so, the total loan disbursed by PFC during 2004-05 and share of private developers in that;

(c) the target fixed by PFC for loan disbursement during 2005-06;

(d) whether PFC propose to enter into insurance sector; and

(e) if so, the detailed strategy chalked out by corporation in this regard?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) The Indian Financial Institutions and banks have shown

renewed interest in financing generation projects in the power sector. In just over one year, 11 private projects with an aggregate capacity of 4000 MW entailing an investment of about Rs. 16000 crores have achieved financial closure.

(b) During the financial year 2004-05 PFC has disbursed a total loan of Rs. 9405 crores. Out of this a total of Rs. 1112 crores were disbursed to the private sector.

(c) For the financial year 2005-06, PFC targets to disburse Rs. 9800 crores.

(d) No such proposal is under consideration of the Government.

(e) Does not arise.

[Translation]

PMGSY

7205. SHRI SURESH CHANDEL : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) the funds earmarked for the current financial year under "Pradhan Mantri Gram Sadak Yojana";

(b) the details of the funds allocated thereunder, State-wise;

(c) the number of proposals received from Himachal Pradesh for the construction of roads under the aforesaid scheme; and

(d) the names of the schemes sanctioned out of the aforesaid proposals?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) The total Budget provision for Pradhan Mantri Gram Sadak Yojana (PMGSY), including World Bank/Asian Development Bank funded projects, during the current financial year 2005-06 is Rs. 4235.00 crore.

(b) State-wise allocation for the year 2005-06 under PMGSY is given in the Statement enclosed.

(c) and (d) The proposals for Phase-V (2005-06) of PMGSY and World Bank funded PMGSY proposals submitted by Himachal Pradesh considered by the Empowered Committee of the Ministry of Rural Development are as follows :

Item	Phase-V (2005-06)	World Bank Funding (2005-06)
No. of road works	105	97
Length (Kms)	614.496	691.15
Value of proposals cleared (Rs. in crore)	132.93	154.44

The State Government has to complete certain prerequisites including adoption of on-line accounting before the clearance is issued in respect of Phase-V works. In respect of World Bank funded works, the Detailed Project Reports (DPRs) are to be checked by the Technical Examiners.

Statement

*State-wise tentative allocation of funds under PMGSY for 2005-06**

(Rs. in crore)

Sl.No.	State	Allocation from Cess	World Bank	Asian Develop- ment Bank	Total Allocation
1	2	3	4	5	6
1.	Andhra Pradesh	100.00			100.00
2.	Arunachal Pradesh	52.00			52.00
3.	Assam	176.00			176.00
4.	Bihar	332.00			332.00
5.	Chhattisgarh	235.00		95.00	330.00

1	2	3	4	5	6
6.	Goa	5.00			5.00
7.	Gujarat	60.00			60.00
8.	Haryana	25.00			25.00
9.	Himachal Pradesh	82.00	50.00		132.00
10.	Jammu and Kashmir	60.00			60.00
11.	Jharkhand	170.00	25.00		195.00
12.	Karnataka	105.00			105.00
13.	Kerala	25.00			25.00
14.	Madhya Pradesh	435.00		100.00	535.00
15.	Maharashtra	140.00			140.00
16.	Manipur	28.00			28.00
17.	Meghalaya	40.00			40.00
18.	Mizoram	27.00			27.00
19.	Nagaland	25.00			25.00
20.	Orissa	268.00			268.00
21.	Punjab	30.00			30.00
22.	Rajasthan	229.00	57.00		286.00
23.	Sikkim	25.00			25.00
24.	Tamil Nadu	85.00			85.00
25.	Tripura	35.00			35.00
26.	Uttar Pradesh	370.00	75.00		445.00
27.	Uttaranchal	95.00			95.00
28.	West Bengal	221.00			221.00
Total		3480.00	207.00	195.00	3882.00

*Does not include funds earmarked for special areas, NRRDA, and capacity development.

[English]

Pending Court Cases

7206. DR. M. JAGANNATH : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether Government maintain any separate record of civil cases at various courts pertaining to Senior Citizen litigation;

(b) if so, the details thereof;

(c) if not, whether there is any provision in the existing legislation which provide the benefits to all senior citizens to get their cases disposed of on priority basis in stipulated time;

(d) if so, the details thereof; and

(e) if not, the action taken or proposed to be taken to amend the law in this regard?

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

(b) Does not arise.

(c) to (e) Priority is being accorded for speedy disposal of cases relating to senior citizens, disabled persons and women. In the year 1999, the Chief Justice of India wrote to the Chief Justices of all High Courts to identify and dispose of matters on priority basis in which persons above 65 years of age were involved. More recently the Union Government has impressed on the Chief Ministers of States and the Chief Justices of High Courts to earmark one Fast Track Court, where there are more than one, to deal exclusively with cases involving senior citizens. Most of the High Courts have issued instructions for according priority for disposal of cases relating to senior citizens.

As regards Supreme Court, matters relating to Senior Citizens of the age from 65 onwards have been included in the Terminal List of 2004 to be given priority for listing.

[Translation]

Reservation of OBC in Banks

7207. SHRI SUNIL KUMAR MAHATO :

SHRI HARIKEWAL PRASAD :

Will the Minister of FINANCE be pleased to state :

(a) whether the public sector banks and Central financial institutions are complying with the guidelines of the Government regarding providing reservation to other backward classes;

(b) if so, the details of the vacancies filled up during the last two years and number of the newly created posts filled up from the candidates belonging to the other backward classes in the officer cadre, clerical cadre and staff cadre during the aforesaid period;

(c) whether recommendations of the Mandal Commission are being implemented in the public sector banks; and

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

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.

Black Money

7208. SHRI TUKARAM GANPAT RAO RENGE PATIL :
SHRI M. ANJAN KUMAR YADAV :

Will the Minister of FINANCE be pleased to state :

(a) whether Hawala transaction is one of the main causes of the generation of black money;

(b) if so, the steps the Government propose to take to check the Hawala Trade; and

(c) the extent to which the proposals to curb the role of black money have been translated into action?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) Hawala transactions are one of the modes of tax evasion and such transactions facilitate generation and circulation of black money.

(b) and (c) The Income Tax Department undertakes searches & seizures, surveys, enquiries and scrutiny of Income tax returns in order to unearth black money and check tax evasion, including evasion through Hawala transaction. Further, Section 277 A has been inserted by Finance (No.2) Act, 2004 which provides for prosecution for falsification of books of account or document. The Finance Bill, 2005 proposes to levy a banking transaction tax @ 0.1% on certain cash transactions w.e.f. 1st June, 2005.

[English]

Irregularities in Co-operative Banks

7209. SHRI P.S. GADHAVI : Will the Minister of FINANCE be pleased to state :

(a) whether Government is aware of various irregularities carried out by co-operative banks specially in Gujarat State;

(b) if so, whether any inquiry has been constituted by the Government on such irregularities so far;

(c) if so, the outcome of the inquiry;

(d) if not, the reasons therefor; and

(e) the steps taken by the Government or proposed to be taken to curb such irregularities?

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

Sir. A Joint Parliamentary Committee (JPC) was set up to look into, inter-alia, the Stock Market Scam and the role of Madhavpura Mercantile Cooperative Bank (MMCB) in financing a group of stock broking firms. Besides, the transactions of Urban Cooperative Banks (UCBs) in Government Securities with Home Trade Ltd. and irregularities committed by UCBs in Surat have been looked into by RBI.

(c) The JPC had recommended ban on grant of loans and advances to Directors and relatives, mandatory concurrent audit, enhancement of penalties under Banking Regulation Act, etc. The action taken report on the recommendations made by JPC has been placed before the Parliament. As regards transaction in Government Securities by selected banks in Gujarat, some irregularities were observed by RBI. Consequently, a requisition was issued to Registrar of Cooperative Societies, Gujarat under Section 115A of Gujarat State Cooperative Act for Supersession of the Board of Directors of these banks.

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

(e) Various bank specific and policy specific measures have been taken such as :-

- (i) Establishment of Fraud Monitoring Cell to monitor the cases of frauds of Rs. 25 lakhs and more;
- (ii) UCBs have been advised to constitute an Audit Committee of the Board of Directors to review the internal audit/statutory audit reports and RBI's inspection report;
- (iii) Introduction of concurrent audit covering their key functional area;
- (iv) Prohibition from lending to Stock Brokers;
- (v) Audit of investment portfolio by the concerned auditors of the bank;
- (vi) Strict adherence to Know Your Customer (KYC) norms.

Bhandari Committee on Insurance Surveyors

7210. SHRI P.K. VASUDEVAN NAIR :
SHRI K. SUBBARAYAN :

Will the Minister of FINANCE be pleased to state :

(a) the recommendations of the Bhandari Committee Report on Insurance Surveyors & Loss Assessors;

(b) the decision taken by the Government thereon;

(c) whether the Institute of Insurance Surveyors & Adjusters, an organization of independent surveyors, has represented against the implementation of the Bhandari Committee report and to confer the charter status to this Institute;

(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) The Bhandari Committee had recommended that a self-financing and self-regulated Institute may be promoted by Insurance Regulatory and Development Authority (IRDA) for the Insurance Surveyors & Loss Assessors in exercise of the powers vested under Section 14 of IRDA Act, 1999, assuming the role of a facilitator.

(b) The recommendations of the Bhandari Committee have been accepted by the Government.

(c) and (d) Yes, Sir. The Institute of Insurance Surveyors & Adjusters have asked for scrapping the recommendations of the Bhandari's Committee report.

(e) Having examined the representation of the Institute of Insurance Surveyors & Adjusters, it has been decided not to interfere with the earlier decision of the government on the recommendations of the Bhandari Committee.

[Translation]

Central Assistance to States

7211. SHRI GIRDHARI LAL BHARGAVA : Will the Minister of FINANCE be pleased to state :

(a) the details of the grounds on which assistance is provided by the Union Government to the States;

(b) the date on which the formula of assistance was prepared and the basis for fixing criteria;

(c) whether any State has required to change the formula or include some other grounds; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b)

Normal Central Assistance to States is allocated by the Planning Commission on Gadgil Formula adopted in 1969 by National Development Council and last revised in 1991. As per the current formula, Central assistance is allocated to States on the basis of the following criterion :

Sl.No.	Criteria	Weightage
1.	Population	60%
2.	Per Capita Income	25%
3.	Performance	7.50%
4.	Spl. Problem	7.50%

(c) and (d) Various State Governments have approached the Planning Commission to amend the existing Gadgil Mukherjee Formula. In general, the advanced States have sought higher weightage for performance, the less advanced States have sought higher weightage for backwardness. This issue was last considered in a meeting of the full planning Commission on 27th and 29th June 2001. It was decided that given the difference of opinion among the State Government and sensitivity of this issue, it was necessary to evolve a consensus on the matter before any further revisions are made.

Renovation of Power Projects

7212. SHRI SUSHIL KUMAR MODI : Will the Minister of POWER be pleased to state :

(a) whether the Power Grid Corporation of India propose to renovate seven power sub-stations and also to set-up three new sub-stations for improving power position in urban areas of Bihar;

(b) if so, the details thereof;

(c) the funds proposed to be spent on each of them; and

(d) the time by which these are likely to be completed?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) to (d) The Power Grid Corporation of India Limited (PGCIL) is implementing several schemes under central sector as a regional scheme and also under State sector as consultancy assignments.

Under Central Sector :

PGCIL is implementing following sub-stations in Bihar under central sector:

- 2x315 MVA, 400/220 kV sub-station at Patna (under transmission system associated with Kahaigaon-II Phase-I)

Commissioning Schedule : Year 2007

- 2x315 MVA, 400/220 kV sub-station at Muzaffarpur (under transmission system associated with Tala Hydro Electric Project, East-North inter-connector and Northern Region transmission system)

Commissioning Schedule : Year 2006

Under State Sector :

A number of new sub-stations, as a part of sub-transmission works and Accelerated Power Development and Reforms Programme (APDRP) are being executed by PGCIL in Bihar on behalf of Bihar State Electricity Board (BSEB), the details of which are enclosed at Statement I and II respectively.

Statement-I

New sub-station under Phase-I of 'Strengthening of Sub-Transmission System in Bihar'

		MVA
1.	Gopalganj -220/132 kV	-2*100
	132/33 kV	-2*20
2.	Vaishali -132/33 kV	-2*10
3.	Sheetalpur -132/33 kV	-2*20
4.	Phulparas -132/33 kV	-2*10
5.	Daka -132/33 kV	-2*10
6.	Madhubani -132/33 kV	-2*20
7.	Supaul -132/33 kV	-2*10
8.	Jainagar -132/33 kV	-2*10
9.	Baniapur -33/11 kV	-2*3
10.	Darbhanga -220/132 kV	-2*100
11.	Banka -132/33 kV	-2*20
12.	Bikarmganj -132/33 kV	-2*20
13.	Bhabhua -132/33 kV	-2*20
14.	Sasaram -132/33 kV	-2*20

		MVA
15.	Forbesganj -132/33 kV	-2*20
16.	Uda Kishanganj -132/33 kV	-2*20
17.	Bihta -132/33 kV	-2*50
18.	Barh -132/33 kV	-2*20

These works are under execution by PGCIL on behalf of Govt. of Bihar/BSEB.

Estimated Cost : Rs. 192.37 crore

Commissioning Schedule : Progressively till June, 2006

Statement-II

Execution of APDRP Scheme in Bihar by PGCIL

Sl.No.	Name of Circle	Renovation of Substations	New
1.	PESU (E)	16	2
2.	Patna	18	-
3.	Muzaffarpur	29	-
4.	PESU (W)	24	2
5.	Rohtas	9	5
6.	Darbhanga	22	5
7.	Gaya	13	7
8.	Saharsa	14	4
9.	Purnea	19	4
10.	Bhagalpur	19	3
11.	Chapra	17	6
Total		200	38

PGCIL under bilateral arrangement with BSEB, is executing the APDRP Schemes in the State of Bihar in 11 Supply Circles under which 200 nos. of existing 33/11 kV Power Substations are being revamped and 38 nos. New 33/11 kV Power Substations are being constructed.

Estimated cost : The above work is part of Rs. 866.76 Crore APDRP schemes sanctioned for the State of Bihar which also include other schemes like new/re-conductoring

of 33 kV, 11kV & LT Lines, Renovation & Modernization and installation of new DTs, Consumer & B System metering, SCADA/DMS in PESU (East & West - circles), Information Technology Implementation, etc.

Commissioning Schedule : Progressively in phased manner by end June 2006.

[English]

Non-Banking Financial Institutions

7213. SHRI RUPCHAND MURMU : Will the Minister of FINANCE be pleased to state :

(a) whether the Registration Certificate of some Non-banking Finance Companies of West Bengal have been cancelled by the Government in the Year 2004-05;

(b) if so, the details of these non-banking financial companies, District-wise; and

(c) the reasons for the cancellation of the registration certificate?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir. The Certificate Registration (CoR) of 25 Non-Banking Finance Companies (NBFCs) of West Bengal has been cancelled by Reserve Bank of India (RBI) from January 2004 till date. All the NBFCs whose CoRs were cancelled, are having their registered office in Kolkata.

(c) RBI have further reported that the financials of two companies were not satisfactory and the management did not have any action plan for revival or restructuring of the companies and repayment of deposits. Seven companies were converted into Non Banking Non Financial Companies. Sixteen NBFCs had merged with various companies. Hence, their CoRs were cancelled.

National Investment Fund

7214. SHRI JYOTIRADITYA M. SCINDIA : Will the Minister of FINANCE be pleased to state :

(a) whether any rules or guidelines have been laid down for management and appropriation of the National Investment Fund;

(b) if so, the details thereof;

(c) projected annual returns therefrom; and

(d) steps taken to ensure that the investment of this

funds is made on the earmarked objective and that should not be diverted as happened lately in the case of the Unit Trust of India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Government has decided that with effect from 1st April 2005 the realisations from disinvestment of Public Sector Enterprises (PSEs), which are credited to the Consolidated Fund of India will be appropriated from the Consolidated Fund of India for the creation of the National Investment Fund (NIF). The NIF would be professionally managed by selected Public Sector Financial Entities, with the requisite experience, to provide sustainable returns to the Government without affecting the corpus.

(c) The annual returns from the NIF will be market determined. However, since the NIF will be actively managed by selected professional Public Sector Financial Entities, with the requisite expertise, the returns are expected to be good.

(d) The investment strategy for the NIF will be implemented by the Public Sector Financial Entities managing the NIF. The income from the NIF would be credited to the Consolidated Fund of India and would thereafter be appropriated to finance selected social sector schemes, which promote education and health care and for capital investment in selected profitable and revivable PSEs that yield adequate returns, in order to enlarge their capital base and to finance their expansion/diversification.

[Translation]

Assets Reconstruction Companies

7215. SHRIMATI JAYAPRADA :

SHRI RAJIV RANJAN SINGH "LALAN"

Will the Minister of FINANCE be pleased to state :

(a) whether Assets Reconstruction Company India Ltd. has purchased the non-performing assets worth Rs. 12,000 crore for a meagre amount of Rs. 2,500 crore;

(b) if so, the details thereof;

(c) the reasons for selection of the said company for sale of the aforesaid non-performing assets;

(d) whether the said banks or financial institutions had made any efforts for the recovery of the said amount before selling out the Assets; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Reserve Bank of India (RBI) have reported that as per the statement furnished by Asset Reconstruction Company India Ltd. (ARCIL), as on December 31, 2004, the company has acquired NPAs of banks/Financial Institutions (FIs) having book value of Rs. 11,279.04 crore for a purchase consideration of Rs. 2490.98 crore.

(c) to (e) RBI have further reported that the banks in India have been provided with a menu of options for resolution of their impaired assets. Banks have the freedom to exercise one or more of the options for recovering their dues. The options are chosen on the basis of the chances and cost of recovery. The banks or FIs can sell their non-performing assets to Securitisation Companies/Reconstruction Companies (SC/RC) set up under The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 besides taking up other available measures for recovery of NPAs. Three companies have been granted registration to commence the business of securitisation/asset reconstruction. ARCIL is the only company which has commenced the business and hence the banks/FIs have sold their NPAs to this company.

Fraud in Industrial Finance Corporation of India

7216. SHRI TUFANI SAROJ : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether the Government has received any complaints about fraud from Industrial Finance Corporation of India (IFCI);

(b) if so, the details of the complaint made by the IFCI;

(c) whether the Government has referred the said complaint to "Serious Fraud Investigation Office" (SFIO);

(d) if not, the reasons therefor; and

(e) if so, the time by which the findings of the inquiry is likely to be received?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) Yes, Sir.

(b) Industrial Finance Corporation of India (IFCI) has alleged improper diversion of funds amounting to Rs. 45 billion (Rs. 4,500/- crores) by 3 entities namely M/s Usha

(India) Ltd., M/s Malvika Steel Ltd. and M/s Koshika Telecom Ltd. from loans provided to them by financial institutions including IFCI in a complaint filed before the Company Law Board (CLB).

(c) Based on the complaint/petition by IFCI, the CLB vide its order dated 22.3.2005 has ordered for investigation under section 237 (b) of the Companies Act, 1956 into the affairs of 3 companies namely M/s Usha (India) Ltd., M/s Malvika Steel Ltd. and M/s Koshika Telecom Ltd. The Central Government is processing the appointment of competent inspectors drawn from Serious Frauds Investigation Office for carrying out the investigation.

(d) does not arise.

(e) Six to nine months.

[English]

Investment in Power Sector

7217. SHRI BADIGA RAMAKRISHNA :

SHRI E. PONNUSWAMY :

Will the Minister of POWER be pleased to state :

(a) whether the Government has set up a Committee headed by Minister of Finance to look into the reasons for delays in taking decisions on investments in power projects;

(b) if so, the aims and objectives thereof;

(c) whether the Committee is also to go into the factors responsible for poor growth of infrastructure sector; and

(d) if so, the details thereof; and the time by which the committee is likely to submit its report to the Government?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) Yes, Sir.

(b) to (d) A Group of Ministers (GoM) has been constituted on 5.4.2005 under the Chairmanship of Finance Minister for suggesting improvement in project investment decision procedures. No time limit has been specified for submission of its report.

[Translation]

International Craft Complexes

7218. SHRI AVINASH RAI KHANNA :

SHRIMATI KIRAN MAHESHWARI :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government is contemplating to open international craft complexes in the country;

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

(c) the amount sanctioned to open these international craft complexes;

(d) the main objectives behind opening the international craft complexes; and

(e) the time by which this international complexes are likely to be constructed?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) The export Promotion council for Handicrafts (EPCH) has submitted a proposal to the Government for setting up of International Craft Complex in the area earmarked for this purpose in Vasant Kunj Mall being set up by the Delhi Development Authority (DDA).

(c) No amount has yet been sanctioned.

(d) The main objectives of the international Craft Complex include: providing common platform for showcasing best of national and international crafts; provide round the year activities for thematic shows; live demonstration of crafts; cultural exchange programmes etc. to provide impetus to international craft tourism.

(e) It may not be possible to indicate a definite time frame at present as the formal allotment of land is yet to be communicated by DDA.

[English]

Hydrogen Energy as a Fuel

7219. SHRI BALASHOWRY VALLABHANENI : Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state :

(a) whether the Government propose to encourage the hydrogen energy by setting up Research and Development projects viz. production, storage and utilization by hydrogen as a fuel ; and

(b) if so, the details, thereof?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI VILAS MUTTEMWAR) : (a) and (b) The Government has been supporting a broad based Research and Development programme in the area of hydrogen energy covering different

aspects relating to the production, storage, safety and applications of hydrogen as a fuel for transportation and power generation, for more than a decade. Under this programme, Research and Development projects on different aspects of hydrogen energy are under implementation in the Indian Institutes of Technology, Banaras Hindu University, Laboratories of the Council of Scientific and Industrial Research, and other Universities and Research Organizations.

[Translation]

Drought Relief to Rajasthan

7220. SHRI JASWANT SINGH BISHNOI : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) the details of the proposals sent by the Rajasthan Government for the welfare of drought stricken people of the State;

(b) if so, the number of proposals sanctioned; and

(c) the time by which the remaining proposals are likely to be sanction?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) to (c) As per the information received from the Ministry of Agriculture, the Government of Rajasthan had sent a Memorandum in November, 2004 seeking financial assistance of Rs. 2378.64 crores from the National Calamity Contingency fund (NCCF) and 28.80 lakh Mts of foodgrains for relief employment, for drought, for the period July 2004 to July 2005. This was considered by the High Level Committee (HLC), under the Chairmanship of Hon'ble Agriculture Minister, and the HLC approved the assistance of Rs. 332.27 crores from the NCCF subject to adjustment of balances in the Calamity Relief Fund (CRF) of the State and 6.99 lakh Mts of foodgrains, free of cost (valued at Rs. 700 crores), from the Special Component of Sampoorna Grameen Rozgar Yojana (SGRY). The assistance provided was upto 31.3.2005.

A Team was deputed to the State to assess further requirements of assistance beyond March 2005. The HLC under the Chairmanship of Hon'ble Agriculture Minister in its meeting held on 5.5.2005 had approved the assistance of Rs. 156.71 crores from the NCCF subject to adjustment of balances in the CRF of the State and 4.00 lakh Mts of foodgrains, free of cost (valued at about Rs. 400 crores), from the Special Component of SGRY. In all, Rs. 488.98

crores from NCCF (subject to adjustment of balances in CRF of the State) and 10.99 lakh Mts of foodgrains (valued at approximately Rs. 1100 crores) have been sanctioned or the State for the drought of 2004-05 so far. No request for assistance for drought of 2004-05 in respect of Rajasthan is pending.

Revenue from FERA, MRTP etc.

7221. SHRI BRAJESH PATHAK : Will the Minister of FINANCE be pleased to state.

(a) the break up of revenue earned by the Government through implementation of FERA, MRTP, and other related Acts during the last three years, year-wise;

(b) whether any review has been conducted or proposed to be conducted in this regard; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) The break up of revenue earned by the Government through implementation of Foreign Exchange Regulation Act, 1973/Foreign Exchange Management Act, 1999 and MRTP Act 1969, during the last three years, year-wise, are at Statement-I and Statement-II respectively.

(b) and (c) FERA, 1973 and FEMA, 1999 are not intended to earn revenue. However, penalties can be imposed on conclusion of adjudication proceedings for contraventions of the said Acts. In addition, the seized currencies are also confiscated. Review of penalty recovered and confiscated is made from time to time. Under MRTP Act, 1969, review has not been considered necessary since the amount collected is not substantial.

Statement-I

Under FERA, 1973	(Rupees in Lakh)		
Description	2002	2003	2004
Penalties realised	321.53	473.40	1896.51
Confiscated Indian currency credited to Government A/c	114.61	320.52	481.55
Confiscated foreign currency credited to Government A/c	494.63	448.38	618.67
Total	930.77	1242.30	2996.73

Under FEMA, 1999		(Rupees in Lakh)		
Description	2002	2003	2004	
Penalties realised	19.34	62.59	108.29	
Confiscated Indian currency credited to Government A/c	0.43	34.69	109.16	
Confiscated foreign currency credited to Government A/c.	14.42	36.86	103.44	
Total	34.19	134.14	320.89	

Statement-II

The break up of revenue earned by the MRTF Commission collected for the purpose of inspection of files, supplying of copies of documents etc. for last three years is as under :

Year	Amount (in Rupees)
2002	19,422/-
2003	6,633/-
2004	6,174/-

Loan to States by Nationalised Banks

7222. SHRI RAMDAS ATHAWALE : Will the Minister of FINANCE be pleased to state :

(a) whether Nationalised Banks provide loan to State Governments;

(b) if so, the amount outstanding against each State Government as on date;

(c) the date from which the amount is outstanding;

(d) the reasons given by the defaulting states for non-payment of loans;

(e) the steps taken or proposed to be taken by the union Government to recover the said amount;

(f) whether some of the Nationalised Banks have filed their claims in the courts of law for the recovery of the said amount; and

(g) if so, the latest position thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (g) As per

Reserve Bank of India, Nationalised banks are allowed to lend to State Governments only through market borrowings and not through loans. Investment in State Government securities by public sector banks as on 28th February 2005 is Rs. 112940 crores.

[English]

Investment made by NTPC

7223. SHRI BALASAHEB VIKHE PATIL : Will the Minister of POWER be pleased to state.

(a) whether the Planning Commission has recommended that National Thermal Power Corporation (NTPC) should undertake new investments jointly with either State utilities companies of private sector companies;

(b) if so, the details thereof; and

(c) the reaction of the Government thereto?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) Yes, Sir.

(b) and (c) Planning Commission has recommended in February, 2003 that National Thermal Power Corporation (NTPC) takes up projects through joint ventures with private promoters and the State Governments. Recommendations of the Planning Commission were forwarded to NTPC.

NTPC is a Navratna Company and in terms of the powers concerned, NTPC is competent to establish financial joint ventures and wholly owned subsidiaries in India abroad with the stipulation that the equity investment of the Public Sector Enterprise (PSE) be limited to the following :

(i) Rs. 200 crores in any one project.

(ii) 5% of the net worth of the PSE in any one project.

(iii) 15% on the net worth of the PSE in all joint ventures/subsidiaries put together.

NTPC signed a Memorandum of Understanding on 20.02.2004 with Gujarat Power Corporation Limited (GPCL) and Gujarat Electricity Board (GEB) for setting up 1000 MW thermal power project at Pipavav in Amreli district of Gujarat. NTPC has also taken up/envisages to take up the Joint Venture projects viz. Bhilai Captive Power Plant (CPP) Stage-II (500 MW), Nabinagar Thermal Power Project (TPP) (1000 MW) and Ennore Thermal Power Project (TPP) (1000 MW) for benefites during the 11th Plan period.

**Financial Assistance for
Poverty Alleviation**

7224. SHRI S.K. KHARVENTHAN : Will the Minister of FINANCE be pleased to state.

(a) whether financial assistance has been provided by the World Bank and Asian Development Bank to India during each of the last three years for implementation of poverty alleviation programme;

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

(c) the terms and conditions of such grants/loans indicating the mode of repayment and interest payable thereon; and

(d) the number of States which have utilized the said loans?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) World Bank has assisted two specific poverty alleviation projects which seek to directly attack poverty during the last three years. These are Andhra Pradesh Rural Poverty Reduction Project and Chhattisgarh District Rural Poverty Project involving World Bank assistance of US \$ 150 million and US \$ 112.56 million respectively.

ADB has not assisted any specific poverty alleviation project during the last three years.

(c) World Bank assistance to these projects is International Development Association (IDA) Credit, which carry no interest but a service charge of 0.75%. These are to be repaid in 35 years with an initial grace period of 10 years.

(d) Two.

VAT on Seeds

7225. SHRI KULDEEP BISHNOI : Will the Minister of FINANCE be pleased to state.

(a) whether Government has decided to impose 4% tax on seeds under VAT region;

(b) if so, the details thereof;

(c) the specific provision in National Seeds Policy 2002 and recommendations of National Commission on Agriculture in this regard; and

(d) steps, if any, taken by the Government to exempt seeds from VAT?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Empowered Committee of State Finance Ministers, in its meeting held on 26th April, 2005 has decided to exempt all seeds other than oil seeds from VAT.

(c) The National Seeds Policy, 2002 envisages that in order to develop a competitive seed market, the States will be encouraged to remove unnecessary local taxation on sales of seeds. Similarly National Commission on Agriculture-1976 recommends promotional measures like exempting seeds from levies operative for grain, Octroi, Sales Tax or Local Taxes in any other form.

(d) Empowered Committee of State Finance Ministers, which the representative body of the States has decided to exempt all seeds except oil seeds from VAT.

Introduction of Coins/Currency Notes

7226. SHRI VIKRAMBHAI ARJANBHAI MADAM :
SHRIMATI KALPNA RAMESH NARHIRE :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government has decided to introduce some coins/currency notes in the memory of great personalities;

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

(c) the time by which these coins are likely to be circulated in the market?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) No such decision has been taken recently.

(b) and (c) Does not arise.

Corruption in PNB

7227. SHRI SUKDEO PASWAN : Will the Minister of FINANCE be pleased to state :

(a) whether Central Bureau of Investigation has made any investigation of some corruption cases where top level officers of Punjab National Bank were involved;

(b) if so, the present status of this investigation;

(c) whether any enquiry conducted by Vigilance Department of Banking Division of Ministry of Finance;

(d) if so, the details thereof alongwith the amount involved in such cases;

(e) if not, the reasons therefor; and

(f) the action taken by the Government to prevent such forgery of crores of rupees where Top Level Officials are involved?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Central Bureau of Investigation (CBI) has informed that it has conducted investigation in three cases against the officers of Punjab National Bank (PNB) of the level of Regional Manager and above since 2002. Chargesheet has been filed in one case, investigation is in progress in another and prosecution could not be launched in the third case in the absence on clinching evidence.

(c) to (e) Vigilance Section of Banking Division has not conducted any inquiry in these cases. Normally, inquiries in such cases are conducted by the specialized agencies like CBI on the basis of complaints received or on the basis of source information.

(f) RBI as a part of its supervisory responsibility has been advising banks from time to time about the common fraud prone areas and the measures to be taken by them to prevent/reduce the incidence of frauds in banks.

Interest Rate by Multinational Banks

7228. SHRI MANJUNATH KUNNUR : Will the Minister of FINANCE be pleased to state :

(a) whether Multinational Banks are charging very high interest rates from their customers;

(b) if so, the details thereof;

(c) whether the Government has directed these banks to abide by Reserve Bank of India guidelines while charging interest; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (d) As per the interest rate policy of the Reserve Bank of India (RBI), interest rate on loans given by the Commercial Banks including foreign banks are deregulated excepting that interest rate on loans up to Rs. 2 lakh should not exceed the Benchmark Prime Lending Rate (BPLR). Commercial Banks are free to decide their lending rate for loans above Rs. 2 lakh subject to announcement of their BPLR.

Excise on Biris

7229. SHRI SHYAMA CHARAN GUPTA : Will the Minister of FINANCE be pleased to state :

(a) details about case of detection of incorrect claim of exemption by branded manufacturers of Bidis with action therein;

(b) district-wise branded/unbranded Bidi manufacturers availing non-levy of central excise duty, as on 31.03.05;

(c) the number of surveys conducted to ensure compliance of laws during the last three years, year-wise;

(d) the number of manufacturers who get registration after exceeding the exemption limit;

(e) number of arrests made in three years for illegal claim of exemption; and

(f) the periodicity of field officers being posted at a particular place as continuity at a particular place allows non-detection of such cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (f) The information is being collected and the same will be laid on the Table of the House.

Purchase of Cotton

7230. SHRI B. VINOD KUMAR : Will the Minister of TEXTILES be pleased to state :

(a) whether the Cotton Corporation on India had commenced operations for purchase of cotton from farmers in Andhra Pradesh ;

(b) whether the Government's attention is drawn to several complaints by farmers that only small quantity of their cotton had been purchased and that too at a lower price; and

(c) if so, the action Government had taken to redress the complaints of farmers?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) In Andhra Pradesh, the Cotton Corporation of India (CCI) has procured 64.19 lakh quintals of kapas (seed cotton) under Minimum Support Price (MSP) operations out of a total purchase of 138.79 lakh quintals of kapas (equivalent to lint cotton of 27.09 lakh bales of 170 kg each) all over the country.

(b) from time to time, representations are received from various quarters for purchase of maximum cotton at MSP by the CCI.

(c) To protect the interests of the cotton growers, the Government of India announces MSP for kapas (seed cotton) of Fair Average Quality (FAQ). Whenever the market price of kapas falls to the level of MSP declared by the Government of India, the CCI undertakes minimum support price operations and purchases kapas without any quantitative limit. As the MSP is fixed for kapas of FAQ grade, on/off allowance is given for any change in standard parameters. Though, the MSP announced is for kapas of FAQ grade, to protect the interests of the farmers, the CCI also procures below FAQ grade kapas after making suitable deduction. During the current cotton year, till 05.05.2005, the CCI has purchased a record 138.79 lakh quintals of kapas (equivalent to lint cotton of 27.09 lakh bales of 170 kg each) under support price operations.

[Translation]

Hydro Power Project

7231. SHRI KAILASH MEGHWAL : Will the Minister of POWER be pleased to state.

(a) whether the conditions of setting up of hydro-power projects in North Eastern region of the country are very favourable in view of availability of natural resources;

(b) whether one of the main North Eastern States, Sikkim has invited public sectors and private sectors to formulate hydel-power projects on the basis of Built Own and Operated (B.O.O.) and Built Own Operate and Transfer (B.O.O.T) respectively; and

(c) whether his Ministry propose to encourage other States to set up projects on this line with a view to generate employment opportunities in this sector?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) Yes, Sir. A large undeveloped hydro potential exists in the North East.

(b) Yes, Sir. Sikkim State has allotted hydro projects to Public Sector on B.O.O. and to Private Sector of B.O.O.T. arrangements.

(c) A number of steps have already been taken by the Ministry of Power from time to time to boost development of hydro power and also taken various initiatives to encourage private sector participation for development of power sector.

[English]

Shivanasasamudram Power Project

7232. SHRI IQBAL AHMED SARADGI : Will the Minister of POWER be pleased to state.

(a) whether National Hydroelectric Power Corporation has signed any Memorandum of Understanding with the State Government of Karnataka to implement long pending Shivanasasamudram Power Project;

(b) if so, whether State Government has to provide land free of cost and develop infrastructure for the project;

(c) if so, whether State Government has already provided the infrastructure;

(d) if so, by what time the work on this project is likely to start; and

(e) if so, the time by which the project is likely to be completed?

THE MINISTER OF POWER (SHRI P. M. SAYEED) : (a) No, Sir.

(b) to (e) Do not arise.

Raghuvanshi Co-operative Bank

7233. SHRI SURESH WAGHMARE : Will the Minister of FINANCE be pleased to state :

(a) whether the liquidation process of Raghuvanshi Co-operative Bank, Mumbai started;

(b) if so, the present status of the Bank;

(c) the number of depositors likely to get back full amount under depository insurance guarantee scheme;

(d) the time by which the depository would get back their amount; and

(e) the steps being taken to expedite the same?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir. Licence of the Raghuvanshi Co-operative Bank Limited (RCBL), Mumbai has been cancelled by Reserve Bank of India on March 17, 2005 and with the appointment of liquidator by the Registrar of Co-operative Societies (RCS), Maharashtra State on March 19, 2005, the process of liquidation has commenced.

(c) to (e) The Liquidator appointed for liquidation of RCBL is in the process of preparing the list of depositors, which after certification by a Chartered Accountant's firm has to be submitted to the DICGC for settlement. DICGC settles the claims based on such certified List.

[Translation]

Work under JRY

7234. SHRI GIRIDHARI YADAV : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether work is being carried out under the Jawahar Rojgar Yojana in Bihar;

(b) If so, the details in this regard; and

(c) The funds allocated to Bihar by the Union Government under this scheme during the last three years alongwith the amount utilized and surrendered each year under this scheme?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) and (b) At present there is no scheme such as the Jawahar Rojgar Yojana.

(c) Does not arise.

[English]

Illegal Mining

7235. SHRI BASU DEB ACHARIA : Will the Minister of MINES be pleased to State :

(a) whether attention of the Government has been drawn to illegal mining taking place especially in command areas of Bharat Coking Coal Ltd. and Eastern Coalfields Ltd., subsidiaries of Coal India Ltd.;

(b) if so, the details thereof;

(c) whether attention has also been drawn to deplorable conditions of such areas, which can cause huge loss of lives and properties; and

(d) if so, the action taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO) : (a) and (b) As per

information furnished by Ministry of Coal, Coal India Limited (CIL), a Public Sector Company under the administrative control of Ministry of Coal is aware of the incidents of illegal mining in some areas of Eastern Coalfields Ltd., (ECL) and Bharat Coking Coal Ltd. (BCCL). Illegal mining activities are being done in the nature of clandestine extraction and pilferage of coal from the abandoned/disused mines or from outcrop regions within the lease hold as well as outside the lease hold areas of the coal companies. Cases of illegal mining have been reported mostly in the States of West Bengal and Jharkhand. Government of West Bengal has constituted a Joint Monitoring Committee at the State, District and Sub-Divisional level to curb illegal mining. In case of Jharkhand, BCCL has been holding meetings with local administrative and District Law and Order Authorities at regular intervals.

(c) and (d) The subsidiaries of CIL are taking actions to curb illegal mining by deploying security personnel of the companies and CISF. This being a State subject, the State Administration are also taking necessary deterrent action themselves and jointly with the concerned coal companies. Following further actions are also being taken by the coal companies to prevent illegal mining :

- (i) Intelligence collection;
- (ii) Dozing off/ filling up of illegal mining site wherever possible;
- (iii) Round the clock patrolling by own security force and CISF;
- (iv) Erection of fencing walls in abandoned/disused openings;
- (v) Surprise checks/raids by security force/CISF;
- (vi) Whenever illegally mined coal and implements of illegal 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 preventing illegal mining.

[Translation]

Plantation of Jatropha

7236. SHRI GANESH SINGH : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Forest Department of Madhya

Pradesh has sent any proposal for plantation of Jatropa (rathajyoti) on land lying unused; and

- (b) if so, the action taken so far in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) and (b) The Ministry of Rural Development, which is co-ordinating the operationalization of the Planning Commission's Report on the National Mission on Bio-diesel, has not received any proposal from the Forest Department, Government of Madhya Pradesh for plantation of Jatropa.

[English]

Excise Duty against Companies

7237. KUNWAR MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

- (a) the companies against which excise duty amounting to Rs. 500 crores and above is outstanding;
- (b) the time since when the above excise duty is outstanding in each case;
- (c) the main reasons for non-recovery thereof; and
- (d) the measures taken or proposed to be taken for early recovery of outstanding excise duty from these companies?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) The Central Excise duty is collected unit-wise. There is no unit having Central Excise duty outstanding to the tune of Rs. 500 crore or above as on 30th April, 2005.

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

Reduction in Below Poverty Line Families

7238. SHRI P. KARUNAKARAN : Will the Minister of RURAL DEVELOPMENT be pleased to state.

- (a) whether the Government of Kerala has submitted any representation with regard to the National Sample Survey conducted by the Union Government regarding BPL families;

- (b) whether the survey has reduced the number of BPL families who were getting the benefits for the last several years;

- (c) if so, whether the Government is considering to restore the prior position in this regard;

- (d) if so, the details in this regard; and

- (e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) Yes, Sir.

(b) to (e) The Planning Commission estimates the number and the proportion of the poor in the country based on the quinquennial Consumption Expenditure Surveys conducted by the National Sample Survey Organisation (NSSO). The poverty estimates brought out by the Planning Commission indicated that in Kerala the poverty ratio in rural areas had declined from 25.76% in 1993-94 to 9.38% in 1999-2000. The State Government of Kerala has requested the Ministry of Rural Development to review the limit imposed on the total number of BPL households to be identified under the guidelines of BPL Census, 2002. The representations of various States in this regard have already been considered by the Ministry and the States have been given enough flexibility to decide the total number of BPL households which may be equal to the poverty estimates of 1999-2000 by the Planning Commission or the Adjusted Share whichever is higher. In addition, 10% flexibility has been granted on account of transient poor. With this modification, the number of BPL families in the rural areas in Kerala will be almost same as that getting benefits for the last several years.

Amendment in National Rehabilitation Policy

7239. SHRI G.V. HARSHA KUMAR : Will the Minister of RURAL DEVELOPMENT be pleased to state.

- (a) whether the Government has any proposal to amend the existing National Rehabilitation Policy as appeared in 'Hindu' dated the January 2, 2005;

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

- (c) the steps proposed to be taken by the Government to provide rehabilitation to the displaced people?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) and (b) There is no proposal to amend the existing National Resettlement and Rehabilitation Policy.

(c) The Ministry of Rural Development have formulated a National Policy on Resettlement and Rehabilitation for the Project Affected Families-2003 (NPRR-2003). The salient features of the Policy are as given below :

- This Policy will be applicable to Projects displacing 500 families or more enmasse in plain areas and 250 families or more in hilly areas, Desert Development Programme (DDP) blocks, areas mentioned in Schedule V and Schedule VI of the Constitution of India.
- This Policy would be in the form of broad guidelines for guidance of all concerned.
- This Policy document provides R&R benefits to those Project Affected Families who have lost their land and house. There benefits will also be available to small and marginal farmers, agricultural and non-agricultural labourers, rural artisans/self employed youths whether belonging to Below Poverty Line (BPL) or non BPL category. However, the States where R&R packages are higher than that proposed in the Policy are free to adopt their own packages.
- The above said categories of PAFs shall be entitled to get R&R benefits in monetary terms like allotment of house sites, grants for construction of house and cattle shed, grant for land development and agriculture production, construction of shop/work shed to rural artisans and one time grant for monthly subsistence allowance to those Project Affected Families who have lost their land and house and employment.
- The tribal PAFs resettled out of the district/taluka will get 25% higher R&R benefits in monetary terms in addition to other R&R benefits.
- A Grievance Redressal Cell will be set at Project level and a Monitoring Cell at National level for monitoring the progress of various R&R projects.

Proposal under SGSY

7240. SHRI G.M. SIDDESWARA : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) whether the Union Government has received any proposal from the State Government of Karnataka for sanction of special project under Swarna Jayanti Swarozgar

Yojana (SGSY) for Dairy development in Davangere District of Karnataka State;

(b) if so, whether the estimated cost of the project is Rs. 1216.5 lakhs and full assistance has been sought from the Union Government;

(c) if so, whether the Union Government has considered this proposal of the State Government of Karnataka;

(d) if so, the time by which the approval will be given to the Karnataka Government; and

(e) if not, the main reasons for the same?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) and (b) A proposal for Dairy Development in Davangere District has been received by this Ministry from the State Government of Karnataka for sanction under Special Projects component of Swarnjayanti Gram Swarozgar Yojana. The proposed cost of the project is Rs. 1216.5 lakhs to be shared between the Central and State Government in the ratio of 75 : 25.

(c) to (e) The Proposal has been forwarded to the Department of Animal Husbandry in Ministry of Agriculture for technical scrutiny, on receipt of the comments of the Department of Animal Husbandry, the project will be considered as per the prescribed procedure.

Bogus TDS

7241. SHRI B. MAHTAB : Will the Minister of FINANCE be pleased to state :

(a) whether the Government is aware about bogus tax deduction at source in the country;

(b) if so, the steps taken thereto;

(c) whether Income Tax Department employees are under the scanner; and

(d) if so, the results therein?

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.

*[Translation]***Sanitation Projects**

7242. SHRI MUNSHI RAM :

SHRI TAPIR GAO :

SHRI JUAL ORAM :

SHRI NARENDRA KUMAR KUSHAWAHA :

SHRI GIRIDHARI YADAV :

SHRI KAILASH MEGHWAL :

Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) the number of villages in the country developed as model villages under the Central Rural Sanitation Programme during each of the last three years, State-wise;

(b) the details of funds allocated for the said purpose, year-wise and State-wise;

(c) the number of projects on sanitation launched/completed during each of the last three years, State-wise;

(d) whether any target regarding the said projects is set/proposed to be set;

(e) if so, the details thereof;

(f) the number of NGOs involved in the said project alongwith the performance thereof during the last three years and the amount allocated/utilized by them for sanitation projects;

(g) whether the Government has received any request from State Governments for assistance under this programme;

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

(i) the number of Mahila Sanitation Complex constructed under the programme; and

(j) The agencies involved in the sanitation programme and its implementation?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) The scheme of model villages under Central Rural Sanitation Programme (CRSP) has been discontinued since 31.3.2002.

(b) Does not arise.

(c) to (e) During the last three years, 328 Total Sanitation

Campaign (TSC) projects were sanctioned in the country. State-wise numbers of projects sanctioned during each of the last three years are given in the Statement-I enclosed. TSC is a demand driven project and no annual target of number of projects is/proposed to be fixed.

(f) No NGO is engaged directly by Government of India for implementation of TSC project.

(g) and (h) Yes, Government of India receives requests from the State Governments periodically for sanction of TSC projects. The projects found in accordance with the guidelines are sanctioned. The total number of projects sanctioned so far state-wise is given in the Statement-II enclosed.

(i) 4832 number of Mahila Sanitation blocks have been constructed under the programme.

(j) TSC projects are implemented by Zilla Parishads or District Water & Sanitation Missions at the district level.

Statement-I

Sl. No.	State	2002-2003	2003-2004	2004-2005	Total
1	2	3	4	5	6
1.	Andhra Pradesh	8	4	0	12
2.	Arunachal Pradesh	0	0	0	0
3.	Assam	0	3	1	4
4.	Bihar	6	0	0	6
5.	Chhattisgrah	3	2	1	6
6.	Dadra and Nagar Haveli	1	0	0	1
7.	Goa	0	1	0	1
8.	Gujarat	2	0	20	22
9.	Haryana	3	12	0	15
10.	Himachal Pradesh	5	0	0	5
11.	Jammu and Kashmir	2	10	0	12
12.	Jharkhand	2	0	16	18
13.	Karnataka	0	0	15	15
14.	Kerala	7	0	0	7
15.	Madhya Pradesh	9	30	0	39

1	2	3	4	5	6
16.	Maharashtra	11	13	0	24
17.	Manipur	3	0	0	3
18.	Meghalaya	0	2	0	2
19.	Mizoram	1	1	0	2
20.	Nagaland	1	0	0	1
21.	Orissa	10	0	15	25
22.	Pondicherry	0	0	0	0
23.	Punjab	2	9	0	11
24.	Rajasthan	5	0	11	16
25.	Sikkim	0	0	0	0
26.	Tamil Nadu	12	6	1	19
27.	Tripura	0	0	0	0
28.	Uttar Pradesh	13	29	0	42
29.	Uttaranchal	5	7	0	12
30.	West Bengal	5	3	0	8
Total		116	132	80	328

Statement-II

Sl.No.	Name of States/UTs	Total No. of TSC Projects
1	2	3
1.	Andhra Pradesh	22
2.	Arunachal Pradesh	4
3.	Assam	15
4.	Bihar	16
5.	Chhattisgarh	7
6.	Dadra and Nagar Haveli	1
7.	Goa	1
8.	Gujarat	25
9.	Haryana	19
10.	Himachal Pradesh	7
11.	Jammu and Kashmir	14

1	2	3
12.	Jharkhand	22
13.	Karnataka	18
14.	Kerala	13
15.	Madhya Pradesh	45
16.	Maharashtra	33
17.	Manipur	4
18.	Meghalaya	2
19.	Mizoram	2
20.	Nagaland	4
21.	Orissa	30
22.	Pondicherry	1
23.	Punjab	14
24.	Rajasthan	21
25.	Sikkim	4
26.	Tamil Nadu	29
27.	Tripura	4
28.	Uttar Pradesh	70
29.	Uttaranchal	13
30.	West Bengal	18
Grand Total		478

*[English]***Private Investment in Power Sector**

7243. SHRI SURESH KALMADI : Will the Minister of POWER be pleased to state :

(a) whether the Government have cleared the roadmap for power reforms recently envisages an investment of Rs. 9,00,000 crore by 2012 and allowed a large proportion from private sector as appeared in the Times of India dated the Feb. 4, 2005;

(b) if so, the facts reported therein; and

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

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) The National Electricity Policy which has been notified by the Central Government under section 3 of the Electricity Act, 2003, states that "to meet the objective of rapid economic growth and 'power for all' including household electrification, it is estimated that an investment of the order of Rs. 9,00,000 crores at 2002-03 price level would be required to finance generation, transmission, sub-transmission, distribution and rural electrification project. Power being most crucial infrastructure, public sector investments, both at the Central Government and State Governments, will have to be stepped up. Considering the magnitude of the expansion of the sector required, a sizeable part of the investments will also need to be brought in from the private sector".

(c) The Electricity Act, 2003 creates a liberal framework for development of the electricity industry promoting competition therein, protecting interest of consumers and supply of electricity to all areas, rationalization of electricity tariff, ensuring transparent policies regarding subsidies, constitution of Regulatory Commissions and establishment of Appellate Tribunal. The Act reduces entry barriers in different segments of power supply industry and promotes competition and in turn efficiency improvements.

Generation has been delicensed by the Act. The Act provides for non-discriminatory open access in transmission from the very outset. Open access in distribution is to be introduced by the SERCs in phases.

Section 63 of the Electricity Act, 2003 provides that the Appropriate Commission shall adopt the tariff if such tariff has been determined through transparent process of bidding in accordance with the guidelines issued by the Central Government. Central Government has issued the guidelines for competitive bidding for determination of tariff for procurement of power by distribution licensees. It is expected to facilitate private sector participation in generation.

Transmission has been permitted as a licensed activity. Transmission licensee is to be granted by the Appropriate Regulatory Commission.

The Act also provides for multiple distribution licenses in same area through their own distribution system. The Central Government has already notified the additional requirements for this purpose as stipulated in the Act.

Under the Electricity Act, 2003, captive power plants, including group captive, have been freely permitted.

Ministry of Power is facilitating financial closure of generation projects, an Inter Institutional Group (IIG) comprising senior representatives from the Financial Institutions and Ministry of Power has been constituted to focus on fast track power projects which could achieve early financial closure. Eleven private power projects having a total capacity of about 4000 MW have since achieved financial closure and another eleven projects with a total capacity of 12,000 MW are being monitored by the IIG for facilitating early financial closure.

Expansion of Textile Mills

7244. SHRI DUSHYANT SINGH : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government has any proposal to set up major textile mills having larger capacities than the existing textile mills during the Tenth and Eleventh Five year Plan;

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

(c) whether any action plan has been formulated on the aforesaid proposal; and

(d) if so, the details thereof?

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

(b) Does not arise.

(c) No, Sir

(d) Does not arise.

[Translation]

Proposals for Rural Development

7245. SHRI THAWAR CHAND GEHLOT : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) the number of proposals pertaining to rural development scheme pending with the Government for approval from 2001 to April, 2005, State-wise and Scheme-wise including the time of pendency of each proposal;

(b) the reasons for delay in clearing these proposals; and

(c) the names of scheme introduced/modified/

discontinued/introduced by the Government during the period from 2004 till date alongwith the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMETARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) The Ministry of Rural Development receive proposals under all the Rural Development schemes from the District Rural Development Agencies and State Governments for getting installments of Central funds as per the programme guidelines. These proposals are examined by the programme divisions and in all eligible cases funds are released to them during the same year. However, in case of special projects of Swarnjayanti Gram Swarozgar Yojana (SGSY), state-wise status of pending proposals is given in the Statement enclosed.

(b) A large number of special projects under SGSY are being received from the State Governments and after appraisal in the Ministry, these are placed before the Inter-Ministerial Committee for approval. Appraisal and approval are continuous processes. Funds under special projects of SGSY are provided to the State as an additional grant subject to the savings under the main programme (upto of 15% of allocation under SGSY).

(c) The Ministry of Rural Development has launched a wage employment programme namely, National Food for Work Programme (NFFWP) in 150 most backward districts of the country w.e.f November 2004 to generate supplementary wage employment and providing food security through creation of need based economic, social and community assets in these districts. Few schemes of Rural Housing such as Innovative Stream for Rural Housing and Habitat Development, the Rural Building Centres (RBCs) and the Samagra Awaas Yojana (SAY) have been discontinued and merged with the main scheme of Indira Awaas Yojana (IAY).

Statement

State-wise Pending Proposals under SGSY Special Projects from April 2001-March 2005

Sl.No.	Name of the State	No. of Projects
1	2	3
1.	Andhra Pradesh	7
2.	Arunachal Pradesh	3
3.	Assam	3

1	2	3
4.	Bihar	5
5.	Chhattisgarh	7
6.	Gujarat	4
7.	Haryana	4
8.	Himachal Pradesh	7
9.	Jharkhand	2
10.	Karnataka	10
11.	Madhya Pradesh	10
12.	Maharashtra	1
13.	Manipur	7
14.	Mizoram	4
15.	Nagaland	6
16.	Punjab	1
17.	Rajasthan	1
18.	Tamil Nadu	3
19.	Uttar Pradesh	4
20.	Uttaranchal	8
21.	West Bengal	1
Total		98

[English]

Power Projects Commissioned by NEEPCO

7246. DR. ARUN KUMAR SHARMA : Will the Minister of POWER be pleased to state.

(a) economic profile and gestation period of projects being commissioned as well as being operated by North Eastern Electric Power Corporation (NEEPCO); and

(b) the details of proposal to be assigned to NEEPCO in near future?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) and (b) The requisite details of completed and ongoing Power Projects and proposals in pipeline of North Eastern Electric Power Corporation (NEEPCO) are in the statement enclosed.

Statement

*Details of completed and ongoing Power Projects and proposals in pipeline of
North Eastern Electric Power Corporation (NEEPCO)*

(A) Completed Projects

Sl.No.	Name of Project and Location	Approved Comp. Cost (Rs. in Crs.)	Gestation Period (Month/Year)	Annual Fixed Charge (Rs. in crore)	Rate of Energy Charge (Paise/ Unit)
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A. Hydro Projects

1.	Kopili HE Power Station, (150 MW), Assam	243.82	13 years	56.93	40.53
2.	Kopili HE Power Station, Stage-I Extn., (100 MW), Assam	134.48	4 years 1 month.	16.88	40.53
3.	Doyang HE Power Station, (75 MW), Nagaland	758.70	15 years 4 months	45.83	40.53
4.	Ranganadi HE Power Station, (405 MW) Ar. Pradesh	1455.45	14 years 11 months	202.52	40.53
5.	Kopili HE Power Station, Stage-II, (25 MW), Assam	95.02	4 years 5 months	Tariff petition submitted to CERC.	

B. Thermal Projects

1.	Assam Gas Based Combined Cycle Power Project, (291 MW), Assam	1532.32	10 years 8 months	290.105	40.53
2.	Agartala Gas Turbine Power Project, (84 MW), Tripura	322.55	3 years 6 months	53.01	83.52

(B) Projects being Commissioned/On going Projects

Sl.No.	Name of Project and Location	Latest Cost/Approved Cost (Rs. in crores)	Gestation Period
1.	Tuirial HE Project (60 MW) Mizoram	368.72 (June, 97 price level) Latest Rev. Cost Rs. 808.55 (Oct. 2004 price level)	8 years w.r.t. Original Commissioning Schedule
2.	Kameng HE Project, (600 MW) Ar. Pradesh	2496.90 (March, 04 price level)	5 years from the date of investment approval (02/12/2004)

(C) Proposals in Pipeline

Sl.No.	Name of Project and Location	Latest Cost/Approved Cost (Rs. in crores)	Proposed Commissioning Schedule
1	2	3	4
1.	Tripura Gas Based Power Project (280 MW), Tripura	864.98 (Feb. 04 price level)	X & XIth Plan
2.	Tripura Kopili Transmission System (TKTS)	486.07 (2nd Qrt. 04 price level)	Xth Plan

1	2	3	4
3.	Tipaimukh HE Project (1500 MW), Manipur	5163.86 (TEC Approved) (Dec. 02 price level)	XIth plan (1st Unit in XIth Plan)
4.	Dikrong HEP (110 MW) (Pare Hydro Electric Project), Arunachal Pradesh	510.24 (Feb. 04 price level)	During XIth Plan
5.	Ranganadi HEP Stage-II (130 MW) Arunachal Pradesh	557.58 (Oct. 02 price level)	XIth Plan

**Private Participation in
Power Sector**

7247. SHRI JUAL ORAM : Will the Minister of POWER be pleased to state :

(a) whether Government has allowed private sector to set up power plants in the country;

(b) if so, the number of power plants set up by the private sector during the last three years, state-wise;

(c) the number of power plants proposed to be set up during Tenth Five Year Plan in private sector State-wise; and

(d) the extent to which it will help to generate additional power in the country?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) Yes, Sir.

(b) During the last 3 years (2002-2005), four thermal power projects aggregating to a capacity of 418 MW have been commissioned in private sector. The state-wise details of these projects are given in the Statement-I enclosed. In addition, one hydro electric station namely, Baspa-II having an installed capacity of 300 MW (3x100) of M/s Jai Parkash Hydro Power Limited in Himachal Pradesh was commissioned in 2003.

(c) Sixteen thermal power projects, aggregating capacity of 5950.6 MW were proposed to be set up during Tenth Five Year Plan in private sector. State-wise details of private sector power plants, targeted/anticipated for commissioning during Tenth Plan are at Statement-II enclosed. Moreover, three hydro power plants were proposed to be set up in private sector. State-wise details of these power plants are at Statement-III enclosed.

(d) These projects, after their commissioning will have total installed generation capacity of 4200 MW in thermal projects and 870 MW in Hydro power plants.

Statement-I

Thermal Power Projects Commissioned during the last three years in Private Sector

State	Project Name	Capacity (MW)
A & N Islands	Bambooflat DGPP	20.00
Andhra Pradesh	Peddapuram CAPP	78.00
Tamil Nadu	Karuppur CAPP	70.00
	Neyveli Zero TPP	250.00
Total		418.00

Statement-II

Details of thermal projects targeted/anticipated for commissioning during 10th Plan in private sector

State	Project Name	Capacity
1	2	3
A. Projects already Commissioned		
A & N Islands	Bambooflat DGPP	20
Andhra Pradesh	Peddapuram CAPP	78
Tamil Nadu	Karuppur CAPP	70
	Neyveli Zero TPP	250
	Sub-Total	418.00
B. Projects under Construction		
Andhra Pradesh	Gautami CAPP	464
	Jegrupadu CAPP Extn.	220
	Konaseema CAPP	445
	Vemagiri CAPP	370

1	2	3
Chhattisgarh	Raigarh TPP (Ph-I)	250
Jharkhand	Jojobera TPP	120
Maharashtra	Dabhol CCPP-II	1444
Tamil Nadu	Karuppur CCPP	49.8
	Valantharavai CCPP	52.8
	Sub-Total	3415.60
	Project Name	Capacity

C. Projects under Award Process/Construction Work to start

Gujarat	Akhakhoh CCPP	365
	Sub-Total	365

D. Projects Slipping/Dropped from 10th Plan Target

Bihar	Bihta TPP	135
Gujarat	Jamnagar TPP	500
Karnataka	Hassan CCPP	189
	Kaniminike CCPP	107.60
Madhya Pradesh	Bina TPP	578
Punjab	Goindwal TPP	500
	Sub-Total	2009.60
	Total	4198.60
	(10th Plan Power Sector)	

Statement-III

Hydro Power Plants proposed to be set up during 10th Five Year Plan in Private Sector

State	Name of Hydro Power Plant	Capacity (MW)
Himachal Pradesh	Dhamwari Sunda	70
Madhya Pradesh	Maheshwar	400
Uttaranchal	Vishnu Prayag	400
	Total	870

Filling of Additional Proforma by NGO's

7248. SHRIMATI MANORAMA MADHAVRAJ : Will the Minister of FINANCE be pleased to state :

(a) whether the recent amendments to the guidelines for receiving foreign aid by NGO's from bilateral partners, mandate the beneficiaries to fill up an additional proforma for submission to the Department of Economic Affairs;

(b) if so, details thereof;

(c) whether the additional amendments will not invoke bureaucratic bottlenecks in this regard;

(d) whether the NGOs have represented against the new provision;

(e) if so, details thereof along with reaction of the Government thereto; and

(f) action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) Yes, Sir. Non-governmental Organizations (NGOs), autonomous institutions etc., seeking external assistance from bilateral development partners are required to fill a prescribed proforma and submit it through the concerned external development partner country along with their project proposals. A copy of the guidelines is also available on Ministry of Finance web site: www.-finmin.nic.in.

(c) to (f) Although representations have been received apprehending delays, project proposals, as and when received, are being processed expeditiously in a time bound manner, to prevent any delay.

[Translation]

Revenue of the Government

7249. SHRI CHINTA MOHAN :

SHRI RAJIV RANJAN SINGH "LALAN" :

Will the Minister of FINANCE be pleased to state :

(a) the combined revenue of both the Union Government and the State Governments in proportion to the Gross Domestic Product (GDP) of the country;

(b) whether the Government has taken any decision to increase this percentage;

(c) if so, the details thereof;

(d) whether the VAT has been introduced in the country as a part of it; and

(e) if so, the additional revenue likely to be generated therefrom?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (c) The combined revenue of the Union and State Governments as a proportion of GDP was 19.3 per cent in 2003-04 (RE) and 19.7 per cent in 2004-05 (BE). Conscious of the need to sustain high rates of growth with macro economic stability, government has been taking a series of initiatives to augment revenue, restructure expenditure for the creation of productive assets and rein in deficits. These, inter alia, include widening the tax base through increased coverage under service tax net, phased removal of exemptions, recovery of tax arrears, maintaining soft interest rates and pension reforms. Furthermore, Central Government has been providing incentives to States to take up fiscal reforms, public sector restructuring and power sector reforms.

(d) and (e) Introduction of State-level Value Added Tax (VAT) from April 11, 2005 was another critical tax reform agenda. It is a State subjects and the Central Government has played the role of a facilitator. Central Government has not made any official estimate for additional revenue gain from VAT. However, Central Government has assured a compensation package for States, if any State loses revenue on account of introduction of VAT.

[English]

Revenue Deficit

7250. SHRI ADHIR CHOWDHURY :

SHRI NIKHIL KUMAR :

SHRI S.K. KHARVENTHAN :

Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government has faced huge revenue deficit during the year 2004-05;

(b) if so, the details thereof;

(c) the factors responsible for such huge revenue deficit; and

(d) the steps taken by the Union Government to prevent huge revenue deficit?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) The revenue deficit of the Union Government was 2.7 per cent of Gross Domestic Product (GDP) in 2004-05 (RE). Though this is higher than the Budget Estimates by 0.2 percentage points, it is fully compliant with the minimum annual reduction of 0.5 per cent of GDP mandated under The Fiscal Responsibility and Budget Management (FRBM) Rules, 2004

(c) Does not arise.

(d) Adherence to the targets set under the FRBM Act and Rules made thereunder is likely to result in the elimination of revenue deficit by 2008-09. Government has been taking a number of measures like widening the tax base through phased removal of exemptions, increased coverage under service tax, special drive to realise tax arrears, pension reforms, maintaining soft interest rates and reducing unproductive revenue expenditure.

[Translation]

Handloom Exhibition and Fairs

7251. SHRI JIVABHAI A. PATEL :

DR. DHIRENDRA AGARWAL :

Will the Minister of TEXTILES be pleased to state :

(a) the number of handloom exhibitions and fairs organised in the country during the last three years;

(b) the details thereof, location-wise alongwith the amount incurred thereon;

(c) the details in regard to audit if any, carried out to ascertain whether the expenditure incurred is utilized properly; and

(d) if so, the shortcomings noticed during such audit?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (d) The information is being collected and will be laid on the Table of the House.

[English]

Setting up of Thermal Power Projects

7252. SHRI HARIBHAU RATHOD : Will the Minister of POWER be pleased to state :

(a) whether proposed 1000 MW NTPC power to be

set up at Mauda in Nagpur district of Maharashtra has been cleared in all respect;

(b) if so, the details thereof along with the estimated cost of the project and the time frame for its implementation;

(c) if not, the reasons therefor; and

(d) the steps taken by the Government for expeditious clearance of the project?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) to (d) No, Sir. Among the various site-specific studies undertaken by National Thermal Power Corporation (NTPC) to establish Techno-economic viability of 1000 MW power project proposed to be set up at Mauda in Nagpur District of Maharashtra, Topographical Survey, Make-up Water Study and Geo-Technical Investigations have been completed while Seismic Study, Environmental Impact Assessment Study etc. are in progress.

While Ministry of Power, Government of India has been reviewing various clearances/preparation required for expediting setting up of the project, in a meeting held in Ministry of Power, it has been informed by Government of Maharashtra that water reservoir of 100 M m³ net (excluding evaporation losses) has been sanctioned by the State Government for NTPC's Mauda Thermal Power Project and the rate of water utilization, as envisaged is Rs. 29 per 10,000 litres. However, if proportionate cost of reservoir is borne by the user i.e. NTPC then the rate of water is envisaged to be Rs. 10 per 10,000 litres.

[Translation]

Modernization of Registrar Office

7253. SHRI RAM CHANDRA PASWAN :

SHRI SURAJ SINGH :

Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) the number of new offices of Registrar of Companies proposed to be open during 2005-2006, State-wise;

(b) the number of proposals pending with the Government for expansion of the existing Offices of Registrars; and

(c) the measures taken to bring about improvement in the functioning of the Office of Registrar and also specific steps taken for their modernisation?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) there is no proposal for opening of new offices of Registrar of Companies (State-wise) during 2005-2006.

(b) No proposal is pending with the Government for expansion of the existing offices of Registrars.

(c) The Ministry has initiated a holistic e-governance program called "MCA21"; to improve certainty and speed of delivery of service. This programme envisages electronic-filing of companies' document through an interactive and paperless process through Internet. It also ensures uniform transmission of information amongst all MCA offices across the country.

The project is scheduled to be implemented over a period of 60 weeks starting from 1st March 2005 and thereafter provides for an operation period of six years. There is a proposal to open Physical Front Offices at 53 locations through out the country for a period of three years. These Physical Front Offices will help in allowing access to services from a number of additional locations in the country till the system of manual registration and filing is switched over to electronic mode under this project.

[English]

TEXTILE RESEARCH ASSOCIATION

7254. SHRI KISHANBHAI V. PATEL :

SHRI SUGRIB SINGH :

Will the Minister of TEXTILES be pleased to state :

(a) whether the textiles committee under Textiles Committee Act, 1963 has set up eco testing facilities in various laboratories;

(b) if so, the details thereof;

(c) the details of grants-in-aid released for the Textile Research Association for various research projects during the last three years, year-wise; and

(d) the details of the projects undertaken during each of the last three years particularly based on eco-technology in the field of textiles?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) Yes, Sir. The Textiles Committee has set up nine Eco Testing Laboratories with eco testing facilities for the testing of banned amines and other eco-parameters

at Bangalore, Cannanore, Chennai, Jaipur, Ludhiana, Mumbai, New Delhi, Tirupur and Karur.

(c) Grants in aid released in respect of Textile Research Associations during the last three years are as follows :

(Rs. in lakhs)		
2002-2003	2003-2004	2004-2005
864.06	212.70	72.81

(d) Details of eco-technology projects in the field of textiles undertaken by Textile Research Associations during the last three years are given in the Statement enclosed.

Statement

Eco Technology Projects undertaken by Textile Research Associations during the last three years

Synthetic and Artalk Mills Research Association

1. Speciality yarns from recycled PET bottles using different spinning techniques.
2. Development of zero effluent textiles process for dye-houses.

Northern India Textile Research Association

1. Development of cost effective & eco friendly bleaching of natural textile fibres using advanced oxidation technique.
2. Development of spray mist technology for hank dyeing .
3. Development of Dyeing Technology for hank dyeing with low liquor ratio.
4. Removal of Pentachlorophenol from textile materials.

Indian Jute Industrys' Research Association

1. New Studies on Jute Geo-textile-soil interaction.
2. Standardization and implementation of Electrical Design Lay-out for Jute Mill to reduce transmission and distribution losses (Energy savings).
3. Jute Geo-Textiles-Newer Fabric Design for improved performance.
4. Improving Industrial Efficacy of RBO Technology.

5. Development of Paper Board using Jute Caddies & Recycled Waste Paper.

6. Development of garbage Disposal Bag.

The South India Textiles Research Association

1. Disposal or processing of Textile Sludge.
2. Study on Chromium Contamination in Ginned Lint due to chrome composite leather clad roller in Gineries.

Ahmedabad Textile Industrys' Research Association

1. Towards producing contamination free clean cotton bales to enable the Indian textile industry to compete in the international market.
2. Design and development of appropriate in situ hear recovery system for soapers/washers in decentralised sector process houses.
3. Development and standardization of safe methods for analysis of eco-parameters in textile substrates with better sensitivity.

Wool Research Association

1. Investigation of Herbs-Beladonna, Neem & Custard apple seeds as effectiveness proofers.
2. Derivatisation, Separation of Isomers and their quantification using internal standard.

The Bombay Textile Research Association

1. Eco-friendly finishing to natural dyed fabric with special reference to decentralized sector.
2. Exploration of new avenues in application of biotechnology in textile processing with respect to quality improvement and source reduction in stream pollution.

APDRP

7255. SHRIMATI NIVEDITA MANE :
SHRI KIRTI VARDHAN SINGH :
SHRI ANIRUDH PRASAD ALIAS SADHU
YADAV :

Will the Minister of POWER be pleased to state :

(a) whether any cut has been proposed in the allocation of funds provided for Accelerated Power Development and Reforms Programme (APDRP);

- (b) if so, the reasons therefor;
- (c) whether some States have made request for more funds for the programme;
- (d) if so, the details thereof;
- (e) whether the Government has monitored the functioning of SEBs in the matter of generation and distribution of power after APDRP was introduced in the country; and
- (f) if so, the details thereof?

THE MINISTER OF POWER (SHRI P.M. SAYEED) : (a) Yes, Sir. An amount of Rs. 630.00 crores has been allocated for the years 2005-06 under Accelerated Power Development and Reforms Programme (APDRP).

(b) The Planning Commission has informed that budgetary provision for 2005-06 has been reduced for APDRP based on the assessed level of the implementation of the programme and level of utilization of funds in the past three years.

(c) and (d) During the financial year 2004-05, the Government has sanctioned sub-transmission and distribution projects amounting to Rs. 2885.30 crores under APDRP to various states.

No proposal is pending with the Ministry of Power for release of funds under investment component of the APDRP except release of funds to Manipur and Mizoram which could not be released due to non fulfilment of conditions laid down in Tripartite Agreement (TPA) signed by them. Recommendations for release of funds under incentive component of the APDRP to Kerala, Gujarat and West Bengal have been forwarded to Ministry of Finance.

(e) and (f) Implementation of APDRP has bearing on improvement of sub-transmission and distribution sector. It has no bearing on generation of electricity. All State Electricity Boards (SEBs)/Utilities are required to submit monthly progress report on the distribution issues like steps taken for reducing Aggregate Technical & Commercial (AT&C) Losses, stop theft and pilferage of power, 11kV feeder metering & consumer metering, energy accounting & auditing, IT initiatives to improve collection efficiency and consumer satisfaction etc. which are monitored. The Steering Committee under the chairmanship of Secretary (Power), Ministry of Power and State Level Distribution Reforms Committees, review the progress of works under APDRP and proper utilization of funds released under APDRP from time to time.

[Translation]

Opening of RRBs in States

7256. SHRI SHIVRAJ SINGH CHOUHAN : Will the Minister of FINANCE be pleased to state :

(a) the number of Regional Rural Banks operating in each State of the country as on March 31, 2005; and

(b) the number of branches of these banks proposed to be opened in each State during the current year and the year 2006?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) and (b) The number of Regional Rural Banks (RRBs) operating in the country Statewise as on 31st March 2005 and the number of branches proposed to be opened during 2005-06 is as under :

Sl.No.	Name of State	Number of RRBs	Number of Branches Proposed to be Opened during 2005-06
1	2	3	4
1.	Andhra Pradesh	16	2
2.	Arunachal Pradesh	1	-
3.	Assam	5	4
4.	Bihar	16	11
5.	Chhattisgarh	5	2
6.	Gujarat	9	8
7.	Haryana	4	13
8.	Himachal Pradesh	2	-
9.	Jammu and Kashmir	3	-
10.	Jharkhand	6	-
11.	Karnataka	13	14
12.	Kerala	2	10
13.	Madhya Pradesh	19	5
14.	Maharashtra	10	2
15.	Manipur	1	-
16.	Meghalaya	1	-

1	2	3	4
17. Mizoram		1	1
18. Nagaland		1	-
19. Orissa		9	1
20. Punjab		5	1
21. Rajasthan		14	7
22. Tamil Nadu		3	-
23. Tripura		1	-
24. Uttar Pradesh		36	-
25. Uttaranchal		4	2
26. West Bengal		9	11
Total		196	94

[English]

7257. SHRI G. KARUNAKARAN REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether the production of jute in the country has fallen considerably during the last three years;

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

(c) the main reasons for the same; and

(d) the steps taken by the Government to boost production of jute and to revive the jute mills/industries in the country?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) According to the Directorate of Jute Development, Ministry of Agriculture, the estimated area, and production for the last three years are as follows :

Year	Area ('000 ha.)			Production in lakh bales		
	Jute	Mesta	Total	Jute	Mesta	Total
2002-03	864.4	176.3	1040.7	102.99	10.36	110.36
2003-04	814.9	161.5	976.4	102.35	9.02	111.37
2004-05	694.9	150.6	845.5	86.81	8.75	95.56

(c) The marginal decline in production of jute and mesta 2004-05 is due to lower coverage under the crops on account of adverse weather conditions and prevailing market prices during the sowing season.

(d) The following steps have been taken by the Government to boost production of jute and to revive the jute mills/industries in the country :

Steps to boost production of jute:

- (i) Introduction of better retting facilities
- (ii) Development of R&D activities for higher yield.
- (iii) Encouragement to farmers by offering better raw jute prices every year.
- (iv) Fixation of Minimum Support price for raw jute and mesta to provide a safety net to jute farmers to prevent them from distress sale of their produce.
- (v) Launching of the new National Jute Policy 2005.

(vi) Implementation of Schemes by the Ministry of Agriculture pertaining to R&D efforts and better agronomic practices to increase yield and quality of raw jute produced by the jute growers.

Steps to revive jute mills/industries :

- (i) Providing soft loan to the jute industry to purchase new machines through the Technology Upgradation Fund Scheme (TUFS).
- (ii) Offering incentives scheme for modernization of jute industry through JMDC.
- (iii) Extension of JMDC External Market Assistance (EMA) Scheme. EMA is allowed for 12 products and range of assistance varies from 5% to 10%.
- (iv) Promotion of a diversified product portfolio through schemes, operated by the National Centre for Jute Diversification (NCJD) and Jute Manufacturers Development Council (JMDC) so as to ensure a better price to the farmers for their high quality fibre used for JDPS.

- (v) Ensuring a reasonable market demand for the raw jute produced by the farmers by reserving foodgrains and sugar to be packed in jute packaging materials under the Jute Packaging Materials (Compulsory use in Packing Commodities) Act, 1987.

Transmission and Distribution of Power

7258. SHRI JASHUBHAI DHANABHAI BARAD :

SHRI BRAJA KISHORE TRIPATHY :

Will the Minister of POWER be pleased to state :

- (a) whether the Government needs one lakh MW power capacity addition by 2012;
- (b) the funds required for the transmission and distribution of one lakh MW power in the country;
- (c) whether the Power Grid Corporation of India Ltd. (PGCIL) has sought private sector participation in setting up the new transmission facilities;
- (d) if so, the details of the areas where the new transmission system is likely to be set up;
- (e) whether some thermal power stations in Gujarat are proposed to be taken over by the private sector; and
- (f) if so, the terms and conditions laid down therefor?

THE MINISTER OF POWER (SHRI P. M. SAYEED) :

(a) Central Electricity Authority has estimated that a capacity of 1,00,000 MW would be required during X and XI plans to meet this target.

(b) The requirement of funds for the transmission and distribution in the country was assessed by the Committee on Financing of Power sector during 10th and 11th plans, as follows :

	(Rs. Crore)			
	Central Sector	State Sector	Private Sector	Total
1	2	3	4	5
10th Plan				
Transmission	21370	26000	9710	57080
Distribution	—	45000	—	45000

	1	2	3	4	5
11th Plan					
Transmission		28258	30000	11200	69458
Distribution		—	50000	—	50000
Total fund requirement		49628	151000	20910	221538

(c) Yes, Sir.

(d) Specific transmission Lines under Transmission System associated with Tala HEP, East-North inter-connector and Northern Region Transmission System, in Eastern Region and Northern Region are under implementation through a Joint Venture.

(e) No, Sir.

(f) Does not arise.

Embezzlement in PSBs

7259. DR. M. JAGANNATH : Will the Minister of FINANCE be pleased to state:

- (a) whether there has been alarming upsurge in the cases of embezzlement in the Public Sector Banks located across the country;
- (b) if so, whether the Government has conducted any study to assess the efficacy of the software packages being used by banks for account keeping and money transfers;
- (c) if so, the outcome thereof; and
- (d) the preventive measures being taken for incorporating security features in the software being used presently by banks to curb such frauds?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) Reserve Bank of India (RBI) has reported that the number of cases of embezzlement i.e. misappropriation and criminal breach of trust, reported by Public Sector Banks during the last three years i.e. 2002, 2003 & 2004 stood at 266, 409 and 377 respectively. The amount involved in these cases increased from Rs. 84.04 crore during 2002 to Rs. 161.57 crore during 2003, but the same has declined to Rs. 70.00 crore during 2004. Hence, there has been a decline in the number of cases and amount involved in 2004, as compared to 2003.

(b) No, Sir.

(c) Does not arise.

(d) RBI has brought out a publication on Information Systems Audit highlighting the necessary steps to be taken to examine the safety and security of all hardware and software systems installed in banks and forwarded it to all banks for necessary follow up.

[Translation]

Fake Insurance Business

7260. SHRI SUNIL KUMAR MAHATO :

DR. DHIRENDRA AGARWAL :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government is aware of the fake insurance business being run in various parts of the country;

(b) if so, whether Development Officers, agents and offices of Life Insurance Business through a sinister alliance among them resulting in losses to the L.I.C;

(c) whether Central Bureau of Investigation has been asked to conduct an enquiry into this matter;

(d) the concrete steps taken by the Government to made the functioning of L.I.C. simple and effective all over the country; and

(e) the success achieved by the Government as a result of the steps taken ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) Life Insurance Corporation of India (LIC) has informed that they have not come across any fake insurance so far.

(b) Does not arise.

(c) No, Sir .

(d) The steps taken by LIC for improvement of their efficiency include upgradation of Information Technology System to facilitate payment of premium, providing information on the status of policies, payment of survival benefit under Money-Back policies without calling for advance receipts etc.

(e) With the upgradation of Technology there has been substantial reduction in time taken for settlement of claims. For example, 95.49% of maturity claims were paid on or before due date and 91.68% of (non-early) death claims were settled within 20 days from the date of intimation.

Renovation of Kanti and Barauni Power Projects

7261. SHRI SUSHIL KUMAR MODI : Will the Minister of POWER be pleased to state:

(a) whether the Government propose to revive Barauni and Kanti thermal power plants;

(b) if so, the details thereof;

(c) the power generation capacity proposed to be added after reviving these plants and the amounts allocated for the purpose;

(d) the time by which the works on these plants is likely to be commenced

(e) whether the Government has also chalked out any scheme for the expansion of the Kanti thermal power plant; and

(f) if so, the details thereof?

THE MINISTER OF POWER (SHRI P. M. SAYEED) :

(a) and (b) The responsibility for Renovation & Modernization (R&M) of power plants located at Barauni and Kanti lies with the Bihar State Electricity Board (BSES). Government of Bihar have submitted to the Planning Commission a proposal for Residual Life Assessment and R&M of Barauni and Muzaffarpur Thermal Power Station for funding under Rashtriya Sam Vikas Yojana.

(c) Barauni TPS and Kanti TPS could attain their rated capacity of 2×50 MW and 2×210 MW respectively after R&M works. The amount required for R&M will depend upon the techno-economic feasibility. However, adequate funds have been earmarked at concessional rate of interest for revival/R&M of thermal units in the country under Accelerated Generation & Supply Programme (AG&SP) through Power Finance Corporation (PFC) by Government of India.

(d) The work for the revival of these units would commence after the Residual Life assessment and financial tie up is finalized.

(e) and (f) At present, there is no proposal for the expansion of Kanti TPS.

[English]

Gujarat Maritime Board under IT Net

7262. SHRIMATI JAYABEN B. THAKKAR : Will the Minister of FINANCE be pleased to state :

(a) whether Chief Minister of Gujarat has made representation to the Union Government to continue tax exemption to Gujarat Maritime Board; and

(b) if so, the present status, as envisaged by the Government of Gujarat on the said representation?

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

(b) The representation of the Chief Minister of Gujarat for continuing tax exemption to Gujarat Maritime Board under section 10(20) of the Income-tax Act, 1961 has been examined and has been found to be acceptable.

Outflow of Profits

7263. SHRI UDAY SINGH : Will the Minister of FINANCE be pleased to state :

(a) the steps being taken by the Government to check the flow of large share of profits to foreign banks and companies due to liberalization;

(b) the schemes of the Government to strengthen the financial position of the country and to minimize the deficit and also to pay the external debt; and

(c) the extent of control of Government on foreign banks and companies?

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

Raising GDR Funds from Abroad

7264. SHRI BADIGA RAMAKRISHNA : Will the Minister of FINANCE be pleased to state:

(a) whether a large number of companies are rushing to overseas markets to raise funds through Global Depository Receipts;

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

(c) rules and regulations laid down by the RBI in this regard;

(d) whether the Government plan to relax guidelines to help small and medium sized companies; and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) In terms of issue of Foreign Currency Convertible Bonds and Ordinary Shares (Through Depository Receipt Mechanism) Scheme, 1993, Global Depository Receipts (GDRs) can be issued by the Indian companies in consonance with the policy on Foreign Direct Investment (FDI) under the automatic route. Foreign Currency Convertible Bonds (FCCBs) upto US\$ 500 million can also be issued under automatic route in consonance with the policy for External Commercial Borrowing and FDI. Details of Foreign investment inflows through ADR/GDR for the past three financial years are given below:

(US\$ Million)		
2001-02	2002-03	2003-04
477	600	459

(c) Regulations governing issue of GDRs/FCCBs are notified by the Reserve Bank of India under Foreign Exchange Management Act, 1999.

(d) and (e) Liberalisation of guidelines is an ongoing process.

[Translation]

Bank Scam

7265. SHRI SRICHAND KRIPLANI : Will the Minister of FINANCE be pleased to state:

(a) The number of bank scam cases reported during the last one year till date;

(b) The number of officers found involved in each case;

(c) The details of the action taken against them; and

(d) The steps taken by the Government to check the recurring 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 reported that 2520 fraud cases have been reported to them by Public Sector Banks during the calendar year 2004 and action against 4311 employees has been taken for their involvement in these frauds. RBI monitors large value frauds of Rs. 1 crore and above and during the calendar year 2004, commercial banks reported 89 such cases out of which staff involvement has been observed in 42 cases.

(c) In all the 42 cases where staff involvement has been observed, the officers concerned have been placed under suspension and departmental inquiries have been initiated. RBI has advised banks to complete staff side action at the earliest.

(d) RBI as a part of its supervisory responsibility has been advising banks from time to time about the common fraud prone areas and the measures to be taken by them to prevent/reduce the incidence of frauds in banks.

[English]

Energy from Rice Husk

7266. SHRI BALASHOWRY VALLABHANENI : Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state :

(a) whether the Government provides grants/ subsidy to power projects for the generation of power from rice husk;

(b) if so, the details thereof, along with grants/ subsidy given to each State, during the last three years, till date; and

(c) the number of such projects functioning in the country as on date and the total power being generated there from in country, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI VILAS MUTTEMWAR) : (a) Yes, Sir. The Ministry is implementing a Biomass Energy and Cogeneration programme, which provides for financial support to biomass based power generation plants, including those based on rice husk.

(b) Under the above programme, financial assistance is provided to individual projects in different States. State-wise details of amount sanctioned during the last three years viz., 2002-2003, 2003-2004, 2004-2005 is given below:

State	Amount sanctioned during 2002-05 (Rs. in crore)
Andhra Pradesh	11.30
Karnataka	1.09
Punjab	0.36
Rajasthan	0.56
Total	13.31

(c) A total of 54 biomass based power projects with an aggregate installed capacity of 302 MW have been installed in the country as on 31.3.2005. The State-wise information is given in the Statement enclosed.

Statement

State-wise information on the installed capacity of Biomass Power Projects

State	Installed Capacity (MW)
Andhra Pradesh	194.2
Chhattisgarh	11.0
Gujarat	0.5
Haryana	4.0
Karnataka	36.0
Madhya Pradesh	1.0
Maharashtra	3.5
Punjab	10.0
Rajasthan	7.8
Tamil Nadu	34.5
Total	302.5

[Translation]

Functioning of DRDA

7267. SHRI BRAJESH PATHAK : Will the Minister of RURAL DEVELOPMENT be pleased to state :

(a) the details of the composition and functioning of District Rural Development Agencies;

(b) whether the Government proposes to dismantle District Rural Development Agencies and set up District Panchayats;

(c) if so, the details thereof;

(d) the amount spent on the District Rural Development Agencies by the Union Government during the last three years, State-wise and year-wise; and

(e) the details of the achievements made by the DRDA as on date?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE

MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) As per the District Rural Development Agency Scheme Guidelines each district will have its own District Rural Development Agency, which would ordinarily be a society registered under the Societies Registration Act. In respect of such States where DRDA does not have a separate identity a separate cell should be created in Zila Parishad to maintain separate identity and separate accounts. This Cell should be directly under the charge of CEO or alternatively an officer who has the qualifications to be a Project Director of the rank of an Additional District Magistrate. To function effectively an indicative staffing structure as well as suitable personnel policy has been spelled out for DRDAs in the Guidelines. The structure of DRDA must include positions for Planning for poverty alleviation, Project formulation, Social Organization and Capacity building, Gender concerns, Engineering Supervision and Quality control, Project Monitoring, Accountancy and Audit functions as well as Evaluation and impact studies. State Governments have been given the freedom to modify the structure suitably, but without altering the basic design. The administration of the DRDA is carried out by a governing Body. The Chairman of the Zila Parishad would be the Chairman of the Governing Body of the District Rural Development Agencies (DRDAs); and where Zila Parishads are not in existence the State Governments may nominate elected members of the State Legislature from the concerned districts to act as Chairman of the Governing Bodies of the DRDAs. The other members of the Governing Body include all the MPs, MLAs/MLCs, 1/3rd nominated Panchayat Samiti Members, CEO/Collector, Banks, officials from other line departments etc. The Project Director is the Member Secretary of the Governing Body. The Governing Body provides policy directions, approve the annual plan and also review and monitor the implementation of the plan, including the different programmes. All executive and financial powers of the DRDA are exercised by the Executive Committee which is fully accountable in all matters of DRDA to the governing body as well as to the State Government. The Executive Committee of DRDA is headed by the Chief Executive Officer/Executive Director and shall consist of all the District level officers and any other officer deemed necessary for planning and implementation of the anti-poverty programmes. The Project Director DRDA will be the Member-Secretary of the EC. The Executive and financial functions shall however lie with CEO, Zila Parishad/District Collector who shall be designated as the Chief Executive Officer or Executive Director. It shall be his responsibility to ensure that the administration of DRDA and the programmes are conducted in accordance with the guidelines. Wherever the Zila Parishads are not in existence or are not functional, the DRDAs would function under the Collector/District Magistrate/

Deputy commissioner of the District, as the case may be. The district Rural Development Agencies are visualised as specialized and a professional agency capable of managing the anti-poverty programmes of the Ministry of Rural Development on the one hand and to effectively relate these to the overall effort of poverty eradication in the District.

(b) No, Sir. At present there is no proposal under consideration of the Ministry, to dismantle the District Rural Development Agencies.

(c) Question does not arise.

(d) Statement relating to State-wise release to the District Rural Development Agencies by the Union Government during the last three years is enclosed.

(e) The achievements made by DRDAs, inter-alia, include proper management of the anti-poverty programmes of the Ministry of Rural Development and effective coordination with the line departments, Panchayati Raj Institutions, the banks and other financial institutions, NGOs as well as technical institutions with a view to gathering support and resources required for poverty reduction effort in the country.

Statement

(Rs. in Lakhs)

Sl.No.	Name of States/UTs	Amount Released		
		2002-2003	2003-2004	2004-2005
1	2	3	4	5
1.	Andhra Pradesh	1139.89	1182.19	1099.54
2.	Bihar	1024.48	873.88	1231.19
3.	Chhattisgarh	385.71	455.88	455.90
4.	Goa	86.38	110.56	92.52
5.	Gujarat	967.18	1062.05	1101.23
6.	Haryana	550.95	658.30	632.41
7.	Himachal Pradesh	360.81	501.38	450.87
8.	Jammu and Kashmir	357.79	336.11	318.79
9.	Jharkhand	420.78	569.47	641.85
10.	Karnataka	798.01	977.57	937.66
11.	Kerala	454.45	505.18	583.71
12.	Madhya Pradesh	1589.24	1661.30	1792.54

1	2	3	4	5
13. Maharashtra	1106.19	1025.02	1079.36	
14. Orissa	1405.07	1455.96	1677.47	
15. Punjab	420.44	450.95	610.38	
16. Rajasthan	1245.01	1358.28	1395.34	
17. Tamil Nadu	1329.12	1301.57	1463.63	
18. Uttar Pradesh	2818.69	3127.87	3202.29	
19. Uttaranchal	471.25	471.27	442.14	
20. West Bengal	682.11	691.71	687.72	
21. Andaman and Nicobar Islands	20.59	17.59	10.00	
22. Dadra and Nagar Haveli	0.00	0.00	0.00	
23. Daman and Diu	0.00	0.00	5.04	
24. Lakshadweep	20.59	20.80	21.84	
25. Pondicherry	45.72	63.83	52.42	
26. Arunachal Pradesh	516.53	600.66	653.12	
27. Assam	855.15	1012.26	1207.85	
28. Meghalaya	119.97	135.51	178.16	
29. Manipur	115.27	386.91	313.18	
30. Nagaland	222.29	342.19	329.23	
31. Mizoram	159.67	403.30	283.13	
32. Sikkim	49.50	51.96	54.56	
33. Tripura	179.81	188.69	176.33	
Total	19918.64	22000.00	23181.40	

Norms for Registration of Companies

7268. SHRI RAMDAS ATHAWALE : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether a large number of companies are operating in various States including Delhi particularly in Adivasi areas without getting themselves registered with the Registrar of Companies;

(b) if so, whether it is necessary for any company to get itself registered within a stipulated period;

(c) if so, the prescribed norms in this regard; and

(d) the action the Government to take against these unregistered companies which are operating illegally?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) Such information has not come to the notice of the Government.

(b) For an entity choosing to operate as a company, registration under the Companies Act, 1956 is a mandatory legal requirement. No organization can operate as a company without obtaining certificate of Incorporation from Registrar of Companies.

(c) After selecting a name and getting it approved from Registrar of Companies, the promoters/subscribers to the Memorandum and Articles of Association are required to complete necessary formalities and submit the required forms duly filled in alongwith fee thereon with the Registrar of Companies. Registrar after registering the company, issues Certificate of Incorporation.

(d) If any instance comes to the notice that any organization is working as company without registering itself with Registrar of Companies, necessary action is taken against that organization under the provision of the Companies Act, 1956.

[English]

NRI Investment

7269. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) the details of NRIs investment made during the last three years, State-wise and Sector-wise;

(b) the present guidelines existing on NRI investment; and

(c) the details of offers received from the NRIs during the year 2004-05?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) A statement on NRI investment approval, state and sector-wise during the period January 2002 to February 2005, is enclosed.

(b) The general policy and facility for Foreign Direct Investment (FDI) as available to foreign investors/companies are fully applicable to non-resident Indians (NRI) as well. In addition, Government have extended additional opportunities

for NRIs which include (i) investment in domestic airlines upto 100%, and (ii) investment by individual NRI beyond 24% in small scale industries provided they do not have a stake in any other industrial undertaking. NRIs are allowed also to make bulk investment for revival of sick unit to the extent of 100%. They are also allowed to invest without any limit on non-repatriable basis in Indian companies and proprietary/partnership concerns subject to the investee company/firm not being engaged in agricultural plantation activity, real estate business, chit fund or Nidhi company activities.

(c) The amount of NRI investments approved under both Government and automatic routes for the calendar years 2004 & 2005 is US\$ 409.23 million.

Statement

Region-wise break-up for FDI Inflows received from January 2002 to February 2005

(As reported to regional offices of RBI) Country NRI

(Amount in crore)

Sl.No.	Name of the regional office of RBI	Amount FDI Inflows	%age with FDI inflows
1.	Gujarat	150.84	28.84
2.	Karnataka	110.17	21.06
3.	Maharashtra	41.68	7.97
4.	Delhi	6.14	1.17
5.	West Bengal	2.94	0.56
6.	Tamil Nadu	2.76	0.53
7.	Andhra Pradesh	1.52	0.29
8.	Goa	1.04	0.20
9.	Kerala	0.26	0.05
10.	Madhya Pradesh	0.26	0.05
11.	Rajasthan	0.00	0.00
12.	Not Indicated	205.44	0
Grand Total		523.05	

Note : 1. Amount includes the inflows received through SIA/FIPB route, acquisition of existing shares and RBI's automatic route only.

2. The above state-wise inflows are classified as per RBI's Region-wise Inflows furnished by RBI, Mumbai.

Sector-wise break-up for FDI Inflows received from January 2002 to February 2005

Country NRI

(Amount in crore)

Sl. No.	Name of the Sector	Amount of Foreign Direct Investment Inflows (in Rs.)	% to Total
1.	Electricals Equipment (Incl. S/W) & Elec	234.41	44.82
2.	Fuels (Power & Oil refinery)	111.59	21.34
3.	Textiles (Include Dyed, Printed)	75.08	14.35
4.	Transportation industry	69.26	13.24
5.	Drugs and pharmaceuticals	17.08	3.27
6.	Miscellaneous industries	6.17	1.18
7.	Telecommunications	2.95	0.56
8.	Sugar	2.94	0.56
9.	Service sector	1.71	0.33
10.	Trading	0.71	0.14
11.	Ceramics	0.63	0.12
12.	Chemicals (Other than fertilizers)	0.38	0.07
13.	Medical and Surgical appliances	0.10	0.02
14.	Metallurgical industries	0.02	0
15.	Hotel & Tourism	0.02	0
Grand Total		523.05	

Note : 1. Amount includes the inflows received through SIA/FIPB route, acquisition of existing shares and RBI's automatic route only

2. The above State-wise inflows are classified as per RBI's region-wise inflows furnished by RBI, Mumbai

Corruption in Bank of Baroda

7270. SHRI KISHAN SINGH SANGWAN : Will the Minister of FINANCE be pleased to state:

(a) whether attention of the Government has been drawn to the news-item dated April 20, 2005 in a News Portal

viz. Good Morning Star regarding attempts to finance terrorist groups;

(b) if so, the facts of the matter reported therein;

(c) the status of enquiry by Central Bureau of Investigation into corruption charges against top officials of Bank of Baroda;

(d) whether an enquiry was also conducted by Vigilance Department of Banking Division;

(e) if so, the status of the enquiry;

(f) the total loss in terms of Indian Rupees and the steps being taken to recover the same from the officials including Chairman-cum-Managing Director, Executive Director and other officials involved;

(g) whether other countries are also involved in this money laundering and attempts to finance terrorist groups; and

(h) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : (a) to (h) The information is being collected and will be laid on the Table of the House to the extent available.

Quality of Cotton

7271. SHRI RAYAPATI SAMBASIVA RAO : Will the Minister of TEXTILES be pleased to state :

(a) whether the study conducted by the Gene Campaign has rated the performance of Bt Cotton hybrids as poor;

(b) if so, the details thereof alongwith the other comments made by the study report;

(c) whether this study is significant, in the context, as the regulatory authority, Genetic Engineering Approval Committee (GEAC) is set to review the performance of these varieties of Bt Cotton hybrids in mid-April for extending the period of approval for commercial cultivation;

(d) whether Government has examined all these recommendations and steps Government proposed to taken in this regard;

(e) whether the varieties have developed by the Mahyco in collaboration with Monsanto;

(f) whether GEAC has sought reports from the State Governments and other agencies; and

(g) if so, the details thereof?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (g) Taking into consideration the reports received from the State Governments on the performance of the three Bt. Cotton varieties approved earlier, representation received from various Non-Government Organizations including that of Gene Campaign and other quarters such as the Farmers Associations, Research Institutions etc., the Genetic Engineering Approval Committee (GEAC) took the following decision in its meeting held on 03.05.2005:

(i) Permission for commercial cultivation of MECH 12 Bt for the Central Zone (States of Maharashtra, Madhya Pradesh and Gujarat) renewed for a period of two years.

(ii) Permission for commercial cultivation of MECH 162 Bt and MECH 184 Bt for the Central Zone and south zone except Andhra Pradesh (i.e. States of Maharashtra, Madhya Pradesh, Gujarat, Karnataka and Tamil Nadu) renewed for a period of two years.

(iii) Permission for commercial cultivation of MECH 12 Bt., MECH 162 Bt and MECH 184 Bt for the State of Andhra Pradesh was not renewed.

The varieties have been developed by the MAHYCO in collaboration with the Monsanto.

Monitoring Cell for VAT

7272. SHRI ANANDRAO VITHOBA ADSUL : Will the Minister of FINANCE be pleased to state:

(a) whether the confederation of All India Traders requested for setting up of a centralized VAT monitoring cell and demanded a website for empowered committee of State Finance Ministers;

(b) if so, the details thereof; and

(c) the response of the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) The Confederation of All India Traders has suggested for setting up of a VAT Monitoring Cell and a website for Empowered Committee of State Finance Ministers.

(c) The Empowered Committee of State Finance Ministers in its meeting held on January 17, 2005 has advised the State/UT Governments that after introduction of VAT they should set up a "VAT Cell" within their sales/commercial tax department to track revenue performance and also price movement to ascertain if manufacturers/dealers were passing on the benefits of VAT to the consumer. A web-site of the Empowered Committee is already in operation at www.statevat.gov.in.

[Translation]

Liquidation of Companies

7273. SHRI KAILASH MEGHWAL : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) the details of the cases under consideration of the companies presently coming under the compulsory liquidation in his Ministry;

(b) whether on coming up for liquidation, these companies are handed over to the Government liquidators attached to the High Courts;

(c) if so, the details thereof, Company-wise and liquidator-wise; and

(d) the details of the cases under scrutiny and of serious frauds investigation office under his Ministry and the time by which these case are proposed to be disposed off?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) to (d) The information is being collected and will be laid on the Table of the House.

[English]

Assistance Provided by LIC

7274. KUNWAR MANVENDRA SINGH : Will the Minister of FINANCE be pleased to state :

(a) the amount of financial assistance provided by the Life Insurance Corporation of India during last three years under various schemes, year-wise, scheme-wise; and

(b) the amount spent so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) As per information furnished by the Life Insurance Corporation of India (LIC) their investment in social and infrastructure sector and the claims paid under Social Security Schemes during the last three years are as under :

(Rs. in crores)

Sector	During the Year		
	2002-2003	2003-2004	2004-2005*
Housing	1020.69	4177.09	2131.41
Power	3744.35	4456.72	3534.27
Irrigation/Water Supply/ Sewerage	967.94	2561.22	1232.65
Road and Bridges/SRTC	565	15	67
Others		832.83	4347.1
Total	6297.98	12042.86	11312.43

(Rs. in crores)

Social Security Schemes	Amount of claims settled		
	2002-2003	2003-2004	2004-2005*
Social Security Group Insurance Scheme (SSGIS)	14.16	14.18	11.59
Janashree Bima Yojana (JBY)	20.4	31.12	34.48
Krihi Sramik Samajik Suraksha Yojana (KSSSY)	0.25	0.57	0.37
Shiksha Sahayog Yojana (SSY)- Scholarships Disbursed	1.94	8.10	14.90

* Provisional figures.

Change in the Chartered Accountancy Course

7275. SHRI G. V. HARSHA KUMAR : Will the Minister of COMPANY AFFAIRS be pleased to state :

(a) whether the Government proposes to change the Chartered Accountancy course curriculum and simplify the language of accounting system;

(b) if so, whether the Government has set up any committee to look into the issue;

(c) if so, the recommendations made by the Committee; and

(d) the follow-up action taken by the Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) to (d) The Central Government has no proposal under its consideration for change in the course curriculum of the Chartered Accountants nor has it set up any Committee in this regard.

[Translation]

Conversion from Handloom to Powerloom

7276. SHRI MUNSHI RAM :

PROF. MAHADEORAO SHIWANKAR :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government is contemplating to convert handlooms to powerlooms in order to ameliorate the condition of the handloom weavers; and

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

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) There is no proposal under consideration of the Office of the Development Commissioner for Handlooms to convert handloom to powerlooms.

(b) Does not arise.

[English]

Role of Private Players in Woolen Sector

7277. SHRI DUSHYANT SINGH : Will the Minister of TEXTILES be please to state:

(a) whether the Government has any proposal to grant incentives for setting up of woolen mills by the private entrepreneurs;

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

(c) the response of private entrepreneurs to the Government aid and assistance to promote the establishment of woolen mills during the last three years; and

(d) the details of assistance provided to private entrepreneurs in woolen sector during the last three years?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (d) Although the Government has not given any assistance to the private entrepreneurs for establishment of woolen mills in the country during the last three years nor is there any proposal under consideration, assistance is, otherwise provided to Government and Non-

Government agencies through the Integrated Wool Improvement Programme (IWIP) being administered by the Central Wool Development Board, Jodhpur during the 10th Five Year Plan period.

Interest Subsidy to Textile Units

7278. SHRI IQBAL AHMED SARADGI :

SHRI RAYAPATI SAMBASIVA RAO :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government is considering to enhance the interest subsidy provided to textile units under the Technology Upgradation Fund Scheme;

(b) if so, the details thereof; and

(c) the time by which the Government is likely to take final decision for enhancing the interest subsidy?

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

(b) Does not arise

(c) Does not arise.

Setting up of Hydel Power Projects

7279. DR. ARUN KUMAR SARMA : Will the Minister of POWER be pleased to state :

(a) names of national and regional level Public Sector Undertakings (PSUs) engaged in operation and Commissioning of Hydel power projects in the country showing location-wise projects assigned to each of them;

(b) the economic profile of each PSU and their rating, installed capacity and present execution status of each project under them with target set for completion;

(c) capacity of projects assigned to them for future commissioning within India and abroad;

(d) whether merger of some small PSUs with giant National Level PSUs are under consideration of the Government; and

(e) if so, the details thereof?

THE MINISTER OF POWER (SHRI P. M. SAYEED) : (a) and (b) The details of the National and Regional level Public Sector Undertakings (PSUs) engaged in operation and commissioning/construction of hydro power projects in

the country along with their economic profile, rating and installed capacity of operating projects are given in the Statement-I enclosed. The status of each project under execution by these PSUs with targets set for completion is given in the Statement-II enclosed.

(c) The details of the projects tentatively assigned to them for future development in India are given in Statement-III. In addition, allocation of some of the selected low tariff hydroelectric schemes identified under 50,000 MW

Hydroelectric Initiative, to these PSUs for implementation, is under process in consultation with the State Governments. Besides, consultations are also being held with the concerned State Governments for allocation of four projects in the Cauvery Basin to National Hydroelectric Power Corporation Limited for execution.

(d) No such proposal is under consideration of the Government.

(e) Question does not arise

Statement-I

The names of National and Regional level Power Sector Undertakings (PSUs) engaged in operation and commissioning of hydro power projects in the country with economic profile, rating etc.

Sl.No.	Names of the PSUs	Paid up Capital (as on 31.03.2004) (Rs. in Crs.)	Audited Profit after tax during 2003-04 (Rs. in Crs.)	Category#	Installed Capacity (Hydro) (MW)	Credit Rating##
1.	National Hydroelectric Power Corporation Ltd. (NHPC)	8,269.03	621.38	A	2,475	AAA
2.	Narmada Hydro-electric Development Corporation Ltd. (NHDC)	1,932.42	12.37	**	1,000	Not rated
3.	North Eastern Electric Power Corporation Ltd. (NEEPCO)	1,953.26	197.58	B	755	Not rated
4.	Satluj Jal Vidyut Nigam Limited (SJVN Ltd.)	3,081.00	218	B	1,500	Not rated
5.	Tehri Hydro Development Corporation Ltd. (THDC)	2,968.43	*	B	Under Construction	Not rated
6.	National Thermal Power Corporation (NTPC)	7,812.55	5,260.80	Nav Ratna	Under Construction	AAA

* No project is currently under operation.

Categorization as per schedule of Department of Public Enterprises.

** NHDC is still to be categorized.

The credit rating for domestic capital market borrowing has been indicated.

Statement-II

The status of the projects under construction with installed capacity, location and targets set for completion

Sl. No.	Name of the PSUs / Name of the Project	Name of the State/District	Installed Capacity (MW)	Targeted year of commissioning
1	2	3	4	5
National Hydroelectric Power Corporation Ltd.				
1.	Dhauliganga	Uttaranchal/Pithoragarh	280	2005-06

1	2	3	4	5
2.	Dulhasti	Jammu and Kashmir/Doda	390	2005-06
3.	Teesta Stage-V	Sikkim/East Sikkim	510	2006-07
4.	Sewa-II	Jammu and Kashmir/Kathua	120	2007-08
5.	Teesta Low Dam-III	West Bengal/Darjeeling	132	2007-08
6.	Parbati Stage-II	Himachal Pradesh/Kullu	800	2009-10
7.	Subansiri Lower	Arunachal Pradesh/L. Subansiri/Dhemaji	2,000	2010-11
		Total	4232	

Narmada Hydroelectric Power Corporation Ltd.

8.	Omkareshwar	Madhya Pradesh/Khandwa	520	2006-08
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Tehri Hydro Development Corporation Ltd.

9.	Tehri Stage-I	Uttaranchal/Tehri Garhwal	1000	2005-06
10.	Koteshwar	Uttaranchal/Tehri Garhwal	400	2006-07
		Total	1400	

North Eastern Electric Power Corporation Ltd.

11.	Tuirial	Mizoram/Aizwal	60	*
12.	Kameng	Arunachal Pradesh/Kameng	600	2009-10
		Total	660	

National Thermal Power Corporation Ltd.

13.	Kol Dam	Himachal Pradesh/ Bilaspur	800	2008-10
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*Work on the projects is held up.

Statement-III

*The details of the projects tentatively assigned to PSUs for future development in India**

Sl.No.	Name of the PSUs/ Name of the Project	Installed Capacity (MW)
1	2	3
	National Hydroelectric Power Corporation Ltd.	
1.	Chamera-III	231
2.	Parbati Stage-III	520
3.	Kishanganga	330

1	2	3
4.	Uri-II	240
5.	Nimoo Bazgo	45
6.	Chutak	44
7.	Teesta Low Dam-IV	160
8.	Siang (Upper)/ Siang (Intermediate)	to be decided
9.	Devade	6
10.	Bav HEP Stage-II	20
11.	Siang Lower	1600

1	2	3
12.	Kotli Bhel Stage-IB	280
13.	Kotli Bhel Stage-IA	240
14.	Kotli Bhel St-II	440
15.	Pakal Dul	1000
16.	Bursar	1020
17.	Subansiri Middle	1600
18.	Subansiri Upper	2000
19.	Siyom(Siang Middle)	1000
20.	Dibang	3000
	Tehri Hydro Development Corporation Ltd.	
21.	Tehri-PSS	1000
22.	Vishnugad Pipalkori	440
	National Thermal Power Corporation Ltd.	
23.	Loharinagpala	600
24.	Tapovan Vishnugad	520
25.	Lata Tapovan	125
	North Eastern Electric Power Corporation Ltd.	
26.	Tuivai	210
27.	Tipaimukh	1500
28.	Hirit	50
29.	Papumpam	60
30.	Bhareli Lift Dam	330
31.	Ranganadi Stage-II	130
32.	Lower Kopili	150
33.	Dikrong	110
	Satluj Jal Vidyut Nigam Limited	
34.	Rampur	434

*The above list is tentative and is subject to the PSU obtaining various clearances from Central/State agencies.

[Translation]

Functions of Cotton Corporation of India

7280. SHRI JIVABHAI A. PATEL :

SHRI HARISINH CHAVDA :

Will the Minister of TEXTILES be pleased to state :

(a) the role and functions of the Cotton Corporation of India;

(b) whether Government has reviewed the functioning of this Corporation during the last three years;

(c) if so, the details thereof indicating the outcome of such review and action taken by the Government thereon;

(d) whether the Government has received any complaint/irregularity in CCI;

(e) if so, the details thereof; and

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

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) The role and functions of the Cotton Corporation of India (CCI) are :-

(i) to undertake Minimum Support Price (MSP) operations, whenever the market price of kapas falls to the level of the MSP announced by the Government of India.

(ii) To undertake commercial operations at its own risk; and

(iii) Implementation of Mini Missions-III & IV of the Technology Mission on Cotton.

(b) Review of the functioning of the CCI is carried out periodically to monitor its performance on various aspects.

(c) The turn-over and profit of the CCI during the last three years are as under :

	(In Crore Rupees)		
	2002-03	2003-04	2004-05 (Prov.)
Turn-over	988.60	1053.77	1600.00
Profit (Before Interest & Tax)	17.26	21.71	56.25

(d) No, Sir.

(e) and (f) Does not arise.

*[English]***World Bank Loan**

7281. SHRI KISHANBHAI V. PATEL :

SHRI SUGRIB SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether World Bank Loan proceeds are passed to the concerned States to which World Bank has sanctioned loan/assistance during each of the last three years and current year;

(b) if so, the details of such grant/loans and interest payable thereon, State-wise;

(c) whether the rate of interest on loan are very high;

(d) if so, the details thereof;

(e) whether the Government has made any request to World Bank to reduce the interest rate; and

(f) if so, the response of the World Bank thereto?

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

(b) A statement is enclosed.

(c) IBRD loans are cheaper than commercial external borrowings,

(d) Does not arise.

(e) No, Sir.

(f) Does not arise.

Statement

*Loan/Credit/Grant Assistance Approved by the World Bank for State-sector projects during
FY 2002-03 to FY 2005-06 (upto April 2005)—in US \$ million*

Sl.No.	Project Name	Assistance type	State	FY	Total Amount
1	2	3	4	5	6
1.	Andhra Pradesh Economic Reform Program II	Loan/ Credit	Andhra Pradesh	2003-04	220.0
2.	Andhra Pradesh Rural Poverty Reduction Project	Credit	Andhra Pradesh	2002-03	150.0
3.	Andhra Pradesh Community Forest Management Project	Credit	Andhra Pradesh	2002-03	108.0
4.	Assam Agricultural Competitiveness Project	Credit	Assam	2004-05	154.0
5.	Chhattisgarh District Rural Poverty Reduction Project	Credit	Chhattisgarh	2003-04	112.6
6.	Gujarat Emergency Earthquake Reconstruction Project	Credit	Gujarat	2002-03	442.8
7.	Jharkhand Participatory Forest Management Capacity Building Project	Grant	Jharkhand	2004-05	0.4
8.	Karnataka Urban Water Sector Improvement Project	Loan	Karnataka	2004-05	39.5
9.	Karnataka Community-Based Tank management Project	Credit	Karnataka	2002-03	98.9
10.	Improving Public Expenditure Management in Education in Karnataka	Grant	Karnataka	2004-05	0.5
11.	Madhya Pradesh Water Sector Restructuring Project	Loan	Madhya Pradesh	2004-05	394.0
12.	Maharashtra Rural Water Supply and Sanitation "Jalswarajya" Project	Credit	Maharashtra	2003-04	181.0

1	2	3	4	5	6
13.	Mumbai Urban Transport Project	Loan/ Credit	Maharashtra	2002-03	542.0
14.	Pilot ICT Programme for Rural Areas of Pune District	Grant	Maharashtra	2004-05	1.0
15.	Orissa Socio-Economic Development Loan/Credit	Loan/ Credit	Orissa	2004-05	125.0
16.	Rajasthan Health Systems Development Project	Credit	Rajasthan	2003-04	89.0
17.	Tamil Nadu Health Systems Project	Credit	Tamil Nadu	2004-05	110.8
18.	Tamil Nadu Road Sector Project	Loan	Tamil Nadu	2003-04	348.0
19.	Tamil Nadu Rural Water Supply and Environmental Sanitation	Grant	Tamil Nadu	2003-04	0.4
20.	Tamil Nadu Empowerment and Poverty Reduction Project	Grant	Tamil Nadu	2003-04	0.6
21.	Allahabad Bypass Project	Loan	Uttar Pradesh	2003-04	240.0
22.	Uttar Pradesh State Roads Project	Loan	Uttar Pradesh	2002-03	488.0
23.	Uttaranchal Decentralized Watershed Development Project	Credit	Uttaranchal	2004-05	69.6
24.	Uttaranchal Rural Water Supply and Environmental Sanitation Project	Grant	Uttaranchal	2004-05	0.9

World Bank's assistance is available through International Bank for Reconstruction and Development (IBRD) Loan and International Development Association (IDA) Credits. Interest is payable only on the IBRD Loans which is LIBOR + 50 basis points. IDA Credits carry no interest but a service charge of 0.75% is levied. No Interest is payable on grants.

[Translation]

External Loan

7282. SHRI SHIVRAJ SINGH CHOUHAN :

SHRI S.K. KHARVENTHAN :

Will the Minister of FINANCE be pleased to state :

(a) the amount of loan taken by the Government from the World Bank, International Monetary Fund, Asian Development Bank and other International agencies during each of the last three years till date;

(b) the amount being repaid to these institutions/agencies in the form of repayment of loan and interest thereon during the above period; and

(c) the amount of loan outstanding as on date, agency/institution-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (c) No loan has been taken from International Monetary Fund during the last three years. A statement in respect of other international agencies is enclosed.

Statement

Utilization, Repayment of Principal and Payment of Interest during the FY 2002-03 to FY 2004-05 and Debt Outstanding as on May, 2005—in rupees crores

Sl.No.	International Agency	FY 2002-03	Fy 2003-04	Fy 2004-05	Debts Outstanding as on May 2005
1	2	3	4	5	6
1	IBRD				16499.83
	Utilisation	2750.44	3492.00	3259.97	

1	2	3	4	5	6
	Repayment of Principal	10464.71	7835.79	484.94	
	Payment of interest including Commitment Charges	1283.36	632.28	297.62	
2.	IDA				103670.28
	Utilisation	4277.92	4151.89	4602.11	
	Repayment of Principal	2209.42	2876.62	2618.80	
	Payment of interest including Commitment Charges	732.61	768.80	866.43	
3.	ADB				6166.43
	Utilisation	1585.68	2202.11	1845.50	
	Repayment of Principal	6937.73	5625.93	66.05	
	Payment of interest including Commitment Charges	997.21	326.52	167.11	
4.	IFAD				1210.90
	Utilisation	51.78	50.04	32.60	
	Repayment of Principal	28.21	32.17	35.29	
	Payment of interest including Commitment Charges	10.72	11.31	11.55	

IBRD—International Bank for Reconstruction and Development
ADB—Asian Development Bank

IDA—International Development Association
IFAD—International Fund for Agricultural Development.

[English]

Proposal from Karnataka

7283. SHRI G. KARUNAKARA REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Karnataka has submitted any proposal to the Union Government in which they have sought one time grant to meet the liabilities of the State;

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

(c) whether the Union Government has considered the request of the State Government;

(d) if so, the time by which the grant is likely to be released; and

(e) if not, the main reasons for the same?

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

Sir. The State Government has requested one time grant for Mahamasthakabhisheka ceremony to be held during February 10-19, 2006 to the Statue of Bhagawan Bahubali at Shravanabelagola.

(c) to (e) Yes, Sir. The Planning Commission has agreed to provide Rs. 75 crores as one time ACA for this purpose. The same would be released during the course of Financial year 2005-06.

Housing for the Handicapped

7284. SHRI JASHUBHAI DHANABHAI BARAD :

SHRI HANSRAJ G. AHIR :

SHRI BALASHOWRY VALLABHANENI :

Will be Minister of RURAL DEVELOPMENT be pleased to state :

(a) the details of shortage of houses for the needy people in rural areas as on date, state-wise;

(b) the target fixed originally under Indira Awas Yojana (IAY) and that achieved so far;

(c) the details of monitoring agencies to check the quality of houses under Indira Awas Yojana;

(d) whether the Union Government has formulated any scheme to provide houses to the handicapped persons living below poverty line in the country;

(e) if so, the details of the same, State-wise particularly in Gujarat; and

(f) the total number of handicapped persons benefited therefrom till date?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRIMATI SURYAKANTA PATIL) : (a) As per the estimates made available by 2001 Census, the housing shortage in the rural areas is about 148.33 lakh. Details of State-wise housing shortage in the rural areas are at Statement-I enclosed.

(b) Under the Indira Awas Yojana (IAY), targets are fixed on year-to-year basis depending upon the annual budgetary allocation. However, since inception of the scheme i.e. 1985-86, against the target of 153.42 lakh houses, about 127.47 lakh houses have so far been constructed under the Scheme.

(c) Indira Awas Yojana (IAY) is continuously reviewed on the basis of Monthly and Annual Reports received from the States/Union Territories. Senior officers at the level of Deputy Secretaries and above in the Ministry are appointed as Area officers for different States/Union Territories. These Areas Officers visit the allotted States/Union Territories from time to time and monitor the implementation of the programme at the grassroot level. The district level Monitoring Agencies (DLMs) also undertake physical verification of assets created under the Scheme in selected districts.

(d) to (f), There is no separate scheme to provide assistance for construction of houses to the handicapped persons living Below the Poverty Line (BPL). However, 3% of the funds are earmarked for physically handicapped persons under the Indira Awas Yojana (IAY). Details of houses constructed under Indira Awas Yojana for physically handicapped persons are maintained in this Ministry only from 1998-1999. Accordingly, State-wise details of number of houses constructed for handicapped persons till date are at Statement-II enclosed.

Statement-I

State-wise break up of Rural Housing Shortage

Sl.No.	Name of the States/UTs	Housing Shortage Based on 2001 Census
1	2	3
1.	Andhra Pradesh	1,350,282
2.	Arunachal Pradesh	105,728
3.	Assam	2,241,230
4.	Bihar	4,210,293
5.	Chhattisgarh	115,528
6.	Goa	6,422
7.	Gujarat	674,354
8.	Haryana	55,572
9.	Himachal Pradesh	15,928
10.	Jammu and Kashmir	92,923
11.	Jharkhand	105,867
12.	Karnataka	436,638
13.	Kerala	261,347
14.	Madhya Pradesh	207,744
15.	Maharashtra	612,441
16.	Manipur	69,062
17.	Meghalaya	148,657
18.	Mizoram	30,250
19.	Nagaland	97,157
20.	Orissa	655,617
21.	Punjab	75,374
22.	Rajasthan	258,634
23.	Sikkim	11,944
24.	Tamil Nadu	431,010
25.	Tripura	174,835

1	2	3
26. Uttaranchal		53,521
27. Uttar Pradesh		1,324,028
28. West Bengal		974,479
29. Andaman and Nicobar Islands		17,890
30. Chandigarh		1,232
31. Dadra and Nagar Haveli		1,926
32. Daman and Diu		787
33. Delhi		7,200
34. Lakshadweep		190
35. Pondicherry		7,778
Total		14,833,868

Statement-II

State-wise number of houses constructed and number of houses constructed for handicapped and mentally challenged person under the IAY from 1998-99 till date

(Unit in Nos.)

Sl. No.	Name of the State/UTs	Number of Houses Constructed/ Upgraded	Number of Houses Constructed/ Upgraded to the Physically mentally challenged
1	2	3	4
1.	Andhra Pradesh	625624	8095
2.	Arunachal Pradesh	25854	102
3.	Assam	427089	6113
4.	Bihar	1175365	1935
5.	Chhattisgarh	95464	565
6.	Goa	2319	0
7.	Gujarat	195756	2201
8.	Haryana	67534	549

1	2	3	4
9.	Himachal Pradesh	26310	219
10.	Jammu and Kashmir	41423	0
11.	Jharkhand	247310	1013
12.	Karnataka	306258	1218
13.	Kerala	182395	615
14.	Madhya Pradesh	512346	5437
15.	Maharashtra	560326	1969
16.	Manipur	12245	145
17.	Meghalaya	22911	154
18.	Mizoram	10711	52
19.	Nagaland	37032	145
20.	Orissa	1070470	2000
21.	Punjab	36069	471
22.	Rajasthan	253182	580
23.	Sikkim	8280	155
24.	Tamil Nadu	395340	3140
25.	Tripura	73942	413
26.	Uttar Pradesh	1184185	6630
27.	Uttaranchal	84861	450
28.	West Bengal	570149	6965
29.	Andaman and Nicobar Islands	2191	0
30.	Dadra and Nagar Haveli	328	0
31.	Daman and Diu	126	2
32.	Lakshadweep	146	1
33.	Pondicherry	2156	0
Total		8255697	51334

Credit to SSI

7285. SHRI B. MAHTAB : Will the Minister of FINANCE be pleased to state :

(a) whether Allahabad Bank has introduced any scheme to provide loan for the growth of small scale industries; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Allahabad Bank is implementing, among others, the following schemes to provide loan for the growth of small scale industries :

- (i) Artisan Credit Card and Laghu Udharni Credit Card Schemes have been implemented involving Rs. 1036.42 lacs and Rs. 3808.73 lacs respectively, as on 31st March, 2005.
- (ii) As per SL Kapoor Committee recommendations, working capital loan up to Rs. 5 crores is given on the basis of turnover method.
- (iii) For Agro Processing Units under SSI Sector, special interest rate structure of 1% below PLR (10%) for loans up to Rs. 25 lacs and at PLR (11%) up to Rs. 2 crores has been adopted by the Bank.
- (iv) A stipulated norm of 60% for financing village/cottage and tiny industries is being maintained by the Bank.

[Translation]

Deen Dayal Hathkargha Yojna

7286. SHRI SUSHIL KUMAR MODI : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government has undertaken 'Deen Dayal Hathkargha Yojna' for the upliftment of weavers;

(b) the amount allocated for the scheme during the last three years alongwith the State-wise details thereof, year-wise;

(c) the details of the works undertaken so far under the scheme; and

(d) the details of the other schemes being run by the Government for the benefit of weavers.

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

(b) and (c) No State-wise allocation is made under the scheme. Assistance is sanctioned under the scheme on the basis of viable proposals received from the State Government in conformity with the guidelines. However, the amount allocated under the scheme during the last three years are as under :

(Rupees in Lakh)

Year	Amount allocated
2002-03	8429.67
2003-04	6757.00
2004-05	8689.00

The details of amount sanctioned, amount released, project sanctioned and beneficiaries covered, State-wise during the last three years under Deen Dayal Hathkargha Protsahan Yojana (DDHPY) are given in the enclosed Statement.

(d) The details of other schemes being run by the Government of India for the benefit of weavers are as under :

Developmental Schemes

1. Handloom Export Scheme
2. Marketing Promotion Programme.
3. Design Development & Training Programme.
4. Mill Gate Price Scheme.
5. Integrated Handloom Training Programme

Welfare Schemes

1. Workshed-cum-Housing Scheme.
2. Health Package Scheme
3. Thrift Fund Scheme
4. Bunkar Bima Yojana
5. New Insurance Scheme

Statement

Assistance sanctioned and released under Deen Dayal Haithkargha Protsahab Yojana during the years 2002-03, 2003-04 and 2004-05

(Rupees in lakh)

Sl. No.	State	2002-03										2003-04										2004-05									
		Proj.	Basic Input (sanctioned)	Basic Input (Released)	No. of Projects for 2nd	Amount released as 2nd instalment	Marking (Sanctioned & Released)	Total (Sanctioned & Released)	Benefit-aries	Proj.	Basic Input (sanctioned)	Basic Input (Released)	No. of Projects for 2nd	Amount released as 2nd instalment	Marking (Sanctioned & Released)	Total (Sanctioned & Released)	Benefit-aries	Proj.	Basic Input (sanctioned)	Basic Input (Released)	No. of Projects for 2nd	Amount released as 2nd instalment	Marking (Sanctioned & Released)	Total (Sanctioned & Released)	Benefit-aries						
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26						
1.	Andhra Pradesh	85	256.35	127.92	0	342.00	693.38	1193.30	4710				1	1000.00	648.45	1648.45		29	8.04	355.48					363.50						
2.	Bihar						0.00			11	25.32	12.62				12.62	494							0.00							
3.	Chhattisgarh	24	74.49	37.16			5.76	42.92	1330	11	31.19	15.58	18	18.74	9.57	43.69	454	2	6.34	3.17	4	1.90	6.14	11.20	147						
4.	Delhi						0.00									0.00								0.00							
5.	Gujarat						0.00									0.00								0.00							
6.	Haryana						0.00									0.00								0.00							
7.	Himachal Pradesh	44	143.95	73.30			48.37	121.67	1175	27	133.60	65.65	1	1.25	17.54	65.54	700				16	16.65	80.17	96.62							
8.	Jammu and Kashmir						31.89	31.89							21.95	21.95							20.42	20.42							
9.	Jharkhand						0.00									0.00								0.00							
10.	Karnataka						135.92	135.92		22	30.81	15.35	1	2.50	108.80	126.65	1021	15	22.90	11.52	14	10.54	62.70	104.76	1175						
11.	Kerala	32	75.09	37.34			984.40	1001.74	800	207	514.52	255.51			423.84	679.35	5900	85	182.46	98.50			427.23	523.73	1400						
12.	Madhya Pradesh	5	8.12	4.05			51.81	55.86	165	3	6.69	3.43			3.23	6.65	150						40.19	40.19							
13.	Maharashtra						0.00									0.00								0.00							
14.	Orissa						22.34	22.34							20.65	20.65							123.35	123.35							
15.	Punjab						0.00									0.00								0.00							
16.	Rajasthan	2	9.57	4.77			5.00	9.77	150						4.70	4.70							43.37	43.37							
17.	Tamil Nadu	282	472.07	235.53	144	91.59	2183.53	2520.65	17057	288	382.41	189.85			1391.58	1591.41	12880	1	1975.00	988.00	249	223.02	2164.18	3375.20							

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
18. Uttar Pradesh	139	461.32	223.46					230.46	463.94	8540	127	470.80	234.45	40	82.04	311.76	628.27	9207	25	2080.30	540.86	103	198.65	224.41	631.82	1426
19. Uttaranchal	10	54.82	27.25						27.25	883						2.12	2.12		1	6.77	3.38	11	32.37	17.74	53.49	100
20. West Bengal	65	183.69	97.56					280.32	347.88	3460	6	20.44	10.20				10.20	225				21	48.75	832.82	861.37	
Total (A)	695	1736.49	868.34	144	433.59	4633.20	5635.13	37960	684	1616.68	803.65	61	1104.83	2593.82	4872.10	31131	100	4294.77	1643.13	447	505.82	4419.99	6568.94	4247		
N.E. States																										
1. Arunachal Pradesh	2	25.67	12.83						12.83	200							0.00									
2. Assam	143	1805.16	802.23					35.64	637.67	14300	55	590.16	278.69	3	9.73	186.09	445.72	5400								
3. Manipur	174	927.46	463.52						463.52	7913				59	110.79		110.79					159	426.35			
4. Meghalaya									0.00								0.00									
5. Mizoram								2.46	2.46							3.47	3.47						7.76			
6. Nagaland	51	233.32	117.61						117.61	2550	141	1034.15	516.33				516.33	7644				116	266.25			
7. Tripura								0.00	7.72	7.72						0.00	5.49	5.49				16	28.50			
8. Sikkim									0.00								0.00									
Total (B)	370	2791.64	1388.39	0	0.00	45.82	1442.21	24653	197	1594.33	798.22	62	120.52	165.06	1081.80	13044	0	0.00	0.00	291	724.10	7.76	731.85	0		
Total									69523									44175								4247
Beneficiaries																										
Others																										
1. All India								568.67	568.67							300.00	300.00							250.00	250.00	
Handloom																										
Fabric																										
Marketing																										
Society																										
2. North Eastern								24.00	24.00							10.00	10.00							10.00	10.00	
Handloom &																										
Handicraft																										
Development																										
Corporation																										
3. Delhi								150.00	150.00							100.00	100.00							100.00	100.00	
Total (C)								742.67	742.67							410.00	410.00							360.00	360.00	
G. Total (A+B+C)	1038	4631.13	2294.73	144	433.59	5421.89	8120.01	861	3210.00	1698.87	123	1225.05	3538.88	6383.90	100	4294.77	1643.13	736	1228.83	4767.76	7680.80					

*[English]***Task Force for Power Sector**

7287. SHRI BADIGA RAMAKRISHNA : Will the Minister of POWER be pleased to state :

- (a) whether the Government has set up a high powered Task Force to study the power markets abroad;
- (b) if so, the details and objectives thereof and countries likely to be visited by Task Force;
- (c) the benefits likely to be derived there from; and
- (d) the manner in which these benefits are likely to be extended to rural areas?

THE MINISTER OF POWER (SHRI P. M. SAYEED) :
(a) to (d) An initiative has been taken to examine various issues related to feasibility of wholesale power exchange at national level in India and to develop a Detailed Project Report for the same through a consortium of consultants viz. M/s CRISIL and M/s. NordPool Consulting Norway.

In this regard, a Core-Team (with representatives from Ministry of Power, Central Electricity Authority (CEA), POWERGRID, NTPC, and Power Trading Corporation (PTC) has been constituted to interact with the Consultants.

A team of representatives from MOP, CEA, POWERGRID, NTPC and PTC visited Norway, Netherlands, Canada, USA and Australia in the first fortnight of April, 2005 to study power markets in these countries.

The visit has helped in the study of distinctive features of the various markets visited and identification of key issues to be addressed in the development of an appropriate model for a power exchange in India, which will provide a transparent and neutral platform for promoting competition in supply of electricity at wholesale level and thus improving efficiency in power sector.

Solar Energy Board

7288. SHRI BALASHOWRY VALLABHANENI : Will the Minister of NON-CONVENTIONAL ENERGY SOURCES be pleased to state :

- (a) whether the Government propose to make a nation wide programme or a national mission to exploit solar energy on a large scale as this is the only source available abundantly as an alternative sources of energy;
- (b) whether the Government propose to set up a

separate board for Solar Energy on the lines of Hydrogen Board;

- (c) if so, the details thereof; and
- (d) if so, the reasons and the steps taken for extensive research on solar energy and its use?

THE MINISTER OF STATE OF THE MINISTRY OF NON-CONVENTIONAL ENERGY SOURCES (SHRI VILAS MUTTEMWAR) : (a) Government recognizes the importance and potential of all major renewable sources of energy in the country including solar energy. The Ministry of Non-Conventional Energy Sources has been implementing nation-wide programmes for the development and utilization of solar energy covering both solar thermal and photovoltaic applications. These programmes are proposed to be expanded during 2005-2006.

(b) Government has already established a Commission for Additional Sources of Energy to plan and oversee the implementation of programmes relating to solar energy and other renewable energy sources. There is no proposal under consideration of the Government to set up a separate board for solar energy.

(c) Does not arise.

(d) Ministry of Non-Conventional Energy Sources has been supporting research and development on solar energy for more than two decades. As a result of the research work supported by the Ministry, and indigenous technology and manufacturing base has been established in the country. A number of solar energy systems for lighting, water pumping, telecommunications, remote power generation, water heating, solar cooking, drying and other applications have been developed and commercialized in the country. Currently the focus of research is on further reduction in the cost of solar energy products and improvements in their quality, reliability and life. A number of research institutions, universities and industrial establishments are associated with this task. These efforts are expected to further expand the use of solar energy in the country.

Re-Finance through NABARD

7289. SHRI ANANDRAO VITHOBA ADSUL :
SHRI ADHALRAO PATIL SHIVAJIRAO :
SHRI RAVI PRAKASH VERMA :

Will the Minister of FINANCE be pleased to state :

- (a) whether the co-operative banks are charging a

rate of interest as high as 12 per cent when the re-finance available through NABARD could reach the farmer at 8 per cent;

(b) whether the co-operative banks do not comply with the Banking Regulation Act; and

(c) 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) NABARD has been providing refinance at concessional rates to Cooperative Banks, and rate of interest charged by NABARD on refinance to Cooperative Banks (Short Term-Seasonal Agriculture Operations) ranges from 5.5% to 5.75% depending upon level of Non-Performing Assets (NPAs) of the concerned banks. NABARD, on its part, has impressed upon Cooperative Banks to review their structure of interest rates. Some banks have responded positively by reducing their lending rates and some banks could not do so on account of the high cost of funds, high level of NPAs, multi-tier structure etc. Moreover, the interest rate regime has been completely deregulated.

(b) and (c) Statutory inspections conducted by NABARD/RBI reveals such Cooperative Banks which are not complying with the provisions of the Banking Regulation Act, 1949 (AACS). Action is taken against those banks as per the provisions of the said Act.

Weaving Mills by Cooperative

7290. SHRI DUSHYANT SINGH : Will the Minister of TEXTILES be pleased to state :

(a) whether the Government has set up any weaving mills in the country on cooperative basis;

(b) if so, the number of cooperative weaving mills have been set up so far in the country State-wise; and

(c) the incentives granted to promote the weaving mills on cooperative basis in various States, State-wise?

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

(b) Does not arise.

(c) Does not arise.

Investment Limit for FIs

7291. SHRI IQBAL AHMED SARADGI : Will the Minister of FINANCE be pleased to state :

(a) whether the proposal to liberalise investment

limits for foreign institutional investors is pending for finalisation with the Government;

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

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (c) The liberalization of FII policy in India is a continuous process and has taken the form of relaxation of investment limits for FIIs, relaxation of eligibility conditions and liberalization of investment instruments accessible for FIIs. Government takes appropriate decisions from time to time. Hence, no time limit can be prescribed.

RIDF

7292. DR. ARUN KUMAR SHARMA :

SHRI KINJARAPU YERRANNAIDU :

SHRI SUBHASH SURESHCHANDRA

DESHMUKH :

Will the Minister of FINANCE be pleased to state :

(a) the amount deposited in the corpus fund of Rural Infrastructure Development Fund upto March 2005 since its inception and that proposed for the current fiscal;

(b) whether any change is being proposed in criteria and funding pattern thereof;

(c) if so, the details thereof;

(d) the details showing the list of projects being proposed and implemented in States out of this corpus during the above period State-wise, location-wise; and

(e) the utilization of funds made therefrom, State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) The total amount deposited in the corpus fund of Rural Infrastructure Development Fund (RIDF) upto March 2005 by commercial banks stood at Rs. 23,277.91 crore, since its inception in 1995-96. An amount of Rs. 8000 crore has been allocated in the corpus fund for the current fiscal.

(b) No, Sir.

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

(d) and (e) A statement showing State-wise disbursement under RIDF, since inception, is annexed.

Statement*State-wise Year-wise Disbursements (As on 31/03/2005)*

(Rs. Crore)

State	1995-96	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	Total
1	2	3	4	5	6	7	8	9	10	11	12
South Zone											
Andhra Pradesh	39.21	70.26	146.70	227.22	240.14	353.04	515.32	577.11	648.34	655.98	3473.32
Karnataka	23.05	66.61	64.41	118.86	143.37	204.89	181.46	238.71	266.17	242.40	1549.93
Kerala	7.87	57.43	35.93	39.65	60.96	74.71	155.71	134.60	127.26	71.01	765.13
Tamil Nadu	0.00	11.60	84.03	111.37	184.83	261.27	288.48	358.85	363.24	275.91	1939.58
South Zone Total	70.13	205.90	331.07	497.10	629.30	893.91	1140.97	1309.27	1405.01	1245.30	7727.96
West Zone											
Goa	4.17	2.68	0.00	0.89	4.08	2.85	12.47	2.58	14.99	0.00	44.71
Gujarat	31.00	103.22	65.15	72.04	145.38	272.56	189.55	193.76	373.85	510.16	1956.67
Maharashtra	82.01	136.83	94.17	32.92	303.41	421.99	325.72	220.10	2.75	512.75	2132.65
West Zone Total	117.18	242.73	159.32	105.95	452.87	697.40	527.74	416.44	391.59	1022.91	4134.03
North Zone											
Haryana	0.00	15.98	53.93	18.34	37.30	65.41	109.73	124.24	144.88	145.00	714.81
Himachal Pradesh	3.60	14.89	23.86	40.66	56.00	106.91	116.44	141.58	142.35	83.18	729.47
Jammu and Kashmir	0.62	0.00	10.17	6.46	55.19	71.65	147.64	140.07	80.39	136.60	650.79
Punjab	20.00	39.16	52.46	79.14	65.07	120.02	202.40	188.46	180.02	165.99	1112.99
Rajasthan	43.23	68.52	64.76	103.68	103.61	201.90	256.63	296.40	178.55	163.93	1481.21
North Zone Total	67.45	138.55	205.18	248.55	317.17	565.89	832.84	890.75	726.19	696.70	4689.27
Central Zone											
Chhattisgarh	0.00	0.00	0.00	0.00	0.00	147.93	44.25	96.99	140.60	182.32	612.09
Madhya Pradesh	36.69	188.53	74.63	94.97	123.66	40.72	304.20	382.44	391.96	249.30	1817.10
Uttar Pradesh	30.66	238.88	97.87	221.05	319.81	343.55	352.74	307.93	272.20	300.67	2485.36
Uttaranchal	0.00	0.00	0.00	0.00	0.00	8.90	0.00	54.98	49.88	122.41	236.17
Central Zone Total	67.35	357.41	172.50	316.02	443.47	541.10	701.19	842.34	854.64	854.70	5150.72

1	2	3	4	5	6	7	8	9	10	11	12
East Zone											
Bihar	0.00	0.00	0.00	0.00	17.43	-2.48	24.61	16.28	47.97	66.29	170.10
Jharkhand	0.00	0.00	0.00	0.00	0.00	2.48	0.00	0.00	0.00	5.00	7.48
Orissa	50.71	68.62	98.37	37.45	157.22	80.13	116.28	182.42	107.57	154.60	1053.37
West Bengal	14.52	72.09	36.87	69.93	134.00	268.05	291.09	308.44	251.63	195.45	1642.07
East Zone Total	65.23	140.71	135.24	107.38	308.65	348.18	431.98	507.14	407.17	421.34	2873.02
NER States & Sikkim											
Arunachal Pradesh	0.00	0.00	0.00	0.00	6.02	27.54	34.99	30.93	22.31	12.77	134.56
Assam	0.00	0.00	0.00	36.81	79.23	53.63	55.34	40.07	29.96	13.83	308.87
Manipur	0.00	0.00	0.96	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.96
Meghalaya	0.00	0.00	2.79	1.41	10.81	13.07	19.06	12.65	20.70	15.09	95.58
Mizoram	0.00	0.40	1.97	0.00	9.08	11.49	13.88	18.32	23.25	2.11	80.50
Nagaland	0.00	1.38	0.00	0.00	5.05	9.82	11.77	7.11	11.60	16.76	63.49
Tripura	0.00	0.00	0.00	0.00	4.31	7.90	8.00	23.67	24.95	10.44	79.27
Sikkim	0.00	0.00	0.00	0.00	11.90	6.94	12.61	4.73	4.72	5.07	45.97
Total for NER States	0.00	1.78	5.72	38.22	126.40	130.39	155.65	137.48	137.49	76.07	809.20
Grand Total	387.34	1087.08	1009.03	1313.12	2277.86	3176.87	3790.37	4103.42	3922.09	4317.02	25384.20

Protecting Interests of Bank Employees

7293. SHRI G. V. HARSHA KUMAR : Will the Minister of FINANCE be pleased to state:

(a) whether India is slowly moving from a regime of large number of small banks to small number of large banks;

(b) if so, the reasons therefor; and

(c) the steps being taken by the Government to protect the interests of the bank employees?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (c) Indian Banks Association (IBA) has recommended that Government should consider proposals for consolidation between nationalized banks in order to strengthen them. Government has indicated that it would consider specific proposals from nationalized banks as they arise. Any such proposal for consolidation by way of merger etc. of one nationalized bank

with another nationalized bank has to come from the management of the banks concerned with Government playing a supportive role as the common shareholder. No directive on Consolidation has been issued by Government or RBI. However, Government will protect the interests of all concerned including the employees before giving concurrence to any merger proposal.

Export of Jute

7294. SHRI KISHANBHAI V. PATEL :

SHRI BRAJA KISHORE TRIPATHY :

SHRIMATI KIRAN MAHESHWARI :

Will the Minister of TEXTILES be pleased to state :

(a) whether the Government has formulated any plan to increase jute export five fold by 2010;

(b) if so, the details of the steps taken by the Government to achieve the target for export of jute;

(c) whether the Government also proposes to set up a National Jute Museum in Delhi;

(d) if so, the details thereof;

(e) the time by which the said museum is likely to be set up;

(f) the quantum of exports of jute made during the last three years, year-wise; and

(g) the foreign exchange earned through export of jute during the said period?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) Yes, Sir. The National Jute Policy 2005 announced by the Government on 15th April 2005 envisages an objective to increase the export of jute and jute products to nearly Rs. 5000 crores by 2010 from the current level of almost Rs. 1000 crores.

Towards achieving the above target the following measures have been proposed in the policy :

1. Establishment of a multi disciplinary institutional mechanism to formulate policy measures and suggest specific action plans
2. Creation of a "Brand Equity fund", for jute and jute products consistent with WTO norms;
3. Incorporation of an Export Promotion Council in the National Jute Board to effectively facilitate promotional efforts aimed at boosting exports of jute and jute products.

(c) to (e) Yes, Sir. As announced in the National Jute Policy, 2005, the Government proposes to establish a National Jute and Jute Textile Museum in India to preserve and highlight the heritage of jute. However, the place and time frame for establishing the same will be decided by the Government.

(f) and (g) Export of jute goods from India and foreign exchange earned during the last 3 years are as given below :

Qty. : 000.M. Ton		Value : US\$/Million
Period (April-March)	Qty.	Value
2002-03	226.00	187
2003-04	310.00	234
2004-05	214.10	172

Service to Customers

7295. SHRI RAVI PRAKASH VERMA : Will the Minister of FINANCE be pleased to state:

(a) whether the RBI has decided to set up an independent Banking Codes and Standards Board of India in order to ensure that comprehensive codes of conduct for fair treatment of customers are evolved and adhered to;

(b) if so, the details thereof;

(c) whether the RBI has issued appropriate guidelines to banks to ensure transparency and disclosure of information by the card issuing banks and customer right protection, and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) Yes, Sir. Reserve Bank of India (RBI) have proposed to set up an Independent Banking Codes and Standards Board of India for the said purpose.

(b) The detailed modalities for setting up of the Board are being worked out.

(c) and (d) As per the extant guidelines on undertaking of credit card business banks have been advised by RBI to clearly spell out fees/charges to cardholder at the time of their applying for credit card. In particular, banks should bring to the notice of the cardholder the rates of interest to be charged in case of delays and default in payments, besides the membership/renewal fees.

FEMA

7296. SHRI G. V. HARSHA KUMAR : Will the Minister of FINANCE be pleased to state :

(a) whether the Government has received proposals from various quarters to liberalise the Foreign Exchange Management Act (FEMA); and

(b) if so, the action taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Liberalisation of foreign exchange transactions, regulated under Foreign Exchange Management Act, 1999 (FEMA), is undertaken through amendment of Rules and Regulations under the Act framed by the Government of India and Reserve Bank of India respectively from time to time. The amendments

are duly notified in the Gazette of India and laid on the Table of both Houses of Parliament. Liberalisation is a continuous and ongoing process and it has been the constant endeavour of Government of India/Reserve Bank of India to undertake it *suo moto* or otherwise, as and when deemed necessary.

New Venture by MUL

7297. SHRI KISHANBHAI V. PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Foreign Investment Promotion Board (FIPB) has cleared the new joint venture proposal of Maruti Udyog for setting up a car plant in the country;

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

(c) the details of the equity of Indian company in the said venture; and

(d) the time by which the said joint venture will start functioning?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (d) Foreign Investment Promotion Board (FIPB), has cleared the proposal of M/s Suzuki Motor Corporation, Japan in collaboration with their existing subsidiary company, M/s Maruti Udyog Ltd., for setting up a new joint venture company in India in the name of M/s Maruti Suzuki Automobile India Limited (MSAIL.) in its meeting held on 30.03.2005. MSAIL will manufacture certain models of M/s Suzuki Motor Corporation, Japan four wheeled vehicles, parts and accessories thereof. In the proposed joint venture company, M/s Suzuki Motor Corporation, Japan will hold 30% of the equity capital and M/s Maruti Udyog Limited will hold remaining 70% of the equity capital. Proposed paid up capital of M/s Maruti Suzuki Automobile India Ltd. will be Rs. 40.00 crore. The company has proposed to commence the manufacturing by October, 2005.

[Translation]

Mining of Diamonds

7298. SHRI CHANDRABHAN SINGH : Will the Minister of MINES be pleased to state :

(a) whether mining of diamonds is being done in the Panna district of Madhya Pradesh;

(b) if so, whether the auction sale of diamonds is being done in some other States instead of Madhya Pradesh;

(c) if so, the reasons therefor;

(d) whether any scheme/proposed for the development of this area from the income received through diamonds is under consideration of the Government;

(e) whether the condition of diamond mines is in pitiable condition; and

(f) if so, the details thereof and the steps taken by the Government for its improvement?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO) : The information as received from Ministry of Steel is as under :

(a) Yes, Sir.

(b) Diamonds produced by the National Mineral Development Corporation (NMDC) are sold in Madhya Pradesh at Panna as well as at Mumbai (Maharashtra).

(c) The quantum of diamonds to be sold is around 84,000 carats per annum of all categories. The diamond market for rough diamonds in Panna District of Madhya Pradesh is much smaller in comparison to that of Mumbai. Thus the auction sale of diamonds is also conducted at Mumbai in addition to Panna. Mumbai offers a better market and attracts bigger merchants which ultimately results in better price realization and more royalty to the Government of Madhya Pradesh.

(d) Medical facilities, drinking water, education, free transport facilities are being extended to nearby villages by NMDC.

(e) and (f) The NMDC mines at Majhgawan, Panna is fully mechanized and is being worked systematically. NMDC has its own township with the required facilities for its employees.

[English]

Share of Textile Sector in Global Market

7299. SHRI D. VITTAL RAO : Will the Minister of TEXTILES be pleased to state:

(a) whether India has set any target to increase its share in global textiles market to 4% as compared to the current 2%;

(b) whether India is hopeful to surpass the other countries on textile exports;

(c) if so, the steps taken/ to be taken to improve the textiles market share;

(d) whether the Government has any proposal to set up textile training centers in the country; and

(e) if so, the details thereof, location-wise?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) According to various studies, China and India will carve out a large share of the global textiles and clothing markets in the post quota regime. As per a recent study by CRISIL (commissioned by Indian Cotton Mills Federation), India's textiles and clothing industry has the potential to double the country's share of the global textiles and clothing market to 6 per cent, implying export earnings of US\$ 40 billion by 2010.

(c) to (e) In order to augment training facilities for meeting the growing skilled manpower requirements of garment industry at shop-floor level, Government has provided assistance to the Apparel Export Promotion Council (AEPCC) for undertaking modernization/expansion programme for Apparel Training & Design Centres (ATDCs). The programme envisages modernization of the existing six ATDC centres at Chennai, Delhi, Kolkata, Hyderabad, Jaipur and Bangalore and setting up six new centres at Noida, Gurgaon, Ludhiana, Tirupur, Trivandrum and Mumbai. Grant-in-aid amounting to Rs. 7.21 crores has been released to AEPCC during the financial year 2004-05 for this purpose.

The Government has been taking a number of steps from time to time to enable the Indian textile industry to increase its share of the global market. Some of the important initiatives taken are :

- (i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1-4-1999 to facilitate the modernization and upgradation of the sector.
- (ii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.

(iii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.

(iv) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.

(v) The fiscal duty structure has been generally rationalized to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option.

(vi) The imports of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.

(vii) Duty-free imports of 21 items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.

(viii) National Institute for Fashion Technology (NIFT), its seven branches are running various courses/programmes to meet the skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.

(ix) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.

(x) The Government has de-reserved the ready made garments, hosiery and knitwear from the SIS sector.

Protection of Small Investors

7300. SHRI SURESH PRABHAKAR PRABHU :
SHRI SANJAY DHOTRE :

SHRI SURESH WAGHMARE :

Will the Minister of COMPANY AFFAIRS be pleased to state :

- (a) whether the Government has received complaints in regard to the auditing of accounts of India Charge Chrome Limited;
- (b) if so, the details thereof along with the action taken by the Government thereon;
- (c) whether the company has not presented correct financial data to IDBI for the last two years;
- (d) if so, the impact on the small investors as a result thereof; and
- (e) the steps taken by the Government to protect the interests of small investors/shareholders of the company?

THE MINISTER OF STATE OF THE MINISTRY OF COMPANY AFFAIRS (SHRI PREM CHAND GUPTA) : (a) to (e) The information is being collected and will be laid on the Table of the House.

**Proposal for giving Punitive
Power to PFRDA**

7301. SHRI BRAJA KISHORE TRIPATHY : Will the Minister of FINANCE be pleased to state :

- (a) whether there is any proposal to give any punitive power to the Provident Fund Regulatory and Development Authority to deal with the fraudulent of public money;
- (b) if so, the details thereof;
- (c) if not, the reasons therefor; and
- (d) action taken by the Government against the officials who did not deposit the GPF subscription with the provident authority?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (c) Government has proposed a legislative framework to give statutory powers to the Pension Fund Regulatory and Development Authority. The proposed legislation includes provisions for stringent penalties, including monetary penalties upto Rupees twenty five crores and imprisonment upto ten years, for failure to comply with the regulatory provisions.

- (d) As per the existing rules for GPF, if a subscriber

fails to subscribe as required, arrears of subscription are recovered with interest from such subscriber.

**Superannuation Retirement Age
for Politicians**

7302. SHRI PRALHAD JOSHI : Will the Minister of LAW AND JUSTICE be pleased to state :

- (a) whether the Government is aware that the Chief Election Commissioner recently in one of his speeches has expressed the view of bringing legislation for candidates contesting elections;
- (b) if so, whether the Government proposes to amend the Representation of People Act, 1951 to fix superannuation retirement age for politicians for contesting elections;
- (c) if so, the details thereof; and
- (d) if not, the reasons therefor?

THE MINISTER OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : (a) and (b) No, Sir. The Government has not received any formal proposal from the Election Commission of India for amendment in the law regarding superannuation retirement age for politicians for contesting elections. No such proposal is also under consideration of the Government.

- (c) and (d) Do not arise.

Loan Cum Subsidy for Sanitary Purposes

7303. SHRI ASHOK ARGAL : Will the Minister of RURAL DEVELOPMENT be pleased to state :

- (a) whether it is a fact that through fictitious names loan-cum-subsidy were sanctioned under the Laxmipur Panchayat in Diglipur-Tehsil;
- (b) the number of fictitious persons have obtained such pour flush latrine loans;
- (c) whether the Pradhan, Laxmipur/public lodged complaints to the anti-corruption officials of the Administration;
- (d) if so, whether the complaint was lodged against the erring officials; and
- (e) if so, whether the FIR has been lodged against the officials?

THE MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI A. NARENDRA) : (a) to (e)

As per information received from Andaman and Nicobar Administration, a complaint had been lodged on 4.7.2001 by Pradhan Laxmipur Gram Panchayat and Public regarding alleged irregularity in implementation of the loan cum subsidy scheme. Anticorruption Cell of Andaman and Nicobar Administration, Port Blair is investigating the matter.

Earthquake Relief

7304. SHRI HARILAL MADHAVAJI BHAI PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether the Government of Gujarat has requested for financial assistance/for allocation of funds for relief during earthquake situation in several districts of Gujarat;

(b) if so, the details thereof, yearwise and its present status;

(c) the funds allocated and amount spent for above said work as on date; and

(d) the status of the same and reasons for delay; if any?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) No, Sir. However, Government of Gujarat had requested for allocation of funds for earthquake during 2001 and 2002.

(c) and (d) An amount of Rs. 500 crore was provided in 2000-01 and Rs. 967.37 crore in 2001-02 for immediate relief as per norms of National Calamity Contingency Fund. State Government has reported full utilization of the same.

Survey by GSI

7305. SHRI SURAVARAM SUDHAKAR REDDY : Will the Minister of MINES be pleased to state :

(a) whether Geological Survey of India, Southern Regional Office has entered into a Memorandum of Understanding with Ground Water Department of Government of Andhra Pradesh for generation of GIS data sets for 453 Topo Sheets at an estimated cost of 2.705 crores;

(b) if so, the total expenditure incurred on carrying out the work specified in MoU;

(c) whether the unspent funds were refunded to Ground Water Department of Government of Andhra Pradesh in terms of the MoU conditions; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO) : (a) Yes, Sir. Geological Survey of India (GSI) has entered into a Memorandum of Understanding (MoU) with Ground Water Department of Government of Andhra Pradesh for generation of GIS data sets for 453 Topo Sheets.

(b) The total expenditure incurred on carrying out the work specified in MoU is Rs. 2,70,41,835/- (Rs. 2.705 crores approx.), based strictly on "Schedule of Charges of GSI". GSI has absorbed the costs of salaries and other allowances of gescientists and technical staff associated with the project.

(c) and (d) No, Sir. In terms of the MoU any rebate on Survey of India rates will be paid back to Ground Water Department. Since no such rebate was given. The question of making payments to Government of Andhra Pradesh does not arise

[Translation]

Setting up of Hydro Power Projects

7306. SHRI NARENDRA KUMAR KUSHAWAHA :
SHRI MOHD. TAHIR :

Will the Minister of POWER be pleased to state :

(a) whether the Central Electricity Authority has completed the preliminary study of identification for setting up all the hydro power projects in future;

(b) if so, the details of projects evaluated so far;

(c) the number of projects where work has started; and

(d) the number of projects with installed capacity of more than 500 MW?

THE MINISTER OF POWER (SHRI P. M. SAYEED) : (a) and (b) The Re-assessment Studies of hydro-electric potential of the country, completed by Central Electricity Authority in 1987, had placed the economically exploitable hydro power potential at about 84,044 MW at 60% load factor. When fully developed, it would result into an aggregate installed capacity of about 1,48,701 MW. A total of 845 hydro-electric schemes were identified in various basins.

The Central Electricity Authority (CEA) had conducted Ranking Studies in 2001-02 in which 399 schemes

aggregating to an installed capacity of 1,06,910 MW were ranked into 3 categories viz. A, B and C for fixing their inter-se priority on the basis of weightage criteria of various aspects involved in the development of hydro schemes. The details of these schemes are given in the Statement-I enclosed.

Based on the Ranking Studies, 50,000 MW Hydro-electric Initiative was launched by Government of India during 2003-04 under which Pre-Feasibility Reports (PFRs) of 162 schemes located in 16 States have been prepared. The details of these 162 schemes are given in the Statement-II enclosed.

(c) At present 43 projects with installed capacity of 14,878 MW are under construction out of which 35 projects with installed capacity of 12,540 MW are from the Re-assessment Studies undertaken by Central Electricity Authority.

(d) 10 Hydroelectric projects under construction have installed capacity of more than 500 MW each out of which 8 nos. of projects are from the Re-assessment Studies completed by Central Electricity Authority.

Statement-I

Sl.No	Name of Scheme	Probable Installed Capacity (MW)	Category
1	2	3	4
Andhra Pradesh			
1.	Dummagudem	360	A
2.	Pulichintala	60	A
3.	Singareddi	250	A
4.	Pondugala	95	A
5.	Polavaram	720	B
6.	Inchampalli	975	B
		2460	
Arunachal Pradesh			
7.	Siang Lower	1700	A
8.	Bhareli Lift Dam-II	330	A
9.	Hegio	250	A
10.	Bhareli Lift Dam-I	240	A
11.	Emini	295	A
12.	Amulin	235	A

1	2	3	4
13.	Agoline	235	A
14.	Kapak Leyak	195	A
15.	Rigong	130	A
16.	Badao	120	A
17.	Pakke	120	A
18.	Kurung Dam-II	115	A
19.	Seba	105	A
20.	Yepin	95	A
21.	Milli	75	A
22.	Chela	75	A
23.	Par	65	A
24.	Pengging	60	A
25.	Tago-I	55	A
26.	Para	55	A
27.	Sepia	46	A
28.	Lachung	41	A
29.	Sape	38	A
30.	Raigam	32	A
31.	Nyepin	32	A
32.	Gimliang	31	A
33.	Rebby	30	A
34.	Chanda	110	A
35.	Tarang Warang	65	A
36.	Hiya	41	A
37.	Tidding-I	31	A
38.	Kimi	535	B
39.	Tato-II	360	B
40.	Phanchung	90	B
41.	Dardu	60	B
42.	Hutong	950	B

1	2	3	4	1	2	3	4
43. Chomi		80	B	73. Mathithing		40	B
44. Oju-II		2580	B	74. Khuitam		29	B
45. Attunli		175	B	75. Talong		150	B
46. Naba		1290	B	76. Utung		110	B
47. Emra-II		870	B	77. Dibbin		95	B
48. Noa-Dihing		75	B	78. Jarong		85	B
49. Tammu		55	B	79. But		26	B
50. Etalin		3045	B	80. Hiron		180	B
51. Kalai		2550	B	81. Malinye		335	B
52. Naying		495	B	82. Heo		90	B
53. Kameng		1100	B	83. Yangman Stor.		60	B
54. Oju-I		1925	B	84. Tenga		275	B
55. Niare		1405	B	85. Mihumdon		145	B
56. Bichom-II		205	B	86. Dibang		1000	B
57. Pasar		32	B	87. Sissiri		222	B
58. Siang Middle		700	B	88. Middle Subansiri		2000	B
59. Emra-I		275	B	89. Siang Upper		11000	B
60. Minnying		195	B	90. Bichom Storage-1		190	B
61. Elango		180	B	91. Upper Subansiri		2500	B
62. Duimukh Storage		170	B	92. Kurung Dam-1		200	B
63. Mirak		160	B	93. Lower Subansiri		2000	C
64. Tato-I		80	B	94. Demwe		3000	C
65. Nazong		65	B	95. Tipang		80	C
66. Pauk		50	B			49126.0	
67. Satuk		47	B	Chhattisgarh			
68. Gameng		37	B	96. Kutru-I		150	A
69. Papu		160	B	97. Konta		65	A
70. Jaru		60	B	98. Karri		70	A
71. Pichang		31	B	99. Kharauli		46	A
72. Ranganadi St.II		180	B	100. Chitrakot (MATNAR)		38	B

1	2	3	4	1	2	3	4
101. Bhopalapatnam		1000	B	129. Gondhala		90	B
102. Kutru-II		150	B	130. Chhota Dara		50	B
103. Nugur -II		270	B	131. Khoksar		80	B
104. Nugur-I		160	B	132. Bardang		145	B
105. Kotri		70	B	133. Chhatru		140	B
106. Pasal		55	B	134. Seli		150	B
107. Duniadhin		80	B	135. Sach Khas		70	B
108. Joka		28	B	136. Kyurik		41	B
		2182		137. Udaipur		36	B
Himachal Pradesh				138. Tidong-I		90	B
109. Budhil		70	A	139. Taiti-I		50	B
110. Allain Duhangan		192	A	140. Jhalma		275	C
111. Karcham Wangtoo		1000	A	141. Raoli		715	C
112. Rana Khad		29	A	142. Railing		155	C
113. Nakthan (Parbati-I)		420	A	143. Khab-I		1640	C
114. Shongtong Karcham		780	A			9492	
115. Jangi Thopan		410	A	Jammu and Kashmir			
116. Gharopa		85	A	144. Seawa(St.II)		120	B
117. Luhri		425	A	145. Chakothe(Uri-II)		280	B
118. Thopan Powari		650	A	146. Wangam		60	B
119. Sainj-IV		27	A	147. Leh		29	B
120. Pangula Sanail		26	A	148. Pakhal Dul		1000	B
121. Rampur Nainjah		420	B	149. Parkhachik		60	B
122. Sainj (Parbati-III)		520	B	150. Hatian		215	B
123. Machhetri		60	B	151. Chenari		475	B
124. Tirthan-III		26	B	152. Ratle		515	B
125. Chulan		55	B	153. Naunut		1120	B
126. Khab-II		425	B	154. Karkit		190	B
127. Tidong-II		90	B	155. Kanyunche		105	B
128. Thibda		55	B	156. Dunadi		60	B

1	2	3	4
157. Chechesma		47	B
158. Khabru		30	B
159. Thambas		29	B
160. Dandal		26	B
161. Kwar		440	B
162. Kiari		28	B
163. Kiru		295	B
164. Khalsi		170	B
165. Takmaching		75	B
166. Shamnot		200	B
167. Nurla		65	B
168. Dumkhar		130	B
169. Tipri		36	B
170. Gangbal		55	B
171. Kesar		42	B
172. Nimu		180	B
173. Bichlari		75	B
174. Kiwa		37	B
175. Naga		29	B
176. Gunderman		120	C
177. Chalunka		45	C
178. Shuas		505	C
179. Achinthag		140	C
180. Bursar		1020	C
181. Batalik		235	C
182. Sho		215	C
183. Tillarchu		39	C
184. Barinaum		435	C
185. Tahamus		120	C
186. Paidar		46	C

1	2	3	4
187. Parfila		45	C
188. Karalpur (K-Ganga)		330	C
		9513	
Karnataka			
189. Machchattu		35	A
190. Netravati		60	B
191. Kumardhari		49	B
192. Kali Nadi-III (Mardi)		175	B
193. Krishnapur (MAHADAYI)		210	B
194. Bennehole		55	B
195. Gangavali-II		105	B
196. Cauvery-PH I		235	B
197. Arkavathi		42	B
198. Cauvery PH IV		36	B
199. Jaldurg		270	B
200. Narayanpur		70	B
201. Cauvery-PH II		165	B
202. Cauvery PH III		90	B
203. Krishnarajasagar		55	C
204. Aghnashini		370	C
205. Baraple St-I		335	C
		2357	
Kerala			
206. Pandiarpunnapuzha-II		70	B
207. Kuriarkutty		84	B
208. Barapole-II		85	B
209. Poringalkuthu (R.B)		65	B
210. Mananthavadi		240	B
211. Manali		36	C
212. Parinjankutty		120	C

1	2	3	4
213. Lower Sabarigiri	55	C	
214. Kudal	47	C	
215. Twin-Kallar MPP	65	C	
216. Cholathipuzha	80	C	
217. Silent Valley	130	C	
218. Chalipuzha	50	C	
	1127		
Madhya Pradesh			
219. Basania	60	A	
220. Dhurwara	28	A	
221. Chorhat	55	A	
222. Jahanpur	75	B	
223. Burnher	28	B	
	246		
Maharashtra			
224. Kumbhi-II	27	A	
225. Kunglara	115	A	
226. Ghargaon	105	A	
227. Samda	95	A	
228. Kasari-I	215	B	
229. Patharpunj	29	B	
230. Kadvi	215	B	
231. Kumbhi-I	170	B	
232. Pathri	40	B	
233. Sahasrakund-I	29	B	
234. Hiranyakeshi-II	405	B	
235. Pranhita	310	B	
236. Wainganga	150	B	
	1905		
Manipur			
237. Irang	60	A	

1	2	3	4
238. Khongnem Chakha-III	48	A	
239. Laniye-II	27	A	
240. Irang	75	B	
241. Nungliban	85	B	
242. Laniye-I	34	B	
243. Khongnem Chakha-II	90	B	
244. Tuivai	51	B	
245. Pabaram Stor.	232	C	
246. Sinjal	39	C	
247. Tipaimukh	1500	C	
	2241		
Meghalaya			
248. Umlamphang	28	A	
249. Sushen	150	A	
250. Umjaut	85	B	
251. Umduna	95	B	
252. Kynshi-II	175	B	
253. Mawhu	90	B	
254. Umiam Umtru-V	27	B	
255. Umiam Umtru-VI	145	B	
256. Mawpat	55	B	
257. Rangmaw	42	B	
258. Nongnam	36	B	
259. Nongmawlar	29	B	
260. Nonglyngkien	47	B	
261. Mawsyrpat	45	B	
262. Nongkolait	180	B	
263. Someshwari Dam	130	B	
264. Amagam Storage	35	B	
265. Mawblei Storage	100	B	

1	2	3	4
266. Kynshi-I Stor.		295	C
267. Umngot Stor.		265	C
268. Mawthaba		70	C
269. Umngi Storage		35	C
		2159	
Mizoram			
270. Kolodyne St. I		120	B
271. Tuivawl		48	B
272. Deh		26	B
273. Kaldan Stor.		545	C
274. Lunglang Stor.		690	C
275. Boinu Stor.		635	C
		2064	
Nagaland			
276. Laruri		80	A
277. Sakhai-II		31	A
278. Zungki		48	B
279. Khuzami		32	B
280. Yangnyu Stor.		135	B
281. Rurrur		36	B
282. Dikhu Lift Dam		120	C
283. Jhanji storage		75	C
284. Tizu		365	C
285. Dikhu Dam P.H.		470	C
		1392	
Orissa			
286. Bhimkund		29	B
287. Hirakud St-III		408	B
288. Lodani		42	B
289. Baljori		393	B

1	2	3	4
290. Naraj		215	B
291. Tikkarpara		205	B
292. Lower Kolab		375	B
		1667	
Sikkim			
293. Teesta St. VI		360	A
294. Teesta St. IV		495	A
295. Lachung		30	A
296. Gompa		46	A
297. Talem		65	A
298. Kalep		41	A
299. Panan		230	A
300. Namlum		175	A
301. Dikchu		90	A
302. Teesta St. II		450	A
303. Rangyong		175	B
304. Serum		50	B
305. Lingza		160	B
306. Rukel		90	B
307. Yoksam		44	B
308. Mana		37	B
309. Rongni Storage		95	B
310. Jedang		185	B
311. Ringpi		160	B
312. Teesta St. I		320	B
313. Chhota Pathing		55	B
		3353	
Uttaranchal			
314. Benakuli		40	A
315. Tapovan Chunar (Tapovanvisnugadh)		485	A

1	2	3	4
316. Lata Tapovan	320	A	
317. Tiuni	42	A	
318. Bowala Nand Prayag	132	A	
319. Vishnugad Pipalkoti	360	A	
320. Bhela Tipri	100	A	
321. Bhairon Ghati	60	A	
322. Naitwar Mori	70	A	
323. Sankri-Kunari	33	A	
324. Pishanaitwar	30	A	
325. Ugmir	28	A	
326. Diulong-Sumangaon	26	A	
327. Badri Nath	260	B	
328. Nand Prayag Langasu	180	B	
329. Khartoli Lumti Talli	105	B	
330. Harsil Dam	350	B	
331. Nelang	190	B	
332. Jadh Ganga	110	B	
333. Taluka-Saul	39	B	
334. Karmali	190	B	
335. Jamolna-Ghansyali	44	B	
336. Gangotri	70	B	
337. Tokh Gurupa	26	B	
338. Kalika Dantu	140	B	
339. Dhargoan-Jandarwali	29	B	
340. Banoli Nalgam	55	B	
341. Nakot Pottasu	43	B	
342. Kuwa Ford	42	B	
343. Tamak Lata	200	B	
344. Devi Bagar Khartoli	40	B	
345. Mamdakini	36	B	

1	2	3	4
346. Kotlibhel	1000	B	
347. Mapang Bogudiyar	185	B	
348. Khet Tawaghat	225	B	
349. Sela Urthing	165	B	
350. Malkhet Dam	37	B	
351. Girthi Ganga	34	B	
352. Lohari Nag Thrang	520	B	
353. Sirkari Bhyol Rus Bagar	145	B	
354. Sobala Jhimrigoam	145	B	
355. Niti Ganshali	32	B	
356. Urthing Sobala	340	B	
357. Sirkari Bhyol Bogudiyar	240	B	
358. Chhanger Chal	145	B	
359. Rishi Ganga II	65	B	
360. Bampa Kurkuti	60	B	
361. Khel Kuran Neti	49	B	
362. Nayar Dam	34	B	
363. Pala Bhila Tipri	400	B	
364. Bokang Bailing	145	B	
365. Ramganga Dam	75	B	
366. Deodi	65	B	
367. Rishi Ganga I	115	B	
368. Jalem Tamak	150	B	
369. Malari Jhelam	90	B	
370. Devasari Dam	78	B	
371. Khasiyabara	280	B	
372. Utyasu dam	1140	B	
373. Garba Tawaghat	195	B	
374. Gohana Tal	95	B	
375. Tawaghat Dharchula	310	B	

1	2	3	4
376. Garjia Dam		295	B
377. Kishau Dam		600	C
		11329	
Jharkhand			
378. Upper Sankh-II		186	A
379. Serengda		37	A
380. Submarekha MPP		30	B
381. Khadwan		450	B
382. Lower Sankh		186	C
		889	
Assam			
383. Langey		37	A
384. Lower Kopili		150	A
385. Upper Borpani		60	A
386. Amring		33	B
387. Jamuna Dam P/H		28	B
388. Diyung Dam P/H		47	B
389. Dilli Stor.		33	C
		388	
West Bengal			
390. Ramam-III		100	A
391. Balasan		33	A
392. Teesta High Dam		2505	C
		2638	
Uttar Pradesh			
393. Orchha		39	A
Goa			
394. Sonai		55	C
Tamil Nadu			
395. Bhawani Kattalai		90	A

1	2	3	4
396. Lower Moyar		33	C
397. Nirar		26	C
398. Paraliyar		39	C
399. Pandiarpunnapuzha-I		100	C
		288	
Grand Total		106910	

Statement-II

*Pre-Feasibility Reports under 50,000 MW
Hydroelectric Initiative
Statewise List of Schemes*

Sl.No.	State/Schemes	Installed Capacity (MW)
1	2	3
Andhra Pradesh		
1.	Pondugala	81
	Total (Andhra Pradesh)—1 Nos. schemes	81
Arunachal Pradesh		
2.	Agoline	375
3.	Amulin	420
4.	Ashupani	30
5.	Attunli	500
6.	Badao	120
7.	Bhareli-I	1120
8.	Bhareli-II	600
9.	Chanda	110
10.	Demwe	3000
11.	Dengeer	552
12.	Dibbin	100
13.	Duimukh	150
14.	Elango	150

1	2	3
15. Emini		500
16. Emra -II		390
17. Etabue		165
18. Etalin		4000
19. Hirong		500
20. Hutong		3000
21. Kalai		2600
22. Kameng Dam		600
23. Kapakleyak		160
24. Kurung I & II		330
25. Mihumdon		400
26. Mirak		141
27. Naba		1000
28. Nalo		380
29. Naying		1000
30. Niare		800
31. Oju-I		700
32. Oju-II		1000
33. Pakke		110
34. Papu		200
35. Phanchung		60
36. Ringong		150
37. Sebu		80
38. Simang		90
39. Talong		300
40. Tarangwarang		30
41. Tato-II		700
42. Tenga		600
43. Utung		100
Total (Arunachal Pr.)—42 Nos. schemes		27293

1	2	3
Chhattisgarh		
44. Kotri		150
45. Nugur-I		170
46. Nugur-II		210
47. Rehar-I		171
48. Rehar-II		147
Total (Chhattisgarh)—5 Nos. schemes		848
Himachal Pradesh		
49. Bajoli Holi		180
50. Bardang		114
51. Chamba		126
52. Chhatru		108
53. Gharopa		114
54. Gondhala		144
55. Jangi Thopan		480
56. Khab-I		450
57. Khab-II		186
58. Khoksar		90
59. Luhri		465
60. Thopan Powari		480
61. Tidong-I		60
62. Tidong-II		70
63. Yangthang		261
Total (Himachal Pr.)—15 Nos. schemes		3328
Jammu and Kashmir		
64. Barinium		240
65. Bichlari		35
66. Dumkhar		45
67. Kanyunche		45
68. Karkit		30

1	2	3	1	2	3
69. Kavar		320	91. Kumbhi		17
70. Khalsi		60	92. Kunghara		72
71. Kiru		430	93. Pranhita		48
72. Ratle		560	94. Samda		52
73. Shamnot		370	95. Wainganga		105
74. Shuas		230	Total (Maharashtra)—9 Nos. schemes		411
75. Takmaching		30	Manipur		
76. Ujh		280	96. Khongnum Chakka st.-II		67
Total (J & K)—13 Nos. schemes		2675	97. Nunglieban		105
Karnataka			98. Pabaram		190
77. Agnashini		600	Total (Manipur)—3 Non. schemes		362
78. Gangavali		400	Meghalaya		
79. Gundia		300	99. Mawblei		140
80. Kalinadi Stage-III		300	100. Mawhu		120
81. Tamankal		300	101. Mawput		21
Total (Karnataka)—5 Nos. schemes		1900	102. Nongkolait		120
Kerala			103. Nongnam		50
82. Karappara Kiriarkutty		66	104. Rangmaw		65
83. Perianjakully		60	105. Selim		170
Total (Kerala)—2 Nos. schemes		126	106. Sushen		65
Madhya Pradesh			107. Umduna		57
84. Basania		90	108. Umjaut		69
85. Bauras		55	109. Umngi		54
86. Hoshangabad		60	Total (Meghalaya)—3 Nos. schemes		931
Total (Madhya Pradesh)—3 Nos. schemes		205	Mizoram		
Maharashtra			110. Boinu		640
87. Ghargaon		52	111. Lungleng		815
88. Hiranyakeshi		18	112. Tlawng		45
89. Kadvi		22	Total (Mizoram)—3 Nos. schemes		1500
90. Kasari		25			

1	2	3
Nagaland		
113. Dikhu		140
114. Tizu		150
115. Yangnyu		40
Total (Nagaland)—3 Nos. schemes		330
Orissa		
116. Baljori		178
117. Lower Kolab		465
118. Naraj		287
119. Tikarpara		259
Total (Orissa)—4 Nos. schemes		1189
Sikkim		
120. Dikchu		105
121. Lachen		210
122. Lingza		120
123. Panan		200
124. Rangyong		141
125. Ringpi		70
126. Rongni Storage		195
127. Rukel		33
128. Talem		75
129. Teesta-I		320
Total (Sikkim)—10 Nos. schemes		1469
Uttaranchal		
130. Arakot Tiuni		72
131. Badrinath		140
132. Bagoli Dam		72
133. Bhaironghati		65
134. Bogudiyar-Sirkari Bhyal		170
135. Bokang Baling		330

1	2	3
136. Chhunger-Chal		240
137. Deodi		60
138. Devsari		300
139. Gangotri		55
140. Garba Tawaghal		630
141. Gohana Tal		60
142. Harsil		210
143. Jadh Ganga		50
144. Jakhol Sankri		33
145. Jelam Tamak		60
146. Kalika Dantu		230
147. Karmoli		140
148. Khartoi Lumti Talli		55
149. Lata Tapovan		310
150. Maleri Jelam		55
151. Mapang-Bogidiyar		200
152. Naitwar-Mori		33
153. Nand Prayag		141
154. Ramganga		66
155. Rishi Ganga-I		70
156. Rishi Ganga-II		35
157. Rupsiabagar Khasiyabara		260
158. Sela Urthing		230
159. Sirkari Bhyol Rupsiabagar		210
160. Taluka Sankri		140
161. Tamak Lata		280
162. Urthing Sobla		280
Total (Uttaranchal)—33 Nos. schemes		5282
Grand Total—162 Nos. schemes		47930

*[English]***Textile Parks**

7307. SHRI K. J. S. P. REDDY : Will the Minister of TEXTILES be pleased to state :

(a) whether the textile park set up at Baddenapalli near the textile town of Sircilla has failed to accommodate even a single unit till date;

(b) if so, the reasons therefor;

(c) whether the Government has consulted the State Government to revive the said Textile Park;

(d) if so, the suggestions received in this regard; and

(e) steps taken by the Government to immediately start the production activity there?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (e) Government has not sanctioned any Textiles Park at Baddenapalli. However, a project has been sanctioned under the Textile Centres Infrastructure Development Scheme (TCIDS) for up-gradation of infrastructure facilities at Thangellapalli Village, Sircilla Mandal, Karimnagar District (Andhra Pradesh). The Empowered Committee for TCIDS has reviewed the implementation of project on 15th March, wherein it was informed by the representative of Andhra Government that 100% industrial area has been booked in which 198 plots have been laid and sold, and the project would be completed within two months. A grant-in-aid amounting to Rs. 98 Lakhs has so far been released for the project under the Scheme.

Textile Hubs

7308. SHRI ANANTA NAYAK :

SHRI CHANDRA BHUSHAN SINGH :

Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that India will emerge as a textile hub for the European Union and the United States of America;

(b) if so, the details thereof;

(c) whether that this sector needs more massive investment to encash the opportunities; and

(d) if so, the steps being taken by the Government to support his sector?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (c) Yes, Sir. According to various studies, China and India will carve out a larger share of EU and US markets in the post quota regime. India's growth in exports will be driven by value added made ups and apparel as India has comparative advantages over its competitors in relation to: (i) availability of relatively inexpensive and skilled workforce (ii) design expertise (iii) large production base of basic raw materials.

According to the study commissioned by CRISIL (on behalf of Indian Cotton Mills Federation), the Indian textiles and apparel industry has a potential to double the country's share of the global textiles and clothing market, implying export earning of US\$ 40 billion by 2010. In order to achieve the full potential, investment of Rs. 1,40,000 crore would be required, not only to modernise existing capacities but also to create fresh capacity.

(d) Government has been taking a number of steps from time to time to support the indigenous textile industry. Some of the important initiatives taken are :

- (i) The Technology Upgradation Fund Scheme (TUFS) has been made operational from 1.4.1999 to facilitate the modernization and upgradation of the sector.
- (ii) To improve the productivity and quality of cotton, Government has launched Technology Mission on Cotton (TMC). The mission comprises four mini-missions, which are being jointly implemented by the Ministry of Agriculture and Ministry of Textiles. One of the important ingredients of the Mission is to improve cotton processing facilities by upgrading/modernizing the existing ginning and pressing facilities and setting up of new market yards/improvement of existing market yards.
- (iii) The Government has launched a centrally sponsored scheme titled "Apparel Park for Export Scheme" for imparting focused thrust for setting up of apparel manufacturing units of international standards at potential growth centres to give fillip to exports.
- (iv) For upgrading infrastructure facilities at important textile centres, a scheme titled "Textile Centre Infrastructure Development Scheme" (TCIDS) has been launched.

- (v) The fiscal duty structure has been generally rationalized to achieve growth and maximum value addition within the country. Except for mandatory excise duty on man-made filament yarns and man-made staple fibres, the whole value addition chain has been given excise exemption option
- (vi) The import of specified textiles and garment machinery items has been allowed at concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market. The cost of machinery has also been reduced through fiscal policy measures.
- (vii) Duty-free imports of items of trimmings and embellishment items are allowed to the garment exporters, upto 3% of their actual export performance during the previous year.
- (viii) National Institute for Fashion Technology (NIFT), its seven branches and Apparel Training & Design Centres (ATDCs) are running various courses/programmes to meet skilled manpower requirements of textile industry especially apparel in the field of design, merchandising and marketing.
- (ix) Facilities by way of eco-testing laboratories have been created to enable exporters to get the garments/textiles pre-tested for conforming to the requirements of importing countries.
- (x) The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

12th Finance Commission

7309. SHRI CHENGARA SURENDRAN : Will the Minister of FINANCE be pleased to state :

- (a) whether the Government has directed the 12th Finance Commission to go into the issue of arranging funds to tackle natural calamities;
- (b) if so, the details thereof;
- (c) whether any report on the issue has been submitted by the commission; and
- (d) if so, the details thereof and the action taken by the Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Terms of Reference of the Twelfth Finance Commission (TFC) included review of arrangement regarding financing of Disaster Management with reference to the National Calamity Contingency Fund (NCCF) and the Calamity Relief Fund (CRF) recommended by the Eleventh Finance Commission.

(c) TFC, in their report for the five year period 2005-10, recommended continuance of the scheme of CRF and NCCF in its present form, with an enhanced size of the CRF at Rs. 21,333.33 crore with Center's share of Rs. 16,000 crore and State's share of Rs. 5,333.33 crore. The Commission further recommended inclusion of four additional calamities of landslides, avalanches, cloud burst and pest attacks as eligible for assistance from CRF/NCCF.

(d) The Government of India has accepted these recommendations of the Commission.

Smuggling of Drugs

7310. SHRI ASADUDDIN OWAISI : Will the Minister of FINANCE be pleased to state :

(a) whether as per the Directorate of Revenue Intelligence drug peddlers and mafia operating along Afghanistan and Pakistan route may try to offload more contraband into India in the wake of bumper harvest of poppy in Afghanistan;

(b) if so, whether the failure of the US to put an end to reign of druglords in Afghanistan may cost India dearly;

(c) if so, whether Indian Government has taken up the matter with the Afghanistan in this regard; and

(d) if so, the outcome thereof and if not, the steps taken or being taken by Government to stop incoming of contraband goods in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) The available intelligence with the Directorate of Revenue Intelligence suggests an increase in smuggling of drugs from Afghanistan and Pakistan into India in the wake of the reported bumper harvest of poppy in Afghanistan. The concerned enforcement agencies have been suitably alerted to deal with the situation and thwart any attempt of smuggling of drugs into India.

(c) The matter of trafficking of Narcotics Drugs from Afghanistan has not been taken up formally with the

Afghanistan Government but India has expressed its concerns in the matter at international fora, including at the United Nations Commission on Narcotic Drugs meetings.

(d) In order to combat trafficking across Indo-Pak border, the following steps have been taken :

1. Exchange of information on traffickers during border meetings between BSF and Rangers of Pakistan.
2. Developing intelligence on traffickers smuggling drugs across Indo-Pak Border in co-ordination with other agencies.
3. Regular biannual meetings with Anti-Narcotics Force of Pakistan and exchange of intelligence relating to drug trafficking with Narcotics Control Bureau.

Mercy Killing

7311. SHRI K. C. PALANISAMY : Will the Minister of LAW AND JUSTICE be pleased to state :

- (a) whether mercy killing is illegal in the country;
- (b) if so, the reasons therefor;
- (c) whether Union Government has any proposal for bringing any legislation to legalise mercy killing;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor?

THE MINISTER OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : (a) and (b) Mercy killing is illegal in the country because the same is not permitted under the Law.

- (c) No, Sir.
- (d) The question does not arise.
- (e) The Union Government has no proposal for bringing any legislation to legalise mercy killing due to the following reasons :

- (i) Progression of medical science to relieve pain, suffering, rehabilitation and treatment of so-called incurable diseases will suffer a set back.
- (ii) An individual may wish to die at certain point of time, his or her wish may not be persistent and only a fleeting desire out of transient depression.

(iii) Suffering is a state of mind and a perception, which varies from individual to individual and depends on various environmental and social factors.

(iv) Continuous advancement in medical science has made possible good pain management in patients of cancer and other terminal illnesses. Similarly, rehabilitation helps spinal injury patients in leading near normal life and mercy killing may not be required.

(v) Wish of mercy killing by a mentally ill patient or in depression may be treatable by good psychiatric care.

(vi) It will be difficult to quantify the suffering, which may always be subject to changing social pressures and norms.

(vii) It will be difficult on the part of the doctors to claim to have knowledge and experience to say that the disease is incurable and patient is permanently invalid.

(viii) There might be psychologically pressure and trauma to the medical officers who would be required to conduct mercy killing.

Production and Quality Norms

7312. SHRI BALASAHEB VIKHE PATIL : Will the Minister of TEXTILES be pleased to state :

- (a) whether the Government proposes to unveil new production and quality norms;
- (b) if so, the details thereof;
- (c) the impact there on the economic liberalization policy of the Government; and
- (d) if not, the advantage expected by the Government with such a move in view of the removal of quota restrictions?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (d) The Textile Industry is basically concentrated in private sector and the Government only plays the role of a facilitator. The industry strives to follow best practices in respect of productivity and quality, which are being observed globally. It is estimated that consequent upon the dismantling of quota system, international trade in textiles and clothing will grow at an average annual growth rate of

8% from 2005, as against the average annual growth of 6% in the period 1995 to 2002. As a result, international trade in textiles and clothing is expected to grow from US\$ 353 billion in 2002 to US\$ 655 billion in 2010. Economic liberalization will provide for employment opportunities coupled with all-around growth of the textile sector.

Domestic Credit to Private Sector

7313. SHRI SURESH PRABHAKAR PRABHU : Will the Minister of FINANCE be pleased to state :

- (a) the existing ratio between the domestic credit to private sector and GDP;
- (b) whether the Government fix any target for the financial year 2005-06 in this regard;
- (c) if so, the details thereof;
- (d) if not, the reasons therefor; and
- (e) the place of India in terms of percentage of domestic credit to the private sector out of GDP compared with countries like China, Germany, etc.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (d) Bank credit to commercial sector as a percentage of GDP, as on March 31, 2005, was 41.0 per cent. In the Annual Policy Statement for the year 2005-06, non-food credit (including non-SLR investments of banks) has been projected to increase by around 19.0 per cent during 2005-06. This magnitude of credit expansion is expected to meet adequately the credit needs of all the productive sectors of the economy.

(e) As per the latest data available in the International Financial Statistics. IMF, April 2005, credit to private sector as a percentage of GDP for India in 2003 was 32.0 per cent compared to 147.7 per cent for China, 117.3 per cent for Germany and 63.9 per cent for United States of America.

Investment in Power Sector

7314. SHRI SURESH KALMADI : Will the Minister of POWER be pleased to state :

- (a) whether the Union Government has made any direct investment in Power Projects located in the State of Maharashtra;
- (b) if so, the details thereof and the amount of investment made during the last three years project-wise; and

(c) The share of State Government in these projects?

THE MINISTER OF POWER (SHRI P. M. SAYEED) :
(a) No, Sir.

(b) and (c) Do not arise.

[Translation]

Annual Scheme of States and UTs

7315. SHRI RAM SINGH KASWAN : Will the Minister of FINANCE be pleased to state :

- (a) whether the central share in the annual schemes of States and Union Territories as declined during the first three years of the Tenth Five Year Plan Period;
- (b) if so, the details thereof and the reaction of the central/concerned State Government thereto;
- (c) the central share in the annual scheme of States and Union Territories during the Ninth Five Year Plan; and
- (d) the steps being taken by the Union?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Actual State Plan outlays for last two years of Tenth Plan are still not available. However, share of Central assistance as a proportion of State Plan as approved by Planning Commission for 2004-05 went up to 51.19% from 50.63% in 2001-02. In absolute members, Central assistance increased from Rs. 49624.68 crores in 2001-02 to Rs. 63468.77 crore (as approved) in 2004-05.

(c) and (d) Proportion of Central assistance in the annual Plans of States during Ninth Plan was as under :

1997-1998	45.10%
1998-1999	42.64%
1999-2000	43.99%
2000-2001	42.72%
2001-2002	50.63%

Value Added Tax

7316. SHRI CHANDRA MANI TRIPATHI : Will the Minister of FINANCE be pleased to state :

- (a) the major items covered under Value Added Tax (VAT) system;

(b) whether more items are likely to be included in the list;

(c) if so, the details thereof; and

(d) the effects on aforesaid items in neighbouring States which have not implemented the VAT system?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (c) The VAT system, implemented by most of the States with effect from 1st April, 2005, is a State subject. The Empowered Committee of State Finance Ministers, which is a representative body of all States, has finalized lists of commodities to be taxed under various rates. It has been decided by the Empowered Committee that under the exempted category there will be commodities comprising natural and unprocessed products, items which are legally barred from taxation and items which have social implications. Gold, silver, bullion and precious stones shall attract 1% rate of VAT. Under 4% VAT category, commodities comprising items of basic necessities, all agricultural and industrial inputs, capital goods and declared goods, will be there. The remaining commodities shall fall under the general rate of VAT of 12.5%.

(d) Since VAT is an intra-State tax, the question of its effects in neighbouring non-VAT States does not arise.

[English]

Gold Reserve in Karnataka

7317. SHRI PRALHAD JOSHI : Will the Minister of MINES be pleased to state :

(a) the details of new source of Gold Mines located during the last three years;

(b) whether it has come to the notice of the Government that Gold ore is found sufficiently in the Kappata Gudda Hills near Gadag-Karnataka;

(c) if so, whether the Government has any plan in going for mining to extract Gold ore from these Hills;

(d) if so, the details of the quantity of gold that can be obtained from this area and the details of the investments;

(e) whether the Government has proposals for immediate commencement of the mining operations; and

(f) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO) : (a) As per the information furnished by the Geological Survey of India (GSI) and the Indian Bureau of Mines (IBM), subordinate offices of Ministry of Mines, the following gold reserves have been estimated during the last three years :

Name of the Area/District/State	Ore (in million tonne)	Metal content (gram per tonne)
Dhani-Basri Area, Dausa District, Rajasthan	0.8	1.00
Dilwara Block, Banswara District, Rajasthan	0.704	1.88
Bhukia East Central Block, Banswara District, Rajasthan	0.273	1.89
Dona South Block, Anantpur District, Andhra Pradesh	1.113	1.16 to 6.28
Dona North Block, Anantpur District, Andhra Pradesh	0.098	3.85
Dugocha-North Block, Udaipur District, Rajasthan	0.132	2.09
Dugocha-Central Block, Udaipur District, Rajasthan	0.216	3.05
Dona East Block, Kurnool District, Andhra Pradesh	5.309	Not available
NE Block of Jonnagir, Andhra Pradesh	7.768	2.041
Hutti, Raichur District, Karnataka	7.07	6.28
Uti, Raichur District, Karnataka	0.122	2.66
Hira Buddini, Raichur District, Karnataka	0.243	7.90

(b) No, Sir. Studies in the Kappatta Gudda Hills near Gadag have so far failed to find gold resources of economic significance.

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

Declaration of Dividends

7318. SHRI BRAJESH PATHAK : Will the Minister of FINANCE be pleased to state :

(a) the number of listed companies which have not paid dividends in spite of making profits for the last three years;

(b) whether large investment made by the Indian Financial Institution in the shares of Infosys, Tata Consultancy, Wipro and Satyam yield low returns;

(c) if so, the details thereof alongwith action taken by the Union Government thereto;

(d) the details of listed companies with less than 25 per cent public holding; and

(e) the action taken/being taken by SEBI to ensure minimum 25 per cent public holding in listed companies?

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

Foreign Funding for NGO's

7319. SHRI K. C. PALANISAMY : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government has decided to bring the entire regime of Foreign Funding for Non-Governmental Organisations (NGO's) under the glore of Ministry of Finance;

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Department of Economic Affairs is concerned with processing of only the proposals received for foreign funding of Non-Government Organizations from the bilateral development partner countries. Foreign funding for NGOs continues to be governed under Foreign Contribution (Regulations) Act (FCRA) 1976, which is administered by Ministry of Home Affairs.

Duty Entitlement Passbook Scheme

7320. SHRIMATI MANORAMA MADHAVRAJ :

SHRI GURUDAS KAMAT :

SHRI SUGRIB SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether the Government is considering a smooth transition from the Duty Entitlement Passbook (DEPB) Scheme to a duty drawback regime;

(b) whether the Government is implementing the recommendations of the Saumitra Chaudhury Committee to

expand coverage of duty drawback in order to ensure compliance with WTO regulations; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) No, Sir. In the Foreign Trade Policy, 2004-2009 (updated as on 31st March, 2005), it has been stated that the DEPB scheme will continue to be operative until it is replaced by a new scheme which will be drawn up in consultation with exporters. The matter is under examination by the Department of Commerce.

(b) and (c) The Central Government vide its order dated 9th March, 2005 had constituted a three-member Committee consisting of Shri Saumitra Chaudhuri (Member of Economic Advisory Council to Prime Minister) as Chairman, Shri S.B. Mohapatra, Secretary (Retired) and Shri T.R. Rustagi, Chief Commissioner of Customs & Central Excise (Retired) as Members. As per the terms of reference, the Committee was required to interact with the stakeholders and work out the modalities for calculation of All Industry Rates of Duty Drawback, 2005-06. In pursuance of this mandate, the Committee has had consultations with the various administrative Ministries, Export Promotion Councils, trade bodies and individual exporters. The Committee, after examination of the requests made by stakeholders, submitted its report on 20.4.2005. On the basis of recommendations of the Committee, appropriate duty drawback rates for various export products have been notified on 2nd May, 2005. The revised rates came into force with effect from 5th May, 2005.

Pending Court Cases

7321. DR. M. JAGANNATH : Will the Minister of LAW AND JUSTICE be pleased to state :

(a) whether there is any proposal to maintain a computerised record of all the pending cases in all the High Courts;

(b) if so, the details thereof;

(c) if not, the reasons therefor;

(d) whether the Government proposes to monitor the pendency of cases; and

(e) if so, the details thereof;

(f) whether the Government has issued various directions to clear the backlog which are pending for a long time; and

(g) if so, the outcome of such directions?

THE MINISTER OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : (a) and (b) All High Courts are maintaining computerised records of pending cases, and this data is being used for generation of cause lists, preparation of judgment and orders, caveat matching, notice generation and also for dissemination of information to the litigant public on internet.

(c) Does not arise.

(d) and (e) Pendency of cases relates to the substantive functioning of judiciary. However the Central Government has been receiving periodical Quarterly Reports of High Courts and Half Yearly Reports of Subordinate Courts on institution, disposal and pendency of cases.

(f) and (g) Government and judiciary are both concerned with the huge pendency of cases. Various measures have been taken in this regard. The Central Government has approved allocation of Rs. 384.53 crore for computerization in the subordinate judiciary for fast and efficient management of court process.

Further, the Government has extended the term of 1562 Fast Track Courts for a period of five years i.e. upto 31.3.2010 with provision of Rs. 509 crores as 100% central funding.

Trading Systems in Stock Exchanges

7322. SHRI GANESH SINGH :

SHRI BADIGA RAMAKRISHNA :

SHRI BIKASH CHOWDHURY :

Will the Minister of FINANCE be pleased to state :

(a) different types of trading systems/patterns followed in National Stock Exchange (NSE) and Bombay Stock Exchange (BSE);

(b) if so, the details thereof; system-wise and the difference between each trading system, exchange wise;

(c) whether failure in trading has taken place particularly at the time of fluctuation in movement in many scrips between January and April, 2005;

(d) if so, the details thereof alongwith quantum of losses suffered by investors due to above failure exchange-wise;

(e) the steps taken to fix responsibility in this regard;

(f) the details thereof alongwith the action taken in the matter; and

(g) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) The trading system provided by NSE is National Exchange For Automated Trading (NEAT) and by BSE in BSE Online Trading System (BOLT).

(b) There is no difference in the trading system, whether it is NEAT for NSE or BOLT for BSE.

(c) SEBI has informed that failure in certain groups of leased lines/MLDN lines were noticed in January and February 2005 and on 17-03-2005.

(d) The failures were reported by MTNL/BSNL authorities due to various causes including system failure at the local telephone exchange, loss of trunk route connectivity between metros, etc., as under :

- Ahmedabad region had connectivity issues on 15.01.2005.
- Kolkata region had connectivity issues on 14.02.2005.
- Delhi region had connectivity issues on 24.02.2005.
- Delhi region had connectivity issues on 17.03.2005.

No connectivity issue has come to notice of NSE on 16.03.2005.

SEBI has stated that NSE has informed that there has been no loss to investors due to the brief interruption of trading facility.

(e) to (g) In view of reply to (d) above, do not arise.

[Translation]

Committee to Improve the Quality of Textiles

7323. DR. CHINTA MOHAN :

SHRI NITISH KUMAR :

Will the Minister of TEXTILES be pleased to state :

(a) whether the textiles committee which was set up in order to improve the quality of textiles and textile machinery as also to promote its domestic use and export also charge a cess;

(b) if so, the date from which the said cess was charged and the rate thereof and the total amount charged as cess during the last three years;

(c) the amount spent out of the said amount and the heads on which it had been spent during the last three years; and

(d) the average annual budget of the said committee during the last three years?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) Yes, Sir. The Textiles Committee was set up in 1963 for ensuring the quality of textiles and textile machinery and for the matters connected with these. The Committee charges the cess on textile and all textile machinery manufactured in India, except textiles manufactured by the handloom and powerloom industry. The Textiles Committee Cess was levied from 1st April, 1975, @ 0.025%, at ad-valorem on textiles and all textile machinery manufactured in India. The rate of cess was changed from 0.025% to 0.050% ad-valorem from 1st June, 1977. The total amount charged as cess by the Committee during the last three years is Rs. 13029.45 lakhs.

(c) The proceeds of cess collected by the Textiles Committee are credited to the Consolidated Fund of India as per Section 5 F of the Textiles Committee Act, 1963. In return, Government of India, provides an annual non-plan grant by way of appropriation to the Textiles Committee. The Committee utilises this grant on major activities like (i) Assistance to exporters in the form of quality inspection, certification with respect to loom origin, country origin (GSP), and classification of apparels; (ii) Testing of textiles, chemicals, dyes and effluents through 17 laboratories all over India; (iii) Consultancy on implementation of ISO 9000 Quality Management System (QMS), ISO 14000 Environmental Management System (EMS) and Social Accountability (SA) 8000 Standards; (iv) Training to the industry personnel on testing, quality inspection and assessment; (v) Industry specific Research & Development Studies/surveys /projects etc. (i.e. Processing Survey, Ginning Survey, Hand Processing Survey, Data Collection for Consumer Panel, Consumer Awareness Program etc.); and (vi) Survey on consumption of textiles in household and other sectors. The total amount spent during the last three years by the Committee is Rs. 8110.8 lakhs.

(d) The average annual sanctioned budget of the Committee during the last three years is Rs. 4142.71 lakhs.

[English]

Textile Export

7324. SHRI RAYAPATI SAMBASIVA RAO :

SHRI RAVICHANDRAN SIPPIPARAI :

Will the Minister of TEXTILES be pleased to state :

(a) whether Government is considering to provide duty drawback to textiles and garments on the basis of weight;

(b) if so, whether a high level committee has been set up to examine the issue following complaints from exporters that the new system has resulted in sharp reduction in drawback, blunting the competitive edge available to India;

(c) if so, by what time final decision in this regard is likely to be taken; and

(d) the extent to which it will be helpful to the textile exporters?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (d) The Ministry of Finance had constituted a committee to determine the All Industry Rate of Duty Drawback (2005-06). The Committee held extensive consultations with various Ministries/Departments and stakeholders and submitted its reports to the garment on 20.4.2005. The basis of prescribing All India Rates of Duty Drawback has since been restored to earlier system of value based as announced vide Notification No. 36/2005-Cus (NT) dated 2.5.2005. The value based All Industry Rates of Duty Drawback have dual benefit by virtue of first being fair to the exporters and secondly, serve the policy objective of encouraging the export of value added items.

Special Structural Adjustment for Maharashtra

7325. SHRI SURESH PRABHAKAR PRABHU : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government has lately projected the Maharashtra Government's proposal for world bank aid and informed the State Government that the State was not qualified for special structural adjustment loan;

(b) if so, the quantum of loan sought for and the purpose of loan and the grounds on which the request was turned down; and

(c) The State Government's reaction?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) Yes, Sir. Govt. of Maharashtra sought a quantum of US \$ 750 million (approx. Rs. 3750 crores) from the World Bank to meet the financial sector reforms. The loan was not recommended as the State is under fiscal stress and its total revenue deficit to revenue receipt ratio has worsened over the last five years.

(c) There has been no further communication from the State Government in this regard.

VAT

7326. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

- (a) whether ICAI has opined that VAT collected from customers should not be shown as sales;
- (b) if so, the details thereof; and
- (c) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) and (b) ICAI has recommended that the amount of VAT collected from customers should not be recognized as income and the same should be credited to an appropriate account.

(c) As VAT is a tax intended to replace the States; sales tax, it is a State subject. Therefore, the matter has to be considered by the Empowered Committee of State Finance Ministers/State Governments.

Plight of the Weavers

7327. SHRI G. KARUNAKARA REDDY : Will the Minister of TEXTILES be pleased to state :

- (a) whether the Union Government is aware of the plight of the weavers due to exploitation by the middlemen;
- (b) if so, the main reasons for the same;
- (c) the steps taken/proposed to be taken by the Union Government to curb the activities of the middlemen and save the weavers; and
- (d) to what extent these steps have been successful?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) and (b) The Government has not received

any report from any State Government of the plight of handloom weavers due to exploitation by the middlemen.

(c) and (d) Does not arise.

Central Excise Deptts. Highhandedness

7328. SHRIMATI MANORAMA MADHAVRAJ :
SHRI BALASAHEB VIKHE PATIL :

Will the Minister of FINANCE be pleased to state :

- (a) whether complaints have been received that the Central Excise Department is resorting to arm twisting measures to meet excise collection targets;
- (b) if so, the details thereof, showing the steps taken by the Government to check this practice; and
- (c) the steps being taken by the Government to ensure that Excise Department should not misuse their power?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) No arm-twisting methods were adopted for boosting the Central Excise revenue collections.

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

[Translation]

Customs Duty on Sugar

7329. SHRI MUNSHI RAM : Will the Minister of FINANCE be pleased to state :

- (a) whether any proposal to remove the existing conditions on the export and import of raw sugar is under consideration of the Government;
- (b) if so, the details thereof;
- (c) the quantum of raw sugar in tons imported without any duty so far since 2003-04;
- (d) the customs duty in terms of percentage imposed on sugar and raw sugar at present;
- (e) whether the sugar industries have demanded a customs at 7.5 per cent; and
- (f) if so, the details thereof along with the action taken thereon?

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

Officers in Bank Outside CVC Jurisdiction

7330. DR. CHINTA MOHAN :
SHRI NITISH KUMAR :

Will the Minister of FINANCE be pleased to state :

(a) whether officers belonging to certain categories in Public Sector banks have been kept out of the purview of Central Vigilance Commission (CVC);

(b) if so, the details of such categories; and

(c) the measures being taken or proposed to be taken to check irregularities among the officers of such categories ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) to (c) Vigilance cases of the officers of the level of Scale-V and above in the Public Sector Banks are referred to the Central Vigilance Commission (CVC) for advice. This decision has been taken by CVC keeping in view the large number of cases being referred to the Commission for advice, particularly as a result of changing scenario in banking industry. All Public Sector Banks have Vigilance organizations for taking concerted action against corruption, frauds etc. and these organizations are headed by Chief Vigilance Officers (CVOs) appointed from outside the concerned bank. CVC monitors the cases with respect to officers outside its jurisdiction through the monthly/annual reports of CVOs. CVC has also started vigilance audit of specific organizations, wherever required, to monitor the overall vigilance administration.

[English]

Modernisation of Textile Mills

7331. SHRI JASHUBHAI DHANABHAI BARAD : Will the Minister of TEXTILES be pleased to state:

(a) whether the Government has recently announced any package for modernisation of textile mills in the country particularly in Gujarat;

(b) if so, details of assistance provided thereunder so far, State-wise, particularly to Gujarat;

(c) whether any foreign assistance has been received for such mills;

(d) if so, the details thereof and the funds received and utilized; and

(e) the details of further action plan formulated or to be formulated for modernisation and upgradation of textiles mills in the country State-wise?

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

(b) Does not arise.

(c) No, Sir.

(d) Does not arise.

(e) Does not arise.

[Translation]

Reserves of Gem Stones

7332. SHRI BRAJESH PATHAK : Will the Minister of MINES be pleased to state :

(a) the details of Gem available in the country, location-wise;

(b) whether the Government propose to implement any specific scheme for extraction and exploitation of these stone reserves in the country;

(c) if so, the details thereof;

(d) the quantum of stones in these reserves in the country and the quantity of stone extracted from these reserves during the last three years, State-wise, till date; and

(e) the value of the stone extracted and the extent thereof used in the local market?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINISTER OF STATE IN THE MINISTRY OF MINES (DR. DASARI NARAYAN RAO) : (a) As per the National Mineral Inventory (NMI) prepared by Indian Bureau of Mines, a subordinate office under the administrative control of Ministry of Mines, the location-wise details of gem stones occurring in the country are as follows :

Gem Stone	Location
1	2
Corundum	Anantpur, Khammam in Andhra Pradesh
	Bengalore, Bellary, Chitradurga, Coorg, Gulbarga,

1	2
	Hassan, Mandya, Mysore, Tumkur, Raichur in Karnataka
	Danteware in Chhattisgarh
	Kannur in Kerala
	Sidhi in Madhya Pradesh
	Bhandra in Maharashtra
	Khasi Hills West in Meghalaya
	Tonk in Rajasthan
Diamond	Anantpur, Guntur, Krishna, Cuddapah, Kurnool, Mahboobnagar, Nellore, Prakasam in Andhra Pradesh
	Panna in Madhya Pradesh
	Raipur, Raigarh, Bastar in Chhattisgarh
	Gadchiroli in Maharashtra
	Sambalpur in Orissa
	Mirzapur in Uttar Pradesh
Sapphire	Godavari West in Andhra Pradesh
	Doda in Jammu and Kashmir

1	2
	Hassan in Karnataka
	Tiruanantapuram in Kerala
	Karur in Tamil Nadu
Emerald	Ajmer, Rajsamand, Udaipur in Rajasthan
	Coimbatore in Tamil Nadu
Ruby	Bellary, Chikmagalur, Tumkur in Karnataka
	Kalahandi, Rayagada in Orissa
	Tiruchirapalli in Tamil Nadu.

(b) and (c) The exploration and exploitation of all non-fuel and non-atomic minerals have been thrown open to private investment including Foreign Direct Investment (FDI). The Government is making all efforts to increase investment in the mining sector by creating investor friendly climate and removing bottlenecks to attract such investment.

(d) and (e) As per National Mineral Inventory (NMI), the total resources of Diamond in the country are estimated at 4580336 carats and that of Corundum at 32932 tonnes and of Garnet at 51736155 tonnes. The resources of Ruby are placed at 469 kg (all in Orissa) and that of Sapphire at 450 kg (all in Jammu and Kashmir). The State-wise production and value of these stones during the last 3 years i.e. 2001-02, 2002-03 and 2003-04 are as below :

(Value in Rs. '000)

Mineral/State	Unit	2001-02		2002-03		2003-04 (P)	
		Production	Value	Production	Value	Production	Value
Diamond	Carat						
Madhya Pradesh		81436	396047	84407	396307	71259	318106
Garnet	Kg.						
Rajasthan		676	158	908	214	545	128
Corundum	Kg.						
Andhra Pradesh		1	4	1	4	-	-
Maharashtra		300	1	7600	17	79430	197
Agate	Tonnes						
Gujarat		53	53	96	96	55	55

Note : (P) = Provisional

*[English]***IT Related Harassment**

7233. SHRIMATI MANORAMA MADHAVRAJ : Will the Minister of FINANCE be pleased to state :

(a) whether Government is aware that small and medium type export units are on the verge of closure due to harassment of IT authorities on account of Tax on DEPB and in case of Negative Profits under section 80 HHC of the IT Act; and

(b) if so, the details thereof alongwith corrective measures taken to redress the grievances of the exporting community especially on the application of section 80HHC?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM) : (a) No, Sir. From a number of representations received from exporters it appears that they are concerned about re-computation of the export incentives availed of by them under the Income-tax Act. The issues concern interpretation of certain provisions of the Income-tax Act.

(b) The matter has been referred to the Prime Minister's Economic Advisory Council. Any further action will be taken on receipt of the report of the Council.

*[Translation]***Surplus Power**

7334. DR. CHINTA MOHAN :

SHRI NITISH KUMAR :

SHRI VIKRAMBHAI ARJANBHAI MADAM :

Will the Minister of POWER be pleased to state :

(a) whether surplus electricity is available on inter regional level which can be utilized by common consumers;

(b) if so, the quantum of the said surplus electricity;

(c) the regions where the said surplus electricity is available at present;

(d) the average annual electricity consumption by common consumers during the last three years; and

(e) the estimated quantum of electricity which could not be utilized and the region in which it was available along with quantum thereof separately?

THE MINISTER OF POWER (SHRI P. M. SAYEED) :

(a) to (c) Surplus power is available on sustained basis in the Eastern Region. In addition, there are seasonal surpluses and operational surpluses of power occurring on day to day basis, which are exported to the needy States in other regions depending on the system conditions, availability of transmission corridors, commercial agreement etc. Presently, 817MW power has been allocated from the Eastern Region to the State/Union Territories in the Western, Southern and Northern Regions on temporary basis. Further, the surplus power with the States in a region is also being exported to other regions through power trading companies under bilateral agreements.

(d) The annual per capita consumption of electricity in the country during 2001-02, 2002-03 and 2003-2004 was 559.2 Kwh, 566.7 Kwh and 592.0 Kwh respectively.

(e) The surpluses available on sustained basis in the Eastern Region have already been allocated to States/ Union Territories in other regions. The operational surpluses available in the States after meeting their own demand are generally supplied by them to other States under bilateral arrangements.

*[English]***Funds for Modernisation of Mines**

7335. SHRI G. KARUNAKARA REDDY : Will the Minister of MINES be pleased to state :

(a) the total allocation of funds for modernisation of mines in public joint sector for the Tenth Five Year Plan;

(b) the funds provided for this purpose during the year 2003-04 and the funds proposed to be provided during the year 2004-05;

(c) whether any time bound programme has been prepared for modernization of these mines;

(d) if so, the details thereof; and

(e) the overall benefit likely to be derived from this move?

THE MINISTER OF STATE IN THE MINISTRY OF COAL AND MINERALS (DR. DASARI NARAYAN RAO) : (a) No provision has been earmarked for modernisation of mines in public sector undertakings and joint sector companies under Ministry of Mines in the Tenth Five Year Plan. However public sector

undertakings and joint sector companies have been incurring expenditure on expansion and development of their mines from their resources. Hindustan Zinc Ltd., a joint sector company, has estimated Rs.297.00 crores for modernization of their mines over a period ranging from 2002-2003 to 2006-2007.

(b) Hindustan Zinc Ltd. had incurred expenditure of Rs. 20.00 crores and Rs. 208 crores for 2003-04 and 2004-05 respectively on modernization.

(c) and (d) A time bound programme has been prepared by Hindustan Zinc Ltd. (HZL) for modernization of its mines, both at Zawar Group and Rajpura Dariba. The modernization measures include higher capacity haulage equipment, installation of Energy Efficient Compressors, automation in the Concentrators through field instrumentation and installation of advance process control system etc. There will be improvement in the equipment productivity with the installation of higher capacity modern equipment/machineries. The modernization programme also includes reopening of Baroi lead zinc mine at Zawar, operationalization of Sindesar Khurd lead-zinc mine in Rajpura Dariba. All these activities are expected to be completed by the end of the year 2006.

(e) With the aforesaid modernization programme, the benefits likely to be derived are as under :

Sl.No.	Benefits	2002-03 (Actual)	2005-06 (Estimates)
1.	Lead-Zinc ore production	3.1 million tonnes	4.7 million tonnes
2.	Zinc concentrate (Metal content)	262118 MT	430000 MT
3.	Lead concentrate (Metal content)	37917 MT	61000 MT
4.	Zinc Recovery	88.64%	91.12%

National Jute Board

7336. SHRI ANANDRAO VITHOBA ADSUL :

SHRI RAVI PRAKASH VERMA :

SHRI ADHALRAO PATIL SHIVAJIRAO :

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government proposes to constitute National Jute Board for regulation and Development of the Jute Industry and Trade;

(b) if so, the details thereof;

(c) the objectives of constitution of such board; and

(d) the steps taken by the Government to promote jute as an indigenous environment friendly product?

THE MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA) : (a) to (c) Yes, Sir. To rectify the systemic ills of lack of coordination among the several jute related organizations under different Ministries and Departments of the Government, and to synchronise and synergise the integrated development of the jute sector as a whole, a National Jute Board will be set up. This is necessary to synthesize the various layers of Governmental decision-making in a federal set up. This body will subsume, merge, and integrate the functions of various institutions currently operating in the jute sector.

(d) The Jute Manufactures Development Council (JMDC) and National Centre for Jute Diversification (NCJD) operate market promotion schemes and carry out programmes for increasing consumer awareness about the environmental friendliness of jute.

New Taxes on Corporate Sector

7337. SHRI ANANDRAO VITHOBA ADSUL : Will the Minister of FINANCE be pleased to state :

(a) whether the federation of Indian Chamber of Commerce and Industry has suggested that the new taxes on the corporate sector like fringe benefit tax would severely hit the tottering savings and investments;

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

(c) whether the FICCI suggested the Union Government to consider the proposal that inhibit growth of credit and investments in the private corporate; and

(d) 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) and (b) A number of representations have been received from various organizations including FICCI on the Fringe Benefit Tax. Having considered all the representations, the Government has introduced amendments to the Finance Bill, 2005, which has passed by both Houses of Parliament.

(c) No Sir,

(d) Does not arise.

12.01 hrs.

PAPERS LAID ON THE TABLE*[English]*

THE MINISTER OF DEFENCE (SHRI PRANAB MUKHERJEE) : I beg to lay on the Table :

- (1) A copy of the Part-Report of the Phukan Commission and "Accompanying Note on the Justice S.N. Phukan Commission" (in English version only) under sub-section (4) of section (3) of the Commissions of Inquiry Act, 1952.
- (2) Statement (in English version only) showing reasons for not laying simultaneously Hindi version of the papers mentioned at (1) above.

[Placed in Library. See No. LT 2283/2005]

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 Ram Vilas Paswan, 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 :
 - (i) Review by the Government of the working of the Indian Drugs and Pharmaceuticals Limited, Gurgaon, for the year 2001-2002.
 - (ii) Annual Report of the Indian Drugs and Pharmaceuticals Limited, Gurgaon, for the year 2001-2002, alongwith Audited Accounts and comments of the Comptroller and Auditor General 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 2284/2005]

THE MINISTER OF TEXTILES (SHRI SHANKARSINH VAGHELA) : I beg to lay on the Table a copy of the Notification No. S.O. 3 (E) (Hindi and English versions) published in Gazette of India dated the 3rd January, 2005 regarding constitution of the Jute Manufactures Development Council comprising of Chairman and Members mentioned therein with effect from 10th December, 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 2285/2005]

THE MINISTER OF POWER (SHRI P. M. SAYEED) : I beg to lay on the Table a copy of the Statement (Hindi and English versions) correcting the reply given on 29.4.2005 to Unstarred Question No. 5310 by Shri Rayapati Sambasiva Rao, M.P., regarding Accelerated Power Development and Reforms Programme (APDRP).

[Placed in Library. See No. LT 2286/2005]

THE MINISTER OF WATER RESOURCES (SHRI PRIYA RANJAN DASMUNSI) : I beg to lay on the Table a copy of the Memorandum of Understanding (Hindi and English versions) between the Water and Power Consultancy Services (India) Limited and the Ministry of Water Resources for the year 2005-2006.

[Placed in Library. See No. LT 2287/2005]

THE MINISTER OF HEALTH AND FAMILY WELFARE (DR. ANBUMANI RAMADOSS) : On behalf of my colleague Shrimati Panabaka Lakshmi, I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the National Academy of Ayurveda (Rashtriya Aaurveda Vidyapeeth), New Delhi, for the year 2003-2004, along with Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Academy of Ayurveda (Rashtriya Ayurveda Vidyapeeth), New Delhi, for the year 2003-2004.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 2288/2005]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Ayurveda, Jaipur, for the year 2003-2004, along with Audited Accounts.

- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Institute of Ayurveda, Jaipur, for the year 2003-2004.

- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT 2289/2005]

- (5) (i) A copy of the Annual Report (Hindi and English versions) of the Central Council for Research in Ayurveda and Sidda, New Delhi, for the year 2003-2004.

(ii) A copy of the Annual Accounts (Hindi and English versions) of the Central Council for Research in Ayurveda and Sidda, New Delhi, for the year 2003-2004, together with Audit Report thereon.

(iii) A copy of the Review (Hindi and English versions) by the Government of the working of the Central Council for Research in Ayurveda and Sidda, New Delhi, for the year 2003-2004.

- (6) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (5) above.

[Placed in Library. See No. LT 2290/2005]

- (7) A copy of the Annual Report (Hindi and English versions) of the Rashtriya Arogya Nidhi (formerly known as National Illness Assistance Fund), New Delhi, for the years 1996-1997, 1997-1998 and 1998-1999, together with Audited Accounts.

- (8) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (7) above.

[Placed in Library. See No. LT 2291/2005]

- (9) A copy of the Annual Report (Hindi and English versions) of the Rashtriya Arogya Nidhi (formerly known as National Illness Assistance Fund), New Delhi, for the years 1999-2000 and 2000-2001, along with Audited Accounts.

- (10) Two Statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (9) above.

[Placed in Library. See No. LT 2292/2005]

- (11) (i) A copy of the Annual Report (Hindi and English

versions) of the All India Institute of Medical Sciences, New Delhi, for the year 2002-2003, along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the All India Institute of Medical Sciences, New Delhi, 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 2293/2005]

THE MINISTER OF SHIPPING, ROAD TRANSPORT AND HIGHWAYS (SHRI T.R. BAALU) : On behalf of Shri K.N. Muniappa, I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the National Highways Authority of India, New Delhi for the year 2003-2004, along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Highways Authority of India, New Delhi for the year 2003-2004.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1).

[Placed in Library. See No. LT 2294/2005]

MR. SPEAKER : Shri Kantilal Bhuria. He is not there. Some notice has to be given. This is not the way. I will be strict from the next session.

THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BHOJOY HANDIQUE) : On behalf of Shri Kantilal Bhuria, I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the National Cooperative Development Corporation, New Delhi, for the year 2003-2004.

(ii) A copy of the Annual Accounts (Hindi and English versions) of the National Cooperative Development Corporation, New Delhi, for the year 2003-2004, together with Audit Report thereon.

(iii) A copy of the Annual Accounts (Hindi and English versions) of the National Cooperative Development Corporation (Employees Provident Fund), New Delhi, for the year 2003-2004.

(iv) A copy of the Review (Hindi and English versions) by the Government of the working of the National Cooperative Development Corporation, New Delhi, for the year 2003-2004.

(2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1).

[Placed in Library. See No. LT 2295/2005]

(3) A copy each of the following papers (Hindi and English versions) under section 619 A of the Companies Act, 1956 :

(a) (i) Review by the Government of the working of the Madhya Pradesh State Agro Industries Development Corporation Limited, Bhopal, for the year 2001-2002.

(ii) Annual Report of the Madhya Pradesh State Agro Industries Development Corporation Limited, Bhopal, for the year 2001-2002, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT 2296/2005]

(b) (i) Review by the Government of the working of the Orissa Agro Industries Corporation Limited, Bhubaneswar, for the year 1998-1999.

(ii) Annual Report of the Orissa Agro Industries Corporation Limited, Bhubaneswar, for the year 1998-1999, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT 2297/2005]

(c) (i) Review by the Government of the working of the Andhra Pradesh State Agro Industries Development Corporation

Limited, Hyderabad, for the year 2002-2003.

(ii) Annual Report of the Andhra Pradesh State Agro Industries Development Corporation Limited, Hyderabad, for the year 2002-2003, alongwith Audited Accounts and comments of the Comptroller and Auditor General thereon.

(4) Three Statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT 2298/2005]

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRIMATI KANTI SINGH) : On behalf of Shri M.A.A. Fatmi, I beg to lay on the Table :

(1) A copy of the Notification No. IG/Admn. (G)/St. 1/2003/03 (Hindi and English versions) published in Gazette of India dated the 29th January, 2005 containing amendments to the Statutes 1 (6) concerning the Vice-Chancellor, under sub-section (2) of section 40 of the Indira Gandhi National Open University Act, 1985.

[Placed in Library. See No. LT 2299/2005]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (District Primary Education Programme-III), Dehradun, for the year 2001-2002, alongwith Audited Accounts.

(ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (District Primary Education Programme-III), Dehradun, for the year 2001-2002.

(3) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (2) above.

[Placed in Library. See No. LT 2300/2005]

(4) (i) A copy of the Annual Report (Hindi and English versions) of the Uttaranchal Sabhi Ke Liye

Shiksha Parishad (District Primary Education Programme-III), Dehradun, for the year 2002-2003, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (District Primary Education Programme-III), Dehradun, for the year 2002-2003.

- (5) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (4) above.

[Placed in Library. See No. LT 2301/2005]

- (6) (i) A copy of the Annual Report (Hindi and English versions) of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (District Primary Education Programme-III), Dehradun, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (District Primary Education Programme-III), Dehradun, for the year 2003-2004.

- (7) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (6) above.

[Placed in Library. See No. LT 2302/2005]

- (8) (i) A copy of the Annual Report (Hindi and English versions) of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (Sarva Shiksha Abhiyan), Dehradun, for the years 2001-2002 and 2002-2003, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (Sarva Shiksha Abhiyan), Dehradun, for the years 2001-2002 and 2002-2003.

- (9) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (8) above.

[Placed in Library. See No. LT 2303/2005]

- (10) (i) A copy of the Annual Report (Hindi and English versions) of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (Sarva Shiksha Abhiyan), Dehradun, for the year 2003-2004, alongwith Audited Accounts.

- (ii) Statement regarding Review (Hindi and English versions) by the Government of the working of the Uttaranchal Sabhi Ke Liye Shiksha Parishad (Sarva Shiksha Abhiyan), Dehradun, for the year 2003-2004.

- (11) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (10) above.

[Placed in Library. See No. LT 2304/2005]

[English]

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM) : I beg to lay on the Table :

- (1) A copy of the Notification No. S.O. 844 (E) (Hindi and English versions) published in Gazette of India dated the 24th July, 2004 regarding scheme of amalgamation of Global Trust Bank Limited with Oriental Bank of Commerce under sub-section (11) of section 45 of the Banking Regulation Act, 1949.

[Placed in Library. See No. LT 2305/2005]

- (2) A copy of the Notification No. G.S.R. 262 (E) (Hindi and English versions) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum making certain amendments in the Notification No. 3/2000-Service Tax dated the 6th July, 2000 under sub-section (4) of section 94 of the Finance Act, 1994.

[Placed in Library. See No. LT 2306/2005]

- (3) A copy each of the following Notifications (Hindi and English versions) under sub-section (7) of section 9A of the Customs Tariff Act, 1975 :

- (i) G.S.R. 248 (E) published in Gazette of India dated the 27th April, 2005 together with an explanatory memorandum seeking to provide for the imposition of final anti-dumping duty on nylon tyre cord fabrics originating in or exported from Peoples Republic of China.

- (ii) G.S.R. 266 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum seeking to impose safeguard duty on imports of Tapioca Starch for a period of three years.

[Placed in Library. See No. LT 2307/2005]

- (4) A copy of the Computers Additional Duty (Amendment) Rules, 2005 (Hindi and English versions) published in Notification No. G.S.R. 264 (E) in Gazette of India dated the 2nd May, 2005 under section 10 of the Customs Tariff Act, 1975, together with an explanatory memorandum.

[Placed in Library. See No. LT 2308/2005]

- (5) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :

- (i) G.S.R. 263 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum making certain amendments in the Notification No. 21/2002-Cus., dated the 1st March, 2002.

- (ii) G.S.R. 265 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum seeking to exempt parts, components and accessories of mobile handsets including cellular phones, from the whole of the additional duty of customs leviable thereon.

[Placed in Library. See No. LT 2309/2005]

- (6) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excise Act, 1944 :

- (i) G.S.R. 257 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum making certain amendments in the Notification No. 3/2005-CE dated the 24th February, 2005.

- (ii) G.S.R. 258 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum making certain amendments in the Notification No. 6/2002-CE dated the 1st March, 2002.

- (iii) G.S.R. 259 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum making certain amendments in the Notification No. 29/2004-CE dated the 9th July, 2004.

- (iv) G.S.R. 260 (E) published in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum making certain amendments in the Notification No. 4/2005-CE dated the 1st March, 2005.

- (v) The CENVAT Credit (Fifth Amendment) Rules, 2005 published in Notification No. G.S.R. 261 (E) in Gazette of India dated the 2nd May, 2005 together with an explanatory memorandum.

[Placed in Library. See No. LT 2310/2005]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E. V. K. S. ELANGO VAN) : I beg to lay on the Table a copy of the Memorandum of Understanding (Hindi and English versions) between the MMTC Limited and the Department of Commerce, Ministry of Commerce and Industry, for the year 2005-2006.

[Placed in Library. See No. LT 2311/2005]

[Translation]

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (SHRIMATI KANTI SINGH) : I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the National Institute of Public Cooperation and Child Development, New Delhi, for the year 2003-2004, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the National Institute of Public Cooperation and Child Development, New Delhi, for the year 2003-2004.

- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 2312/2005]

[English]

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 Namo Narain Meena, I beg to lay on the Table :

- (1) (i) A copy of the Annual Report (Hindi and English versions) of the Central Zoo Authority, New Delhi, for the year 2003-2004, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Central Zoo Authority, New Delhi, for the year 2003-2004.
- (2) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT 2313/2005]

- (3) (i) A copy of the Annual Report (Hindi and English versions) of the Govind Ballabh Pant Institute of Himalayan Environment and Development, Almora, for the year 2003-2004, alongwith Audited Accounts.
- (ii) A copy of the Review (Hindi and English versions) by the Government of the working of the Govind Ballabh Pant Institute of Himalayan Environment and Development, Almora, for the year 2003-2004.
- (4) Statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT 2314/2005]

12.02 hrs.

ASSENT TO BILLS

[English]

SECRETARY-GENERAL : Sir, I lay on the Table the following two Bills passed by the Houses of Parliament during the current Session and assented to by the President since a report was last made to the House on the 20th April, 2005 :

- (i) The Appropriation (Railways) No. 2 Bill, 2005; and
- (ii) The Appropriation (No. 2) Bill, 2005.

12.02½ hrs.

COMMITTEE OF PRIVATE MEMBERS' BILLS AND RESOLUTIONS

Minutes

[English]

SHRI CHARNJIT SINGH ATWAL (Phillaur) : I beg to lay on the Table the Minutes (Hindi and English versions) of the Sixth to Tenth sittings of the Committee on Private Members' Bills and Resolutions held during the fourth session.

12.03 hrs.

STANDING COMMITTEE ON INFORMATION TECHNOLOGY

Nineteenth and Twentieth Reports

[English]

SHRI M.M. PALLAM RAJU (Kakinada) : I beg to present the following Reports (Hindi and English versions) of the Standing Committee on Information Technology :

- (1) Nineteenth Report on Functioning of Registrar of Newspapers for India (RNI) relating to the Ministry of Information and Broadcasting; and
- (2) Twentieth Report on Functioning and Expansion of Postal Network relating to the Ministry of Communications and Information Technology (Department of Posts).

12.04 hrs.

STANDING COMMITTEE ON PERSONNEL, PUBLIC GRIEVANCES, LAW AND JUSTICE

(I) Seventh Report

[Translation]

SHRI SHAILENDRA KUMAR (Chail) : I beg to lay on the Table a copy of the Seventh Report (Hindi and English versions) of the Standing Committee on Personnel, Public

Grievances, Law and Justice on the Hindu Succession (Amendment) Bill, 2004.

**STANDING COMMITTEE ON PERSONNEL,
PUBLIC GRIEVANCES, LAW AND JUSTICE**

(ii) Evidence

[Translation]

SHRI SHAILENDRA KUMAR (Chail) : I beg to lay on the Table a copy of the Evidence tendered before the Standing Committee on Personnel, Public Grievances, Law and Justice on the Hindu Succession (Amendment) Bill, 2004.

12.06 hrs.

PRESENTATION OF PETITION

[English]

SHRI M.P. VEERENDRA KUMAR (Calicut) : Sir, I beg to present a petition signed by Prof. Madhu Dandavate, Chairperson, Reception Committee, National Campaign Committee for Unorganized Sector Workers and others, requesting for redressal of demands of the workers of unorganised sector.

[Placed in Library. See No. LT 2315/2005]

12.07 hrs.

STATEMENTS BY MINISTERS

**(i) Status of implementation of the recommendation
in 110th Report of Standing Committee on Home
Affairs**

[English]

*THE MINISTER OF TRIBAL AFFAIRS AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (SHRI P.R. KYNDIAH) : I beg to lay the statement on the Table of the House.

I am making this statement on the status of implementation of recommendations contained in 110th report of the Department Related Parliamentary Standing Committee on Home Affairs pertaining to Ministry of Development of

*Statement was laid on the Table and also placed in Library. See No. LT 2316/2005.

North Eastern Region in pursuance of the Direction 73A of the Directions by hon. Speaker, Lok Sabha issued vide Lok Sabha Bulletin Part-II dated the 1st September, 2004.

The Standing Committee on Home Affairs (dealing with Ministry of Development of North Eastern Region) examined the Demands for Grants of the Ministry of Development of North Eastern Region for the year 2004-05 and presented their 110th report in this regard on 23.08.04 in the Lok Sabha. Major recommendations of the Committee are as under :

The Ministry to pursue with Ministry of Finance/Planning Commission for enhancement of budget allocation under NLCPR at RE stage (2004-05) and to pursue with the Planning Commission for relaxation of norms regarding shortfall in 10% expenditure of GBS by various Ministries for the NER. The Committee directed the Ministry to take up with the concerned State Governments for proper and timely implementation of projects and to evolve a mechanism for reviewing the impact of these projects. The Committee recommended initiation of new development programmes by the Ministry of its own particularly for improving the connectivity of the Region. The Committee recommended the revitalization of NEC and for providing technical/financial assistance to the artists/artisans of the region to improve their capability and to help them in procuring remunerative prices for their products.

As recommended by the Committee, the Ministry had taken up with the Planning Commission/Ministry of Finance for allocation of additional Rs. 200 crore at RE stage (2004-05) and Rs. 1020 crore for 2005-06. Due to financial constraints faced by the Government, this could not be agreed to. However, I am pleased to inform the House that as a result of constant follow up with concerned Ministry for allocation of 10% of their GBS for the North East Region, the percentage of expenditure on NE States has improved significantly. From the level of 6.88 per cent during 2001-02, it has risen to more than 8.5 per cent in 2004-05.

The Ministry is already having an effective mechanism for monitoring the implementation of projects undertaken by the State Governments. IIM, Lucknow was engaged to prepare an Impact Study on NLCPR funded projects.

Further, my Ministry has taken various steps for revitalization of North East Council as per the recommendations made by the Committee constituted for the purpose. The Minister, DONER has been made Chairman

of the NEC and three members have been nominated. The NEC has been directed to formulate a Vision Document 2020 with a 15-year perspective plan for the Region.

For improving the connectivity of the Region, besides allocating funds, under NLCPR for various projects for the construction of roads, the Ministry has been pursuing with other concerned Ministries to speed up their projects to improve road and air connectivity. For improving the capability of artists/artisans and to help them to market their products at remunerative prices, the Ministry has also taken various initiatives by sponsoring International and National Trade Fair and Expositions. It also provides training to them to improve their technical/managerial skill.

Thus, my Ministry has taken various steps as per the recommendations of the Committee and shall continue to pursue these with concerned State Governments/Ministries more vigorously.

12.7½ hrs.

(ii) Status of implementation of the recommendations in the Report of Standing Committee on Health and Family Welfare

*THE MINISTER OF HEALTH AND FAMILY WELFARE (DR. ANBUMANI RAMADOSS) : I beg to lay the statement on the Table of the House.

In pursuance of Directions 73 A of the Directions by the hon. Speaker (Fifth Edition), I would like to inform that the Department Related Parliamentary Standing Committee on Health and Family Welfare presented three Reports on the Demand for Grants (2004-05) of the Ministry of Health and Family Welfare on 26th August, 2004, as per details at Annexure-I, being laid on the Table of the House.

Action Taken Report (ATR) on the recommendations contained in these three reports were submitted by the respective Department of the Ministry on the dates mentioned against each as per details at Annexure-II, being laid on the Table of the House. This ATR was laid on the Table of the House on 11th March, 2005, by the Committee along with their views thereon.

The Committee has divided the ATR on the recommendations into four Chapters as per Annexure-III, being laid on the Table of the House.

*Statement was laid on the Table and also placed in Library. See No. LT 2317/2005.

I would like to inform that in respect of recommendations which have been accepted by the Ministry, further follow up action, wherever necessary, will be taken. In respect of recommendations which the Committee does not wish to pursue in view of the replies furnished, no further action is required on the part of the Ministry.

I wish to further assure that action is in progress in respect of recommendations or observations of the Committee on which either replies of the Ministry have not been accepted by the Committee or final replies of the Ministry are still to be furnished.

The status of implementation of the recommendations of the Committee of all the three Departments is laid on the Table of the House.

12.07½ hrs.

(iii) Status of Implementation of the recommendations in First Report of Standing Committee on Personnel, Public Grievances, Law and Justice

[Translation]

*THE MINISTER OF STATE IN THE MINISTRY OF DEFENCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI BIJOY HANDIQUE) : Sir, on behalf of Shri Suresh Pachouri, I beg to lay the statement on the Table of the House.

The Standing Committee on Personnel, Public Grievances, Law and Justice had made 25 recommendations in its First Report on the Demands for Grants (2004-05) of the Ministry of Personnel, Public Grievances and Pensions. To apprise the hon. Members of the present status of implementation of recommendations made by the Committee, Sir, with your permission, I lay two statements on the Table of the House. Statement No. 1 indicates the recommendations of the Committee which have either been implemented or where no further action is required to be taken. Statement No. 2 lists the status of remaining recommendations which are in various stages of implementation. The progress of implementation of the recommendations of the Committee is being closely monitored by the Ministry of Personnel.

*Statement was laid on the Table and also placed in Library. See No. LT 2318/2005.

12.07¼ hrs.

- (iv) **Status of implementation of the recommendations in 129th report of Standing Committee on Science and Technology, Environment and Forests**

[Translation]

*THE MINISTER OF STATE IN THE PRIME MINISTER'S OFFICE (SHRI PRITHVIRAJ CHAVAN) : Mr. Speaker, I beg to lay the statement on the Table of the House.

I am making this statement on the status of implementation of recommendations contained in the 129th Report of the Parliamentary Standing Committee on Science and Technology, Environment and Forests on Demand for Grants 2004-05 of Department of Space, in pursuance of direction 73A of Hon'ble Speaker, Lok Sabha, vide Lok Sabha Bulletin-Part II (No. 456), dated September 1, 2004.

The Parliamentary Standing Committee took evidence of the representatives of the Department of Space while considering Demands for Grants for the year 2004-05 on 9th August 2004. The Committee recommended the Demands for Grants of the Department of Space in its 129th report presented to Rajya Sabha on 26th August 2004, and laid on the table of Lok Sabha on 26th August 2004.

There were Twenty-four (24) recommendations contained in the Committee report. The 'Action Taken Notes' on all the recommendations of the Committee were furnished by Department of Space during December 2004. The Committee considered the Action Taken Notes submitted by the Department and adopted the same during March, 2005. A statement indicating the action taken/status of all the recommendations contained in the Standing Committee Report is annexed.

The Committee, while accepting with satisfaction the action taken by the Department, has made further suggestions in respect of (i) Monitoring mechanism for EDUSAT programme (ii) Optimum use of Remote Sensing Data with special reference to making available maps indicating potential drinking water zones to the end users and (iii) Increasing co-operation and strengthening linkages with international space agencies. The Department has noted these suggestions, which are continuing in nature, for implementation.

*Statement was laid on the Table and also placed in Library. See No. LT 2319/2005.

12.08 hrs.

CALLING ATTENTION TO THE MATTER OF URGENT PUBLIC IMPORTANCE

[English]

Situation arising out of alleged violation of Payment of Wages Act and Payment of Minimum Wages Act and need to enact a Comprehensive Legislation for Unorganised Labour in the country and steps taken by the Government in this regard

SHRI GURUDAS DASGUPTA (Panskura) : Sir, I call the attention of the Minister of Labour and Employment to the following matter of urgent public importance and request that he may make a statement thereon :

"The situation arising out of alleged violation of Payment of Wages Act and Payment of Minimum Wages Act and the need to enact a comprehensive legislation for the unorganised labour in the country and steps taken by the Government in this regard."

*THE MINISTER OF LABOUR AND EMPLOYMENT (SHRI K. CHANDRA SHEKHAR RAO) : According to the survey conducted by the National Sample Survey Organization (NSSO), the workforce in the unorganized sector constitutes about 93 per cent of the total workforce. The unorganised sector workers are those who have not been able to pursue their common interests due to constraints like casual nature of employment, absence of definite employer-employee relationship and mostly ignorant of their rights and are illiterate. Various labour laws like the Workmen Compensation Act, 1923, the Minimum Wages Act, 1948, the Plantation Labour Act, 1951, the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, the Bonded Labour System (Abolition) Act, 1976, the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996, etc., are fully or partially applicable to the workers in the unorganized sector.

There are some welfare schemes being implemented by the Central Government for beedi workers, non-coal mines workers and cine workers. Further, the Government is implementing various employment generation and poverty alleviation programmes like Swarnajayanti Gram Swarajgar Yojana, etc.

The Government is committed towards the welfare of the unorganised sector workers as is reflected in the high

*Also placed in Library. See No. LT 2320/2005.

priority given to this matter in the National Common Minimum Programme (NCMP). The Government have taken steps to hold consultations with the Members and the experts of the National Advisory Council (NAC) and other stake holders. The Government have constituted a National Commission under the Chairmanship of Dr. Arjun Sengupta to review the social security systems available for the unorganised sector workers and to make recommendations for preparing a comprehensive legislation for such workers. The Government has drafted the Unorganised Sector Workers Bill, 2004 for the welfare of the unorganised sector workers with the objective to regulate the employment and conditions of service to these workers and to provide for their safety, social security, health and welfare matters in consultation with various stake holders viz. Central Ministries/Departments, State Governments, the representatives of Trade Unions, Employers' Organisations and also the NGOs. The major provisions of the draft Bill, inter-alia include setting up of the Welfare Fund with the contribution from the workers, employers, Central and State Governments. There is also provision of formulation of social security schemes like health and medical care, employment injury benefits, maternity benefits, group insurance, housing and old age pension. The draft Bill is also scheduled to be discussed during the 40th Session of the Indian Labour Conference. Before finalising the 'Bill' comments/views of all stake holders including the recommendations of National Commission on Unorganised Sector under the Chairmanship of Dr. Arjun Sengupta would be considered.

Expanding the coverage of EPF and MP Act, 1952 to eligible establishments, that is, Establishments having twenty or more employees drawing monthly wages up to Rs. 6,500 p.m. is a continuous process. In the last three years, the expansion of coverage is mentioned below :

Year	No. of Establishments covered	No. of Enrolled Members (In lakhs)
2001-02	357747	274.18
2002-03	344508	394.98
2003-04	370386	400.92

Compliance of the Act is ensured by the Employees' Provident Fund Organisation by taking severe actions against the non-complying establishments. The actions taken by

Employees' Provident Fund Organisation for enforcing the EPF and MP Act, 1952 are mentioned below :

Year	Prosecution filed u/s. 14	FIR filed u/s 406/ 409 of IPC	Bank accounts attached	Movable/ immovable properties attached	Arrests of defaulters
2001-02	6712	570	8301	775	145
2002-03	2451	945	6390	609	144
2003-04	2426	1387	19278	1001	121

The Government is keen to improve the coverage and compliance under the EPF & MP Act, 1952. The Government is also contemplating steps to further strengthen the enforcement of the Act.

The Minimum Wages Act was enacted in the year 1948 to safeguard the interests of the workers in the unorganised sector who are vulnerable to exploitation due to illiteracy, lack of bargaining power and institutional backup. Under the Act, both Central and State Governments are appropriate Governments to fix, review and revise the minimum wages of workers employed in the scheduled employment under their jurisdiction. There are 45 scheduled employments in the Central sphere while in the State sphere the number of employment is as many as 1447.

The Payment of Wages Act, 1936 ensures that wages are disbursed by the employers within the prescribed time limit and that no deductions other than those authorised by law are made by the employers. The Act is applicable to only those workers whose wages are less than Rs. 1600/- per month. The proposed Bill to amend the act by way of enhancing the wage ceiling to Rs. 6,500/- per month has already been passed by the Rajya Sabha during the last Winter Session, 2004.

The enforcement of both the Acts is secured at the Central as well as State level. In the Central sphere, the implementation is secured through the Office of the Chief Labour Commissioner (Central), while at the State level, the responsibility of the enforcement lies with the respective State Enforcement Machinery. The officers of both these machineries are appointed as Inspectors under the statutory provisions of the Act. They conduct regular inspections and advise the employers to make payment of shortfall of wages whenever they come across any case of non-payment or less payment of wages.

The action taken by the Central and State Governments

[Shri K. Chandra Shekhar Rao]

regarding enforcement of the Minimum Wages Act during 2003-04 is as follows :

	Central Sphere	State Sphere
No. of inspections made	18,587	5,38,820
No. of irregularities detected	2,53,141	1,98,087
No. of irregularities rectified	2,11,115	1,28,796
No. of claims filed	3,843	50,123
No. of claims settled/decided	3,594	18,638
No. of persons prosecuted	5,599	3,684
Amount of fine realised (in rupees)	24,95,057	53,38,338

The Central Government continues to impress upon the State Governments to strictly enforce these acts. The involvement of the Civil Society in the implementation of the Minimum Wages Act has also been suggested. The proposed comprehensive Unorganised Workers Bill would further strengthen their enforcement.

SHRI GURUDAS DASGUPTA : Sir, I cannot thank the hon. Minister for the long statement he has made with the statistics all around. Why? Firstly, it is not said when the Bill for the unorganised labour is going to be brought before the Parliament. All he says is, he is discussing the matter with Arjun Sengupta Commission. the hon. Minister, a new incumbent, should be aware of the past as to what happened in India, in Parliament for the last 25 years. How many Commissions had been appointed and what were their recommendations? On all occasions, Government failed to take any decision. Therefore, his promise brings me no relief.

On the question of Provident Fund, it is quite aptly drafted. He does not say what is the volume of default. He is conspicuously silent on the total volume of default and he does not say whether the volume of default in the case of Provident Fund has increased or declined. Neither does he say what is the penal punishment that has been given to the people who have defaulted or eaten up the money of the workers.

On the question of prosecution for the violation of Minimum Wages, he is very proud that he has been able to realise nearly less than Rs. 1 crore during all this period. For a country like India having a working population of nearly 40 crore, he finds satisfaction that the money realised from the defaulted persons was in the region of nearly Rs. 75 lakh.

MR. SPEAKER : I do not think he is satisfied. He has just given the figure.

SHRI GURUDAS DASGUPTA : It is not a question of satisfaction. It is a question of perpetual failure of the Labour Ministry and Governments, particularly with regard to the organised and unorganised labour of the country.

I rise to raise a basic problem of huge dimension and basic human distress of the country who are all working people. I rise to draw the attention of the Government to the perpetual human problem. I rise to ask the Minister whether he will agree that there has been persistent violation of the labour laws in the country. There has been undeclared ban on the trade unions particularly in the private sector in the recent period. There has been doing away with the process of collective bargaining.

Let the Minister kindly confirm what is happening to the 53 tripartite boards that were set up and not a single board is meeting or having any deliberations. I rise to raise the question of widespread under payment, decline in wage, increasing working hours which are well beyond the limit the law of the land permits. I rise to raise the question expecting an answer from the Minister what is the volume of retrenchment that took place in the country during the last several years under the garb of Voluntary Retirement Scheme. I would like to know what is the total volume of default in the exempted and unexempted category of provident fund in the country.

MR. SPEAKER : You are going much beyond the subject of the Calling Attention.

SHRI GURUDAS DASGUPTA : Sir, it is there.

MR. SPEAKER : It refers to alleged violation of Payment of Wages Act and Payment of Minimum Wages Act.

SHRI GURUDAS DASGUPTA : Sir, kindly bear with me. While giving the Statement, the hon. Minister has referred to provident fund and on the basis of that, I raised this question. Let the country and this august House know that it is through informalisation, contractualisation and casualisation that the exploitation of labour has intensified in the recent period. Recent surveys shows that there has been a decline in the volume of real wage across the board but there has been an increase in the volume of profit of the corporates.

In the situation like this, what role the Government is playing? In a situation like this, the Ministry of Labour is almost a silent spectator. In a situation like this, the Ministry of Labour—please do not mind for using the word—is almost a bonded Ministry. The tripartite bodies are all in hibernation at the Central level. Not only that, you will bear with me, the

Parliament is oblivious—I do not charge but this is my agony—to its responsibility towards the working people of the country. It is very well demonstrated because this House did not discuss the Demands for Grants of the Ministry of Labour for the last 11 years.

The Minister has referred to Indian Labour Conference. May I tell you that for the last one year, in total violation of the established norms, Indian Labour Conference did not take place? The UPA Government came into power in the month of May 2004 and this is the month of May. One year has passed. The established norm in the country is that there should be an Indian Labour Conference which is the highest tripartite forum but the Ministry of Labour has failed to convene it in utter violation of the established norms of the country. Therefore, with all humility, may I raise this question whether this is an act of indifference or neglect or—if you permit me to say—an act of collusion of the political system of the country with the defaulting corporates who seek to make profit at the cost of the blood of the labour?

Sir, I raised this Calling Attention because I look for a better deal, a fair deal for the Indian working class. I do not expect more. In the era of economic reforms, I demand, I claim that the workers have the right to have a fair deal, not a raw deal. I call for equity and justice. I call for enforcement of the labour laws. I expect the Government to protect the interest of the working masses of the country.

MR. SPEAKER : What are your questions?

SHRI GURUDAS DASGUPTA : Sir, I would like to give a few examples. Please allow me some time.

MR. SPEAKER : You have already taken 13 minutes. This is a Calling Attention. Please put your questions.

SHRI GURUDAS DASGUPTA : I know. But please allow me a few more minutes. The Government has to reply.

In Maruti Udyog Limited, hundreds of workers have been thrown out of their jobs without any reasonable compensation; Union leaders have been retrenched without chargesheet; unionised offices have been put under lock and key; funds of the unions have been freezed. In NOIDA, near Delhi, trade unionism has been banned. No registration of unions can take place there. As a matter of example I would like to cite that just in one year, Provident Fund default has increased by Rs. 300 crore and that too, in my opinion, is an under-statement.

Sir, how about the unorganised labours? Out of a total

work force of around 39 crore, 37 crore labour are in the unorganised sector in this country. They do not have a minimum wage; they do not have any job security; they do not have any pension; they do not have any access to medical treatment and they do not have any access to basic human rights of the country. The basic features are pauperisation, poverty, hunger, under-employment and under payment and the great Indian State, after 57 years of our Independence, has remained completely oblivious to these problems.

MR. SPEAKER : We are all parties to that.

SHRI GURUDAS DASGUPTA : Sir, the hon. Minister was mentioning about various Reports. I can tell you that there have been several Commissions appointed. He was referring to the Report of the Sengupta Commission. It is a hide and seek game being played by the Labour Ministry. There have been five Commissions appointed so far, starting from 1969. There had been a Commission appointed by our late lamented Prime Minister, Rajiv Gandhi and I was a member of that commission. So far, five such Commissions have been appointed. All Commissions have recommended for a law for the Centrally funded unorganised labours. The Indian Labour Conference has suggested it. But the hon. Minister would again say that he will consult everybody. How long gentleman, are you going to consult? How long are you going to dilate? How long are you going to dither and how long are you going to deny the Indian working class in the unorganised sector, who are suffering, a law for wage?

Sir, in conclusion my question is, why is the larger segment of the work force being ignored? Why is the Government taking recourse to appointing Commissions only? Why is the political system becoming so indulgent?

MR. SPEAKER : The hon. Minister cannot answer about the political system. He can only answer questions relating to his Ministry, not about the entire political system.

SHRI GURUDAS DASGUPTA : Sir, the hon. Minister represents the Government.

MR. SPEAKER : We are all parties to that.

SHRI GURUDAS DASGUPTA : Sir, I also feel that you are a part of that and we are guilty of collective negligence to the working class of our country. But Government is the head. Power rests with the Government.

Sir, while concluding, let me give a few instances.

MR. SPEAKER : No. Please come to your questions. I have already allowed you 15 minutes time. It is not a debate.

SHRI GURUDAS DASGUPTA : Sir, I know it is not a debate. But it is out of my agony I am speaking today.

MR. SPEAKER : Everybody is agonised.

SHRI GURUDAS DASGUPTA : It is out of anger and a feeling of shame I am saying this.

MR. SPEAKER : All these strong words alone will not help. Everybody feels strongly about this. We share your agony.

SHRI GURUDAS DASGUPTA : I will give you two examples. A woman gets 30 paise for stitching a blouse in a mofussil town.

MR. SPEAKER : The country should feel ashamed of this.

SHRI GURUDAS DASGUPTA : A woman gets only Re. 1 for stitching a petticoat. A woman gets only Rs. 20 for manufacturing 1000 beedies a day and a man has to work more than 12 hours a day to get Rs. 1200 per month in this country.

Therefore, my pointed question to the hon. Minister for Labour is this and I want an assurance also in this regard. How long will the Government take to bring the Bill to Parliament and whether the Bill will provide for Central funding and elaborate monitoring system?

My second question is, why has the Ministry of Labour not brought an amendment to the Payment of Wages Bill passed in the other House more than a year back? The amendment to the Payment of Wages Bill may give relief to the workers. Why is the Government vacillating to take a decision on that?

Thirdly, what is the Government intending to do with those who violate the labour laws in this country?

Lastly, will the Government assure us that normal trade union movement including right to strike, which has become an international right of workers, will be protected under him as it is under the Ministry of Labour? Will the Minister assure that trade unionism will be protected, unions will be allowed to be registered and their right to have a movement, as guaranteed by the Constitution, will not be interfered with?

SHRI BASU DEB ACHARIA (Bankura) : Sir, today, we are discussing the problems of 40 crores of people. Out of 40 crores of workers, 37.5 crore workers are in the unorganized sector.

MR. SPEAKER : You are entitled to ask only questions. As the matter is important, I will allow you for only some time. So, you have to be brief. There are many important matters to be raised today.

SHRI BASU DEB ACHARIA : The workers under the unorganized sector do not enjoy any rights. There are a large number of laws enacted by this House. These laws are blatantly violated by the employers. Yesterday, I was at Chandigarh to address a rally of 5000 unorganised workers. They are demanding registration of their union for the last one year.

Sir, they have formed three unions. They are Lal Jhanda Hero Cycles Mazdoor Union, Ludhiana, Lal Jhanda Rockmen Cycles Mazdoor Union, Ludhiana and Lal Jhanda Majli Division Hero Cycles Workers Union, Ludhiana.

A year back, they submitted an application for merely registration of their union under law. But the Labour Department is not allowing or giving permission for registration of their union. To form an association is a fundamental right of the working class of our country. Today, even that right is being denied at the instance of the owners, the employers of the multinational corporations. We have passed a number of laws but we have been asking them for several years to bring a comprehensive legislation for 37.5 crores of unorganised workers. Out of 37.5 crores of workers, 22 crores of them are agricultural labourers. There is no law for agricultural labourers and they do not get minimum wages. There is no job security or a welfare scheme for them.

MR. SPEAKER : Please confine yourself to Calling Attention. Your notice on the basis of which I have allowed you to speak is not to debate on the entire labour situation in the country.

SHRI BASU DEB ACHARIA : Sir, I am not going into the entire gamut of the problem.

MR. SPEAKER : I am sorry. We are prepared to discuss it, but not in this manner.

SHRI BASU DEB ACHARIA : These are the problems. This is a matter relating to 37.5 crores of workers. In the Central Government Departments, like the Food Corporation of India, there are contract labourers. The hon. Minister referred to EPF Scheme. What is the position of contract workers who are covered under the EPF Scheme in the Food Corporation of India? The employers' share is also deducted from the employees' wages. The employees have to deposit both the contractors' share as well as their own share. I have

written a number of letters in this regard. But still this practice is going on in the case of EPF Scheme.

There are forty lakhs of beedi workers. Out of forty lakhs of workers, how many are covered under the EPF Scheme? It is not more than three to four lakhs of workers. There is a welfare scheme for the beedi workers....*(Interruptions)*

MR. SPEAKER : This is covered under the Payment of Wages Act and the Payment of Minimum Wages Act.

...*(Interruptions)*

SHRI BASU DEB ACHARIA : Beedi welfare cess in being levied. It is Rs. 4 per thousand beedis. How much is being spent for the welfare of beedi workers?...*(Interruptions)*

MR. SPEAKER : With all our sympathy for this section of workers, we have to regulate the proceedings.

...*(Interruptions)*

SHRI BASU DEB ACHARIA : There are lots of construction workers. We have enacted a law in this regard. So far, how many States have implemented the law which we have enacted for lakhs of construction workers? The situation is very serious.

The hon. Minister mentioned about the Commission which was appointed under the chairmanship of Dr. Arjun Sengupta. He has also stated that a draft Bill has already been prepared and that it would be placed before the Fortieth Session of National Labour Commission. In National Common Minimum Programme, it was categorically stated that the UPA Government will set up an umbrella organisation to cover the entire unorganised labour force. The UPA Government will complete one year of its tenure.

MR. SPEAKER : Is it ony-year programme?

SHRI BASU DEB ACHARIA : It is a five-year programme. But there is an urgency. When it is a question of labour, the Government dithers and vacillates. But when it is a question of multi-national corporations, when it is a question of allowing foreign companies into our country, the Government promptly brings forward legislations. The Payment of Wages Bill was passed by the Rajya Sabha in the Winter Session. That Bill was listed to be taken up in the Lok Sabha, but it has not come. One Minister said that it had been de-listed. Is it because this is pertaining to labour? Their minimum wages were fixed long back and they have to be enhanced.

May I know from the hon. Minister whether the Government will consider a separate law for agricultural labourers, which constitute 22 crores of the workforce? There is no law for agricultural labourers. Will the Government take concrete steps to cover the entire workforce under the EPF Act? Will the Government take stern measures against those violating existing labour laws, like the Payment of Minimum Wages Act? Even in the Indian Railways lakhs of contract workers are being engaged.

Most of these workers do not get the minimum wages. They do not get bonus.

MR. SPEAKER : What is your question? Please put the question.

SHRI BASU DEB ACHARIA : I would like to know from the hon. Minister whether he would ensure that the workers get the minimum wages as per the Minimum Wages Act. These are my three questions. I want a reply from the hon. Minister....*(Interruptions)*

MR. SPEAKER : I have allowed it because of the importance of the matter. I share your concern. Only two of you have taken half an hour. You cannot continue in this way. There are so many important matters to be raised.

Now, Shri Santasri Chatterjee to speak. If you have a question, put it. Otherwise, please take your seat.

SHRI SANTASRI CHATTERJEE (Serampore) : I will put the question. I am grateful to the hon. Speaker for allowing me to raise questions on the Calling Attention moved by the two hon. Members.

The first question that I put to the hon. Minister is whether he is fully aware of the commitment made in the Common Minimum Programme to safeguard the interests of the unorganised sector and the unorganised workers.

MR. SPEAKER : This has already been said. Come to the new question.

SHRI SANTASRI CHATTERJEE : My second question is this. Is the hon. Minister aware of the recommendations of the Standing Committee on Labour and Textiles, the report of which has been placed before the House? With your kind permission, I would like to know whether the Department is examining the proposal. How long will it take to enact a law?

MR. SPEAKER : You are only repeating the question.

SHRI SANTASRI CHATTERJEE : My last question is

[Shri Santasri Chatterjee]

this. Is the Government considering to enact a comprehensive law to safeguard the interests of the workers in general and the unorganised sector in particular. Thank you....*(Interruptions)*

MR. SPEAKER : There is a method. Nobody reads the rules. The Rule Book has become redundant today.

SHRI K. CHANDRA SHEKHAR RAO : Mr. Speaker, Sir, first of all, I extend my thanks to the three veteran hon. Members who work in the labour field all through their life. They have expressed their genuine concern about the plight of the working force in general and the workers in the unorganised sector in particular....*(Interruptions)*

MR. SPEAKER : Hon. Members, you have put your questions. Please listen to the answer.

SHRI K. CHANDRA SHEKHAR RAO : I fully agree with the hon. Members about the implementation of the Minimum Wages Act; it is not fully ensured. So, I would like to submit to the House, through you, Sir, that there are about 1492 scheduled employments out of which only 45 are in the Central sphere and the rest of 1447 are with the State Governments. We have empowered the State Governments through a legislation by Parliament. The Minimum Wages Act gives powers to the State Governments through sections 3 and 27 wherein they are expected to ensure the implementation of the minimum wages in respect of 1447 scheduled employments.

It is not that we do not have a role. We have a role to play. The Government of India interacts with the State Governments. As and when serious nature of complaints are received, special teams are sent from the Government of India. We take stock of the situation. We take up the matter with the respective Chief Minister of the State, the Labour Minister of the State and with the implementing machinery of the States to improve the situation there.

Shri Dasgupta, Shri Basu Deb Acharia and Shri Santasri Chatterjee were mainly focussing on the Unorganised Sector Bill. This legislation is pending for the last 20 to 25 years....*(Interruptions)*

SHRI GURUDAS DASGUPTA : It is more than that. From 1968, it has been pending....*(Interruptions)*

SHRI K. CHANDRA SHEKHAR RAO : It may be so. He may be right. The point is that this particular issue was discussed in so many fora. So many Labour Ministers' Conferences were called.

Conferences of Labour Secretaries and Labour Commissioners were called and meetings were held with trade unions and employers. Their views were divergent. There was no unanimity. Many of the participants in these meetings were of the view that entering into the agriculture sector may lead to social tensions....*(Interruptions)*

SHRI GURUDAS DASGUPTA : Mr. Speaker, Sir, whenever the Government of India makes a law, does it consult the States? Is divergence a reason for not enacting a law for the welfare of the largest segment of the workforce in the country?

MR. SPEAKER : Let him answer. He has listened to you quietly. Let him complete his reply. After that, if you have any clarifications, you can ask.

Yes, Mr. Minister, you carry on.

SHRI K. CHANDRA SHEKHAR RAO : Sir, let me submit to the hon. Member that the Government of India, particularly the Ministry of Labour has to essentially consult all the State Governments and all the stakeholders whenever we make laws on amendments to laws. That is the tripartite system which has been advocated by the hon. Member Shri Gurudas Dasgupta. He was also emphasising just now on the Indian Labour Conference meetings to be held which is the tripartite culture that is broadly followed by the Ministry of Labour. We have to essentially consult all the stakeholders and all the implementing authorities to ensure the desired result. That is the reason why this matter has received divergent opinions. Divergent views were given by many of the State Governments.

The Bill which we are talking about will cover about 37 crore workmen of this country. So whether the agricultural workers can be part of the Bill or whether they can be separated, as advised by Shri Basu Deb Acharia, is also under examination. Immediately after coming to power, the UPA Government has depicted its commitment towards the workforce of the country. We strongly believe that healthy workforce is the wealth of the country. That is the philosophy of this Government. Keeping that view in mind, we want to bring a very comprehensive Bill on this subject. That is the reason why this matter has been assigned to Arjun Sengupta Committee to have an integrated study and submit a report. Once the report comes before the Government, we have to discuss it with the trade union leaders, with the employers, with the State Governments and then we will be coming before the House with a proper and comprehensive Bill. I definitely share the concern of the hon. Members. I understand

their concern. I agree that there is a need to take care of the welfare of the unorganised workforce in this country which has been pending for decades together. I shall definitely try to expedite the matter and come before you as soon as possible.

As far as the Provident Fund Organisation, its dues and its defaults are concerned, there are a lot of misgivings. I would like to make it very clear that the default is not that high as has been propagated or understood. It is coming down. The arrears of provident fund as on 31.3.2004 was Rs. 1,862 crore. Out of that, the realisable arrears are Rs. 541 crore; amount not immediately recoverable is Rs. 1,321 crore; Rs. 711 crore is involved in stays given by hon. courts; Rs. 142 crore is involved in liquidation process; money locked up in BIFR and others is to the tune of Rs. 467 crore and realisable money which is 30 per cent of the total default is in the process of recovery.

We are taking all steps to recover it. Let me also make it very clear that the said default of Rs. 1,800 crore is the cumulative default of the Provident Fund Organisation accrued right from its inception in the year 1952 and that constitutes only one per cent of the corpus of the Employees Provident Fund Organisation. The corpus is Rs. 1,60,000 crore whereas the default is only Rs. 1,800 crore, out of which Rs. 1,350 crore is locked up in BIFR and in court cases. We are taking stringent steps to recover rest of the money. We have flying squads, we have regionwise flying squads and we have a flying squad in the headquarters. As and when we receive complaints from the employees or the trade unions, we take very stringent and strict action.

It is not that we do not act on these issues.

I would also like to inform the august House that this Government is a labour friendly Government. We are not pro-industry and anti-labour. We are definitely labour friendly. Now-a-days, we are hearing about labour reforms. The hon. Prime Minister, Dr. Manmohan Singh, myself and the Government as a whole do not believe in a labour reform in the absence of a social security net. The social security net is needed to be expanded. We are discussing of amalgamating EPFO and ESIC as suggested by so many veteran Members and philosophers in the labour field.

We are also trying to pool up a huge corpus to provide adequate social security to the workers in the organised sector as well as in the unorganised sector. Towards that only, I have initiated certain steps. I would like to inform the august House that ESIC, under the Ministry of Labour, has introduced a scheme called Rajiv Gandhi Shramik Kalyan Yojana where

in any insured person with ESIC, on losing job, will be paid 50 per cent of the salary up to a period of six months. I made a statement also in the House with your permission, Sir.

I would also like to inform the august House about another step, that is, with regard to ESIC coverage, which has been taken before my assuming charge of this Ministry. We have 1667 municipalities in the country. The ESIC was implemented in 350 municipalities. Out of 120 Municipal Corporations, the Government of India used to implement ESIC only in 55 Municipal Corporations. Now, we have passed the orders to expand the scheme to the entire country, wherever the population is more than 10,000. All over the country, in a phased manner, the ESIC coverage will be extended.

The bidi workers welfare is also taken into consideration after my assuming charge as the Minister. I have increased the cess from Rs. 2 per thousand bidis to Rs. 4. The budget to the Bidi Workers Welfare Fund is going up to the tune of Rs. 170 crore. Out of this, we can initiate a lot of welfare measures like health care, providing scholarships and housing activities to the bidi workers. This is also an initiative taken by this Government.

This Government is also contemplating to establish a university of professional courses, to provide professional seats, professional education to the children of the poor workers of this country. This matter is under examination and we are examining it.

I would like to assure the hon. Members that the UPA Government is not anti-labour. So, they should not have any apprehensions like that. We are a labour friendly Government. We also believe that only when the workforce is healthy, then only the productivity will increase and we will be able to compete the global trend, which is going to be a major threat in the near future.

The emphasis of the hon. Members was also on the non-functioning of the 53 tripartite bodies. I fully agree. I am also not happy on the functioning of the tripartite bodies. The fashion has changed. They are meeting after a very long spell, which needs to be corrected. I am taking the advice from the senior leaders, trade union leaders and all other leaders. I promise the hon. Members to improve the functioning of all the tripartite bodies, to take effective steps, taking into consideration the suggestions given to the Government from time to time.

The main emphasis of the hon. Members was on these issues. I would also like to clarify one more thing to Shri

[Shri Santasri Chatterjee]

Gurudas Dasgupta. The volume of retrenchment, according to the Labour Bureau of Shimla which assesses the retrenchment all across the country, is that in the year 2002, the number of workers affected was 3,875...*(Interruptions)*

SHRI GURUDAS DASGUPTA : What a joke? Does the hon. Minister believe these figures?

MR. SPEAKER : He has referred to his source. There cannot be a running Question-Answer session like this.

...*(Interruptions)*

MR. SPEAKER : He has referred to a source. You just believe it.

SHRI GURUDAS DASGUPTA : I am asking whether the hon. Minister agree to this report.

MR. SPEAKER : No please. Hon. Minister, you need not answer that.

...*(Interruptions)*

SHRI GURUDAS DASGUPTA : Sir, I seek your intervention. The figure that he is saying....*(Interruptions)*

MR. SPEAKER : You reject the figure, but let him speak first.

There cannot be running commentary.

SHRI GURUDAS DASGUPTA : Sir, I am neither entering into a running commentary nor having exchange. I would like to ask the hon. Minister to vouch before the House that he believes in these figures.

MR. SPEAKER : If he is misleading the House, you have got enough action to take.

SHRI K. CHANDRA SHEKHAR RAO : One thing, I would like to make very clear. I would definitely not be happy whenever and wherever we receive the reports of our workers losing the opportunity of working.

MR. SPEAKER : Nobody is happy.

SHRI K. CHANDRA SHEKHAR RAO : I will be unhappy. My heart goes out to them. But the figures were given by an official source which is available under the Ministry of Labour. I am only quoting the source. I am not trying to say anything. I assure the hon. Members that the Government will take all possible steps to expedite the measures to bring out the, so-called, Bill which is aimed for the workers in the unorganised sector.

12.56 hrs.

Banking Regulation (Amendment) Bill, 2005*

(English)

MR. SPEAKER : Now, we come to Item 27. Shri Chidambaram.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I beg to move for leave to introduce a Bill further to amend the Banking Regulation Act, 1949 and to make consequential amendments in certain other enactment. ...*(Interruptions)*

MR. SPEAKER : You have not given any reason in your notices. I am reading out your notices. "I would like to oppose the introduction of the Banking Regulation Bill which is listed for today." That notice is from Shri Basu Deb Acharia.

The notice given by Shri Rupchand Pal reads : "I wish to oppose the Banking Regulation Amendment Bill—Item No. 27—in the List of Business, at the stage of introduction of the Bill."

You are senior Members. Please cooperate.

...*(Interruptions)*

MR. SPEAKER : The question is that leave be granted to introduce a Bill.

...*(Interruptions)*

SHRI BASU DEB ACHARIA (Bankura) : Sir, we will explain our reasons. Please allow me.

MR. SPEAKER : Give me the Rule. Once again, I will read the Rule. Let me read the Rule. You are parties to the Rule. Knowing the provision of the Rule, if you do not take the trouble of mentioning the reason, I am sorry.

...*(Interruptions)*

MR. SPEAKER : May I read the Rule with your kind permission? It reads :

"Notice to oppose introduction of a Bill shall be addressed to the Secretary-General specifying clearly and precisely the objections to be raised and given by 10.00 hours on the day on which the motion

*Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 13.5.2005.

for leave to introduce the Bill is included in the List of Business."

SHRI BASU DEB ACHARIA : Sir, allow us to explain.
...(Interruptions)

MR. SPEAKER : It is very unfortunate. We have specifically changed the rule. You are a party to this; you are also Members of the Rule Committee.

...(Interruptions)

SHRI BASU DEB ACHARIA : Sir, please allow us....
(Interruptions)

MR. SPEAKER : No, I would not allow this.

SHRI BASU DEB ACHARIA : We will explain why we are opposing...(Interruptions)

MR. SPEAKER : I would not allow this.

SHRI GURUDAS DASGUPTA (Panskura) : I have a different point. I am only suggesting that this Rule may be relaxed.

MR. SPEAKER : I cannot relax it.

...(Interruptions)

MR. SPEAKER : If you had been new Members, I would have done it.

...(Interruptions)

MR. SPEAKER : The question is that leave be granted to introduce a Bill.

...(Interruptions)

SHRI BASU DEB ACHARIA : Sir, you please relax it.
...(Interruptions)

MR. SPEAKER : I am appealing you to cooperate. I have read out the Rule. You are a party to the Rule. You two are most senior Members of this House. You ignore the Rule and you pressurize the Chair now.

SHRI BASU DEB ACHARIA : We are not pressurizing; we are appealing.

SHRI GURUDAS DASGUPTA : Sir, we are appealing.
...(Interruptions)

MR. SPEAKER : There is no question of appealing.

Why should I do so? You are not a junior Member who does not know the Rule.

SHRI GURUDAS DASGUPTA : Sir, you relax the Rule.

MR. SPEAKER : Why? Should I relax the Rule just because you have given a wrong notice?

You have not given a notice Shri Dasgupta, please sit down.

...(Interruptions)

SHRI GURUDAS DASGUPTA : Sir, we are appealing.

MR. SPEAKER : If I allow you, then I will have to allow everybody.

SHRI BASU DEB ACHARIA : We are appealing to allow us to submit the reasons why we are opposing.

MR. SPEAKER : You have not taken the trouble of complying with the rules.

SHRI BASU DEB ACHARIA : You should relax the rules.

MR. SPEAKER : No.

SHRI AMITAVA NANDY (Dumdum) : This is a serious matter relating to banking industry.

MR. SPEAKER : If you are so serious, you should have given proper notice. Therefore, your 'seriousness' is shown here. Please do not force me to take comments.

The question is that leave be granted.

SHRI GURUDAS DASGUPTA : We all oppose the introduction of the Bill. We could make a division.

MR. SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Banking Regulation Act, 1949 and to make consequential amendments in certain other enactment."

The motion was adopted.

SHRI P. CHIDAMBARAM : Sir, I introduce the Bill.

13.00 hrs.

SHRI GURUDAS DASGUPTA : We shall oppose the Bill tooth and nail not only inside the House but also outside the House.

MR. SPEAKER : Shri Gurudas Dasgupta, who has taken away your right? I am here to regulate the proceedings according to the rules of the House. You are continuing to object. I have read out the rules.

Both of you are the two senior-most Members of the House. You are very competent members. Knowingly you do not do that. Then how do you think that? Then, how can I not grant chance to everybody here?

SHRI BASU DEB ACHARIA : You could have relaxed the rules.

MR. SPEAKER : No.

...(Interruptions)

13.02 hrs.

**Reserve Bank of India (Amendment)
Bill, 2005***

[English]

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : I beg to move for leave to introduce a Bill further to amend the Reserve Bank of India Act, 1934....(Interruptions)

SHRI RUPCHAND PAL (Hooghly) : Somebody has said that these two Bills might be referred to the Standing Committee.

SHRI P. CHIDAMBARAM : Yes, I will say that.

MR. SPEAKER : The question of referring to the Standing Committee is my power. You have nothing to say on that. You can make a request. I may reject it.

The question is :

"That leave be granted to introduce a Bill further to amend the Reserve Bank of India Act, 1934."

The motion was adopted.

SHRI P. CHIDAMBARAM : Sir, I introduce the Bill.

Sir, may I make a request? We have been in consultation with our friends. It is my request to you that these Bills may be referred to the Standing Committee.

MR. SPEAKER : Yes, I had already decided. I thank you for your consent. It is only an additional point for my purpose.

...(Interruptions)

MR. SPEAKER : We have taken one hour for this Calling Attention. Now, we will take up matters of urgent public importance.

Now, Shri Anwar Hussain. You start speaking. There is not much time left.

SHRI ANWAR HUSSAIN (Dhubri) : Sir, I thank you for giving me this privilege. Sir in today's The Times of India, a news item under the caption "Youths evict illegal migrants from Assam" has appeared. It has been stated that some youths have evicted as many as 15,000 people from Dibrugarh and its neighbouring districts. It is also said that the Superintendent of Police, SP, of Dibrugarh has no knowledge about it. We are not opposed to evicting or deporting any foreigner from Assam or India, but it is very strange that Dibrugarh district is far away, about 1,000 kilometres away from Bangladesh border. It is very much near Myanmar and China.

So, I received a telephonic call from there. It is said that they hail from my constituency and they are *bona fide* Indian citizens. They have their names in the voters' list and they also have the National Registration Certificates of 1951.

MR. SPEAKER : You have to be brief and to the point. There is no debate here. I cannot allow this.

SHRI ANWAR HUSSAIN : It has been happening not only in Dibrugarh but also in Delhi and Haryana. From my constituency about 25,000 people are working here. Therefore, they are there only for their livelihood. My question is this, Sir.

MR. SPEAKER : There is no question here. You raise the issue.

SHRI ANWAR HUSSAIN : How can a youth force, whoever they might be, have the judicial and legal authority to identify anybody or any citizen? Secondly, how can a youth force take the administrative and the police power to evict and deport 15,000 people from that place?... (Interruptions)

MR. SPEAKER : It is because of the importance of the matter, I have allowed you. You have made it.

...(Interruptions)

*Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 13.5.2005.

[Translation]

SHRI RAMJI LAL SUMAN (Firozabad) : Mr. Speaker, Sir, I have also given a notice for raising a matter during the zero-hour....(*Interruptions*)

[English]

SHRI ANWAR HUSSAIN : Thank you....(*Interruptions*)

MR. SPEAKER : The House stands adjourned to meet again at 2 p.m.

13.04 hrs.

*The Lok Sabha then adjourned for Lunch till
Fourteen of the Clock.*

14.07 hrs.

*The Lok Sabha re-assembled after Lunch at Seven
minutes past Fourteen of the Clock.*

(MR. DEPUTY SPEAKER in the Chair)

MATTERS UNDER RULE 377

[English]

MR. DEPUTY SPEAKER : Now, the House will take up item number 29—Matters under Rule 377.

Shri Prasanta Pradhan—not present.

(I) Need for taking over of the Bio-technology Centre at Trivandrum, Kerala by the Central Government

SHRI VARKALA RADHAKARISHNAN (Chirayinkil) : Bio-technology offers immense possibilities for our country. The first Bio-technology centre in the country was set up at Trivandrum in the name of late Shri Rajiv Gandhi. But the proposal of the State Government that the Government of India may take over the institute to develop it to the world class centre for Bio-technology has not yet found favour with the Government of India, though it has been declared that development of Bio-technology is a priority subject of the Government.

Mr. DEPUTY SPEAKER : Shri Hannan Mollah—not present.

Shri P. Karunakaran—not present.

(II) Need to check dumping of waste and restoration of waterbody named Rani Jhil in Howrah Division of Eastern Railway with a view to prevent the environmental pollution

SHRI SWADESH CHAKRABORTTY (Howrah) : Sir, a large water body at Bamungachi (Rani Jhil) under Howrah Division of Eastern Railway used to supply water to steam engines. The water was used also for cleaning of engines and bogies of Howrah Division by Eastern Railway. With the abolition of steam engines, this water body was used other purposes by the Railways. This water body (Rani Jhil) also used to serve as a reservoir during monsoon and save waterlogging in Bagungachi Railway colony and railway tracks and adjoining locality. The surplus water from this Jhil ran through irrigation canal. Now this Rani Jhil has been turned into a huge dumping ground by the Eastern Railway. The garbage and other wastes are being deposited in this Jhil by the Railway. As a result of loss of this huge catchment area, the railway services are being suspended and the people in the adjoining areas and railway colony are suffering during rainy days due to waterlogging.

I, therefore, urge upon the Government to take steps for the restoration of the water body monedately for protecting environment and improving drainage system and save the loss to both Eastern and South Eastern Railways due to suspension of train services.

(iii) Need to release funds for completion of Saidpur and Gurauli irrigation pump projects in Chail Parliamentary Constituency, Uttar Pradesh

[Translation]

SHRI SHAILENDRA KUMAR (Chail) : There are three districts in my Parliamentary constituency Chail in U.P. which is 120 kms long and flanked by the banks of river Ganga and Yamuna. There is acute problem of drinking water and irrigation. Not even a drop of water has been released into the canals in Sirathu (legislative assembly) since 25 years. Water should be released immediately into the canals. Water from the only Kishunpur pump canal does not reach the tail of the canal and to the minor canals. The State Government proposed Saidpur and Gurauni pump scheme which is under consideration of the Union Government.

I demand from the Union government to get the work done by sanctioning funds immediately for the aforesaid projects.

[English]

MR. DEPUTY SPEAKER : Shri Ravi Prakesh Verma—
not present.

Shri Ganesh Prasad Singh.

- (iv) **Need to clear the proposal of the Government of Bihar for construction of a barrage at Hamidnagar**

[Translation]

SHRI GANESH PRASAD SINGH (Jahanabad) : The proposal for construction of a barrage in Hamidnagar in the interest of the farmers of Jahanabad, Anval, Gaya, Nalanda and Patna districts in Bihar under the Punpun, Dardha and Morher river projects is pending with Union government for the last five decades. The state government has sent a proposal to the Union Government in this regard but this project is still lost in files of Central Water Commission and Department of Water Resources, Government of India. The said project is very important. This project will facilitate irrigation of around 50,000 hectares of un-irrigated land and bring prosperity to the farmers of Central Bihar.

I, therefore, draw the attention of the Government through this House and request to begin the construction work by sanctioning the said project.

Mr. Deputy Speaker, Sir, in addition to this I want to say one more thing.

[English]

MR. DEPUTY SPEAKER : Shri E.G. Sugavanam—not present.

Shri Mohd. Shahid Akhlaque—not present.

Shri Sunil Kumar Mahato—not present.

Shri P. Karunakaran.

- (v) **Need to set up an industry in Kasargod district of Kerala with a view to providing employment to local people**

SHRI P. KARUNAKARAN (Kasargod) : Sir, I would like to invite the attention of the Government towards the availability of deposits of Bauxite and other minerals in different parts of Kasargod district in Kerala.

It is learnt that a survey was conducted by the

Geological Survey of India in Kasargod district at Hoedurg taluk. They have found 56 to 57 per cent of Aluminium Oxide and other different types of mineral deposits in this area. The earlier survey conducted by GSI also found these deposits. As per the study, about 2,000 acres of land is available here for utilisation. If the Government can take initiative on its own to start a venture under the public, joint or private sector, these resources would be well utilised to its maximum. The infrastructural facilities such as land, supply of water, electricity, manpower, communication facilities, transporting facilities like roads, railway, port, airport at Mangalore and the proposed one at Kannur would also be of considerable advantage here. It would be beneficial to the Government as well as to the local people as it would provide employment to hundreds of people. It would really be a great deed on the part of the Government to start a factory in a backward northern part of Kerala.

I would request the Government to take necessary action in this regard and consider it favourably.

14.15 hrs.

CREDIT INFORMATION COMPANIES (REGULATION) BILL, 2005

[English]

MR. DEPUTY SPEAKER : We will now take up Item No. 30, Credit Information Companies (Regulation) Bill, 2005. I would request the hon. Minister of Finance, Shri P. Chidambaram to move the Bill for consideration.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I beg to move :

"That the Bill to provide for regulation of credit information companies and to facilitate efficient distribution of credit and for matters connected therewith or incidental thereto, as passed by Rajya Sabha, be taken into consideration."

Sir, hon. Members are aware that the introduction of financial sector reforms in 1993 had brought to fore the extent of Non-Performing Assets (NPAs). And the management of the NPAs in the banking system is being tackled through various measures. It has also become imperative to arrest accretion of fresh NPAs in the banking sector through an efficient system of credit information on borrowers as a first step in credit risk management. Therefore, the requirement of an adequate, comprehensive and reliable information system on the borrowers through an efficient database system

has been keenly felt by the Government, Reserve Bank of India as well as credit institutions.

It has been felt that it would not be possible to set up a world class credit information company within the existing legal framework as the legal prohibition on disclosure of an information enshrined in various banking Acts does not permit banks and financial institutions to share credit information with the credit information companies.

To overcome these problems, I had introduced the Credit Information Companies (Regulation) Bill, 2004 in the Rajya Sabha on 6th December, 2004 to provide for regulation of credit information companies and to facilitate efficient distribution of credit and for matters connected therewith or incidental thereto as also to significantly improve the quality of credit appraisal and decisions.

The Bill was referred to the Standing Committee on Finance, which submitted its Report to this august House in February, 2005. Keeping in view the recommendations of the Standing Committee, it was considered desirable to provide for the following in the Bill :

- (1) That the Reserve Bank of India may, having regard to the business of credit information available and the potential scope for expansion of such business already in existence, determine from time to time the number of credit information companies.
- (2) That appeal against the order of rejection of an application for grant of registration or cancellation of Certificate of Registration shall be preferred to the Central Government or any authority designated by it.
- (3) That a time frame within which disputes referred for arbitration are to be resolved and to provide flexibility by providing for extension of time in exceptional cases, where situation so demands may be specified.

With above words, I commend that the Credit Information Companies (Regulation) Bill, 2005, as passed by Rajya Sabha on 9th May 2005 be taken for consideration by this august House and for passing.

MR. DEPUTY SPEAKER : Shri K.S. Rao, you may speak now. But if you do not mind, you will have to go to your seat first.

SHRI K. S. RAO. (Eluru) : Sir, if you permit, I would speak from here. Otherwise, I would go to my seat.

MR. DEPUTY SPEAKER : You should have applied for permission.

SHRI K. S. RAO (Eluru) : Sir, now I have come to my seat, I had put all my papers on that seat. That is why, I was requesting, Can I go and speak from there now?

MR. DEPUTY SPEAKER : Yes. You had to make the request from your seat.

SHRI K. S. RAO : Sir, I appreciate the Finance Minister for coming with this Bill which was due to come at least twenty years ago. The reason for my saying so is that in 1985, when the newspapers were publishing about increasing frauds in nationalised banks, in the same House, I spoke on that and told the House that because of the Secrecy Act in the banking regulation, an opportunity was made available to those officers as well as clients, borrowers to take things easy and then cheat the banks. Thereby, the frauds were increasing in those days also. The provisions are not very stringent to take action against the erring officers or even take action against the erring borrowers.

We can certainly understand, and the system also can understand if a genuine borrower with a genuine intention of doing manufacturing, business, or trade were to lose money by virtue of change in the legislation or by virtue of change in the market conditions, etc. We could understand that he had made his best effort; his intentions were fair; and he never wanted to cheat any financial institution, but still it was beyond his control and he incurred losses. Therefore, he was not in a position to pay back the money, which he had borrowed from the institution. Such genuine cases are understandable. But even in those days—in 1985—there were customers or borrowers who used all their talent only till the time they got the loan from the bank. Those customers used all their talent, wisdom, resources, connection, etc. to impress the bankers or the financial institutions about their projects; about their ambitions; about their possible results; and took loan from the institutions. But the very next day after getting the loan, they would start thinking about ways to manipulate it. They would think of ways to divert that money, and not put it to the use for the purpose it was borrowed. They would siphon it to their personal accounts, and make it zero. They would then convey their helplessness to repay the loan taken from the institution because of the loss incurred. Therefore, the money, which was borrowed from the banks, becomes a bad debt. The number of such cases has increased in the last two decades.

The hon. Finance Minister also said that the entire

system got worried when the magnitude of the NPAs in the nationalized banks came to light. It was more than Rs. 50,000 crore or sometimes it was said that it was more than Rs. 1,00,000 crore, that is, the NPAs. When these facts come to the knowledge of the system, then naturally the entire system gets worried. The Government starts worrying about it, the economists start worrying about it, and try to find a way to control these NPAs. Some of the intelligent people in the banks – the officers and the heads of the banks or the financial institutions – were giving a provision in their balance-sheet for bad debts or were writing off the entire loan. All this was coming out of the profits that the banks had earned by virtue of increased interests charged from the good borrowers. So, the money that the banks had earned goes down the drain by way of writing off the NPAs or by way of bad debt provisions.

If we observe the balance-sheets in-depth, then we will find that the NPAs are increasing year after year. But the records show that the NPAs are coming down. If an intelligent fellow were to go into the details of the matter, then it will be known that the NPAs have actually gone up every year, but they are making provisions and writing it off from the profits made by the institutions.

The net effect is that the nation is put to loss. There are cheats, there are people who intentionally and wilfully put the banks to loss. This should be checked. Now, I am happy that the Finance Minister has come out with this Bill. This was thought of a couple of years back. They thought about this on the basis of the suggestions given by the Standing Committee to form Credit Information Bureaus. They wanted these companies to be registered with an intention to regulate these NPAs. Once again, the increasing NPAs, year after year, have made it imperative to bring this Credit Information Companies (Regulation) Bill today.

How are the Credit Information Companies going to help us? Since the officers of the financial institutions are not assisting the borrowers in a proper manner, since they are not judging which borrower is right or wrong, or on which project the borrower is not strong enough to repay the money taken from the institution, we partially lost our trust on the ability of the officer to judge the borrower properly and, therefore, the need for this has come. If the officer concerned were to make an assessment of the borrower properly, go into the minutest aspects of the strengths of the borrower, that is, where he is really strong, whether he has got enough assets, whether the project is really strong or imaginative, and if he were in a position to visualize what would be the fate of the industry over a period of say, ten years or twenty

years, then there is no need for this company. However, since the number of instances of failure of the management of the banks has gone up, since there is a deterioration in values, like the integrity, honesty, ability, determination or commitment of the officers have gone down, it has become a necessity. It is good that it is a necessity that we have to have.

Now, if these companies, which were being permitted to be registered as 'Credit Information Companies', were to be filled up with the same type of people tomorrow, then the purpose is lost. Therefore, while deciding which Credit Information Company can be given permission to be registered or not, the hon. Minister must take into account the background of those people who are forming these companies. All the things, like what is their history, what is their integrity, what was their performance, whether they are dependable or not, whether the information that they will be giving is reliable or not, must be taken into account.

Some of the advisors, consultants, banking associations and senior bankers think that only three or four companies can be registered or the number of companies must be limited to ten. There are such suggestions, and my opinion is that if you register only three or four companies, they cannot certainly cope up with the information required for the entire country. Therefore, depending upon the need or the demand, like the number of loans, quantum of trade, or credit that is being given, the number of companies is to be decided while deciding, as I said, the background of the companies is to be taken into account. To be registered as a 'Credit Information Company' is definitely a privilege. If a borrower wants to take a thousand crore of rupees loan, then the institution giving the loan to that borrower depends upon the advice given by the Credit Information Company concerned. That means, these Credit Information Companies have got a lot of say in deciding whether loan to a particular borrower can be given or not. They can play havoc. In other words, it means that we are increasing the number of people in between and giving them the power to share things. Therefore, in respect of these Companies, integrity and knowledge play a vital role.

Coming to penalties, what kind of penalties are you putting on the Credit Information companies?

My point is this. If a credit information company were to commit a mistake, suppose it is hand in glove with the borrower, it may say, "This company is very good; this project is very sound; the financial institution can give a thousand crore rupees to it". If that project fails tomorrow, there would be a thousand crore rupees loss to the nation. If a financial institution is giving a thousand crore rupees, that is our money,

your money, the public money. So, the nation is put to loss simply because the information given by the credit information company is wrong. Maybe that company colluded with the borrower, or maybe that is not capable of eliciting the correct information about the borrower. So, that security should be there.

The penalty that is put in the Bill is limited to Rs. 1 crore. What is one crore rupees? If you say that this one crore rupees penalty is applicable for companies which borrow only Rs. 10 crore or Rs. 5 crore, then I can understand that. You did not put any limit for the money borrowed, or a limit of the credit that is given by a financial institution. So, in the case of a company, which takes a loan of Rs. 1 crore, if the information goes wrong, the credit information company can be penalized with Rs. 1 crore. In the case of a company, which takes a thousand crore rupee loan, if it commits a mistake and the nation is put to loss, then also the penalty on the credit information company is Rs. 1 crore. I do not find it rational. Though it is said that in certain cases there is a provision of one-year imprisonment, I am of the opinion that taking into account the deteriorating values in the banking sector and the financial institutions, penalty must be increased, or imprisonment must be increased. There must be a threat on the company. It must take the risk.

What is a credit information company brought into existence for? It is supposed to check all the weaknesses that are there in the financial affairs of a company. If that also commits the same mistake who can help? If there is corruption in the office, we launch an anti-corruption drive. If the anti-corruption officers also were to be corrupt, then where is the end to it? So, somewhere to plug it, we must see that the integrity is improved. For that, if necessary, the penal provision must be made strong enough.

I am happy that the Minister has parallelly brought amendments to the Banking Regulation Act and the Reserve Bank of India Act also wherein the secrecy clause is being removed. That is essential. I am very happy that the Minister has brought them together. In the Secrecy Act—I know of several instances—suppose a trader of tobacco takes a loan of Rs. 10 crore stating that there is Rs. 15 crore worth of tobacco in the godown, and the Bank Manager, in collusion with trader, gives the loan of Rs. 10 crore. If the adjacent trader or some other adjacent man knows that there is nothing in the godown but he is taking the loan, this credit information company can be of immense use to go and see whether there is really any stock in the godown and whether it can be given loan on that. So, that way, this will be useful. Proposition

is good. I am of the opinion that it should have been brought 20 years ago. We could have saved at least a lakh crore rupees so far in this country. At least now the Minister has brought it to the House and I congratulate him.

I wish while giving registration to the companies, the Government would please go into the background and history of the company. Only where it is an established company with credibility over decades, then only they should give them licence. Somebody may say tomorrow, "Are you giving it to the established people only? We are men with integrity, we have got knowledge, we can do well" All right. The Government can choose even new companies but with penal provisions increased.

With this, I congratulate the hon. Minister for bringing this Bill forward. I wish that the credit information companies will help in reducing the NPAs and will save the nation from the people who are intentionally doing fraud on the financial institutions.

MR. DEPUTY SPEAKER : As you were the first speaker, the time was given as you desired.

SHRI SWADESH CHAKRABORTTY (Howrah) : Sir, I rise to support the Credit Information Companies (Regulation) Bill, 2005. While supporting the Bill, I would like to make some observations.

In the Statement of Objects and Reasons, the Minister has stated that the introduction of financial sector reforms has brought to fore the extent of non-performance assets and the management of NPAs in the banking system. The purpose of the Bill is to control the NPAs in the banking system. In my opinion, the financial sector reform has brought to fore many other things. It has brought the Harshad Mehta scam; it has brought the Ketan Parekh scam; the UTI scam; and the Centaur Hotel scam; which we are discussing now. So many things have come in the financial sector reform. We have to fight it out. Financial sector reforms will go but the natural bye-products of financial sector reforms, that is scams like the above may come up, which should be brought under control. The Minister, through this Bill, has tried to control those bye-products and the management of NPAs. But what is the exact scenario so far as NPAs is concerned?

We can see from the statement given by the Finance Minister that there are five categories of banks where NPA is more than Rs. 1 crore from each borrower—nationalised banks, SBI and its associate banks, financial institutions, foreign banks, and private sector banks. If you take cases of

nationalised banks like the average NPA is less than Rs. 6 crore, against which suits have been filed. It will come down very much within Rs. 4 crore on an average of Dana Bank. Allahabad Bank and Syndicate Bank are taken out of list. SBI itself has 1,195 cases where it has given credit to the tune of Rs. 6,806.64 crore. What I want to point out is that foreign banks propagate to serve much better and we also invite them. Of course, they extend some cosmetic services to the customers. But so far as NPA part is concerned, according to the Statement of the Minister, the Bank of Tokyo Mitsubishi Limited has NPA of Rs. 506.45 crore in only 31 accounts. This is the highest average.

In the financial institutions sector, the Export-Import Bank of India, from where people take loan on the ground to export their commodities or merchandise and earn money for the country, we can see 28 cases in the category of NPA and the amount involved is Rs. 445.59 crore. This bank is controlled by Government itself. So, it is not the fault of the nationalised banks only. It is true that in the pre-reform era, there were bad debts. Now, it has nomenclature of NPAs. There were some loan *melas* where the beneficiaries received Rs. 20,000 to Rs. 50,000, which they did not pay back. There, the number of creditors was more but the actual loss to the banks was much less. The Banking Division can give the correct figures. As there is no time, I cannot give the details in this regard here. But the fact is that in the post-reform period, NPAs have increased much more.

That was in the case of foreign banks also. What I want to submit is that the performance of the nationalised banks has been better than the private and foreign banks. There is the question of VRS. Downsizing is a popular word which is nowadays going against the interest of the country as a whole. The theory of downsizing has led us to this situation. I may be permitted to read from a report of the Planning Commission. It is stated that unemployment now stands at 9.11 per cent. Within two years, it rose to 9.11 per cent which is the highest because there are a few sectors like IT and services industry which have seen employment generation. The overall picture is not so encouraging. The GDP has gone down in the country although the economy has grown. The opening up of the economy benefited only a few richer States but not those who are at the bottom rung of economic regression. This is not my statement. This is the statement of the Planning Commission.

Coming to the Bill itself, the purpose of the Bill, as stated by the hon. Minister, is to control the NPA.

MR. DEPUTY-SPEAKER : Please conclude.

SHRI SWADESH CHAKRABORTTY : I will try to conclude. There is an institution called the Credit Information Bureau of India Limited (CIBIL). It came into existence on 1st January, 2001. It could start its operation in April, 2004 only. The ownership lies with the biggest nationalised bank, the State Bank of India. Forty per cent comes from the State Bank, 40 per cent from HDFC and 20 per cent from the foreign company, Dun & Brad Street. Their also 107 credit institutions signed up to be the members of the CIBIL. Actually, 23 out of 106 had placed the information with the CIBIL. I fail to understand what is there in this Bill. While the credit institutions be compelled to put their records with the credit information companies which we are now trying to form. I suggest that there should be a mandatory membership of all the credit institutions within a specified period. Secondly, there should be a uniform scoring system for the borrowers because if there are many companies, they will go on scoring at the benefit of the borrowers. There should be a uniform credit scoring system on behalf of the RBI or the Government. Otherwise it will be just the case of Centeur episode. One valuer has fixed a price of Rs. 206 crore and another valuer brought it down to about Rs. 100 crore. This will go on. The scam will go on if there is not a uniform scoring system for the borrowers.

Thirdly, the companies should be allowed to run region-wise. The numbers should be limited so that there can be some control from the RBI; if that is done, they may not misuse their powers. The fourth is the regulation of credit information companies. That regulation is to be made. Lastly, provision of penalty is mentioned in the Bill, but the amount has not been mentioned. The Bill says that the RBI will do it; but it must be mentioned from the Government side—that is, the failing institutions must have to pay heavy penalty.

I again insist that the Government must make it mandatory for all the credit institutions to be members of the companies, within a specified period.

[Translation]

SHRI BHUVANESHWAR PRASAD MEHTA (Hazari-bagh) : Hon. Mr. Deputy Speaker, Sir, I support the Credit Information Companies (Regulation) Bill, 2005 introduced by the hon. Finance Minister. The hon. Minister has said that the first step towards improvement in the financial sector was taken in 1993. The results coming after the steps taken in 1993 are quite a cause for concern. So far, NPA in the priority sector stood to Rs. 23840 crore till 31 March, 2000 in which the agriculture sector accounts for Rs. 7240 crore, small industries, sector for Rs. 8838 crore and other heads for Rs.

7762 crore. But, looking at the other aspect of the scenario, the number of cases of loans upto one crore or more disbursed by the nationalized banks and other banks is 4862 and the total amount so disbursed is Rs. 28671.21 crore. In reply to a question asked in the Lok Sabha, the hon. Finance Minister had told that the number of loan cases by the State Bank of India and its associate banks is 1951 amounting to Rs. 10434.11 crore. The number of people taking loan from other financial institutions is 1914 amounting to Rs. 1351.78 crore. The number of cases which should have been registered in this regard, were not registered. There is not a single case where the amount is less than one crore rupees but it has not been paid. The number of such cases is 2647. This proves, how, in collusion with Bank, the Banks' money or public money is being looted in the name of some company or in some one else's name. The big businessmen owe Rs. 1,30,000 crore as loans to the banks about which the government has not done anything to recover it. This bill has been brought to stop this misuse. I think that this bill will prove to be effective only when hon. Finance Minister will enforce its strict compliance. He will have to strengthen his will power, only then this plunder can be stopped. The government knows how many people owe money or how much credit is due. The banks know and the Reserve Bank of India also knows as to how much money is lying due with people. That is why I would like to say that the hon. Finance Minister will have to strengthen his will power besides bringing this bill. You should see, how big businessmen owe Rs. 1,30,000 crore while the agriculture and small scale industries owe only Rs. 27,000 crore. What sort of discrimination is this and how is this happening? That is why I want to say that these reforms will have to be complied with strong will power.

SHRI ALOK KUMAR MEHTA (Samastipur) : Mr. Deputy Speaker, Sir, I rise to take part in the discussion on the Credit Information Companies (Regulation) Bill 2005. I congratulate the Union Government, Finance Minister Shri P. Chidambaram and Prime Minister Dr. Manmohan Singh for introducing this bill. In my opinion, this bill is an important step in the direction of financial system. I have lot of expectations from it as I have myself faced the ground realities and several problems related to obtaining a loan.

Sir, I want to cite a small example to show how managers in nationalised Banks impose their will arbitrarily. In my view it is not only the borrowers who are at fault, in many cases the banks also act wrongly. I hope the position would improve once this Bill is passed. After inspection is done, wherever discretion is to be applied, arbitrariness creeps in. Recently, KVIC had sanctioned loan for an unemployed

youth. The loan was to be granted through a nationalised bank. When the borrower approached the concerned branch of the nationalised bank, the manager refused to grant the loan despite all his efforts. When I telephoned him to ask for the reason of his refusal, he simply replied. "This is our discretion". I took it to mean that the borrower was not found suitable for grant of loan. Therefore, it is found to be a negotiating point. The point is that a system that allows arbitrary decision-making, gives rise to such situations. It is my belief that this Bill will put a stop to this trend and bring about transparency and uniformity in the process of sanction and issue of loans.

Sir, I would like to point out that Non-Performing Assets impose a great burden on the finances of the banking system in the country. I hope that this Bill will bring about a reduction in such Assets. As the previous speaker had pointed out Rs. 28,671.21 crores of credit has been put into Non-Performing Assets and efforts are on through the Reserve Bank of India to bring about a reduction in this amount. I would like to request the Hon. Minister, that, NBFCs, should also be covered under this Bill. Moreover, the people should be made aware of the matters that are not regulated under the Banking Regulations Act or any other regulations despite the efforts of the Reserve Bank of India so that they are not misled or cheated.

Sir, this Bill has twenty clauses. Out of these, I want to draw the attention of the hon. Finance Minister towards the eighteenth clause. No time frame has been determined in case of the Dispute Settlement delivered under this clause. I would like to point out to the Minister that small borrowers, low-income groups, small scale entrepreneurs etc. will face lots of difficulties in making such settlements. So I would request that a time frame should be determined for settling the claims of the small borrowers who conduct business for amounts under Rs. 5 lakhs or Rs. 10 lakhs so that they do not have to face problems.

It is my contention that there is a need to further simplify the lending process of the Nationalised banks. For this the standardized lending process, that is, the documentation process or the inspection process in fact the whole of lending process needs to be made transparent and more systematic. I want to point out that Bihar, which has remained neglected and backward since long and where economy has taken a downward plunge since it's division, there the CD ratio has been oscillating between 30 to 35 percent for a long time by citing lack of progress as reason therefor. There have been many protests against this, people have also protested and we also did picketing and

demonstrations, but to no avail. Despite the protests the nationalized banks have not changed their attitude and the CD ratio remains the same. The banks say giving loans is not viable since the borrowers do not have repayment capacity. If the banks do not encourage the people where will they earn repaying capacity from? I would like to tell the Hon. Minister that the banking behaviour is very poor in that state. The bureaucracy creates an atmosphere of dictatorship and they seemingly display a very bad attitude towards the unemployed youth and small borrowers. It takes six or eight months for small loans Rs. Fifty thousand or Rs. One lakh to be passed, particularly in rural areas.

Sir, I would like to urge the Hon. Minister to make such provisions in the Bill that would enable to bring about transparency and public may be kept well informed so that bank managers find it difficult to challenge loans and manipulate things. With this suggestion I heartily thank the Hon. Finance Minister and the Government and welcome this Bill.

[English]

SHRI S. K. KHARVENTHAN (Palani) : Sir, I rise to support the Credit Information Companies (Regulation) Bill, 2005. Whenever Shri Chidambaram has been the Finance Minister or in charge of any other Ministry of our country, be it in 1991 or 1996, the country's financial position has improved a lot. This is because of the number of changes that the hon. Minister introduces in the whole system. When our present Prime Minister was the Finance Minister and Shri Chidambaram was also in the Cabinet, they brought about a number of changes.

This Bill is to provide for the regulation of credit information companies and to facilitate efficient distribution of credit and for matters connected therewith or incidental thereto. It is a welcome step taken by the hon. Finance Minister. I congratulate the Minister for having taken this step. The meaning of 'credit information' has been clearly explained in clause 2 sub-clause (d) which says :

- "(i) The amounts and the nature of loans or advances, etc.
- (ii) The nature of security taken, etc.
- (iii) The guarantee furnished, etc.
- (iv) The credit worthiness of any borrower, etc, and
- (v) Any other matter, etc."

The main purpose of the Bill is to give credit and also know about the position of the borrowers. Without knowing the financial position of a number of borrowers, various credit institutions in the past had lent money and, as a result more than Rs. 60 crore is the unrecovered amount which is pending. Even the persons who are not in a position to repay the loan were simply availing this opportunity and were using the money for their own purposes. As a result there was huge loss to the country. This Bill has been purposefully drafted to avoid such things. It is a welcome step.

What are the credit institutions have been elaborately explained in the Bill. Clause 2 (f) deals with it and it talks about the State Bank of India, a subsidiary bank, a cooperative bank, the National Bank and Regional Rural Bank.

The Bill explains in detail about the prohibition to commence or carry on business of credit information without obtaining a certificate of registration from the Reserve Bank.

15.00 hrs.

The Reserve Bank of India has been given the powers to give instructions. As per Section 11 (1) the Reserve Bank of India will give directions :

- "(a) in the public interest; or
- (b) in the interest of credit institutions; or
- (c) in the interest of specified user; or
- (d) in the interest of banking policy; or
- (e) to prevent the affairs of any credit information company being conducted in a manner detrimental to the interests of its specified users or in a manner prejudicial to the interests of credit institutions or borrowers or clients; or
- (f) to secure the proper management of credit information companies generally."

All these have been clearly mentioned in the Bill. Moreover, this Bill elaborately gives the powers to the companies and also it is paving the way for giving loans as well as for taking loans for the welfare of the people of this country. Hence I welcome this Bill.

SHRI P. CHIDAMBARAM : Mr. Deputy Speaker, Sir, I am grateful to the hon. Members for the broad support which they have extended to the Credit Information Companies (Regulation) Bill.

In my opening remarks, I explained the philosophy. This Bill does not deal with the accumulated NPAs. This Bill deals with accretion of NPAs. The accumulated NPAs have to be dealt with under the current laws. We have got the Debt Recovery Tribunal Act. We have got the SARFAESI Act and a number of steps have been taken.

In order to assure the hon. Members that the Government is serious about reducing NPAs, let me give some figures. In March 2002, the gross NPAs were Rs. 70861 crore and by March 2004, it had come down to Rs. 64786 crore. In March 2005, I believe, it has come down further but the figures are not yet compiled. If you look at net NPAs in March 2002, it was Rs. 35554 crore; in March 2004, it came down to Rs. 24617 crore. If you look at percentages, during this period the gross NPAs came down from 10.4 per cent to 7.2 per cent and the net NPAs have come down from 5.5 per cent to 2.9 per cent. It is so for public sector banks and it is so for private sector banks – old and new. We will continue to take steps to reduce the NPAs.

As far as accretion of NPAs is concerned, what this Bill does is that it puts in place a credit information system so that the lender will know the history of the borrower, his credit worthiness, his credit rating, and whether he deserves the credit. That is the new system that is being put in place. This is really preemptive. Once you improve the quality of lending, then the number of NPAs will also hopefully come down.

Sir, Mr. Bhubaneshwar Prasad asked me about sectoral NPAs. As regards sectoral NPAs, as I have said repeatedly in the House, sector which has the lowest NPAs is the agricultural sector which is 8.4 per cent. The SSI sector has the highest NPAs at 15.16 per cent. But between the two, the other sectors lie. Therefore, banks are now lending more to agriculture. We need to address this question of SSI sector NPAs. Even under the SSI sector, it has come down from 21.28 per cent of the total advances in the year 2002 to 15.16 per cent but we will continue to address this problem.

This Bill will prevent accretion of NPAs. What we will do is that the RBI will license only a small number of credit information companies and will indicate the number. The criterion for recognizing a company as a credit information company is very strict, not everybody can become a credit information company. There is only one so far, namely, CIBIL which is sponsored by the State Bank of India. I am confident that other public sector banks will also sponsor similar credit information bureau.

In the beginning, I expect there will be three to four

such credit information companies. Over a period of time, we can review whether we need more companies or not. I do not think it is possible to ask a company to concentrate on one region. That will mean there is no competition. There must be competition in every area. Therefore, the companies must be allowed to function on an all India basis. Yes, one company will become stronger in one region and another company will become stronger in another region. But unless there is competition, quality of service will not improve.

Sir, a question was asked about penalties. Shri Rao was right, penalties are provided for in Sections 23 to 25. He read only one part of section 23. In section 23 it has been mentioned that if it is a living person, the penalty upon conviction is imprisonment which may extend up to one year and also fine. That is left to the courts to decide. There is no limit there. The court can impose any fine. If it is a company, it cannot be imprisoned and therefore, the penalty is fixed at a maximum of rupees one crore. That is not all. If you will kindly look at section 25, it has been mentioned that 'notwithstanding anything contained in section 23' that is apart from the prosecution, the Reserve Bank of India may also impose, on such credit information companies, a penalty not exceeding, in case of section 22 (2), rupees one lakh, and under section 23(2)(3), a penalty not exceeding rupees one crore. That is another crore of rupees can be imposed by the Reserve Bank of India. I think, these penalties are quite stiff. If necessary, we will see if penalties are to be increased later, we can amend the section later on. But at the moment, I think, these are pretty stiff penalties for anyone who provides false information or anyone who violates the principles laid down in section 23.

Sir, with this Credit Information Bill our banking system moves to another stage where we are becoming world class. The idea is to become a world class banking system. In all advanced countries of the world there are Credit Information Bureau. These are very successful credit information companies. We must also become like an advanced country and like an advanced country our banking system must also become an advanced system and this will help our banking system become an advanced system. I request the hon. Members to unanimously pass the Bill.

SHRI SWADESH CHAKRABORTTY : What about the rating system?

SHRI P. CHIDAMBARAM : Sir, in regard to rating system, I would like to say that in section 10 of the Act, if you will kindly see, the Reserve Bank of India has the powers to prescribe the policy and the norms for the credit information

companies. The Reserve Bank of India will lay down the norms. Now, the credit information companies will adopt the parameters for credit rating. That will depend upon its clientele. One lender may emphasize the assets under management of the borrower, another lender may want to know the net worth of the borrower, another lender may want to know the risks in the business of the borrower; another lender may emphasize on another parameter. So, the credit information companies will adopt rating systems which serve the interest of the borrowers.

There is also a scoring system. Companies like Standard and Poor's Moody's score credit rating of country and credit ratings of companies. There will be a scoring system. So, the lender will go to credit information companies and see the parameters resulting in a score which is more relevant to that lender and that borrower. All these will be taken care of by the guidelines of the Reserve Bank of India. I think, these scores will become acceptable over a period of time. Standard and Poor's Moody's are well accepted scores. They are in competition with each other. They have to be very rigorous about scoring. You cannot take liberties with scoring because if the scoring turns out to be consistently wrong then nobody is going to pay a fee and collect the information from such credit information companies. Therefore, under section 10 norms will be laid down and the credit information companies will have to follow those norms.

MR. DEPUTY SPEAKER : The question is :

"That the Bill to provide for regulation of credit information companies and to facilitate efficient distribution of credit and for matters connected therewith or incidental thereto, as passed by Rajya Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY SPEAKER : Now, the House will take up clause by clause consideration of the Bill.

The question is

"That clauses 2 to 37 stand part of the Bill."

The motion was adopted.

Clauses 2 to 37 were added to the Bill.

The Schedule was added to the Bill.

Clause 1, the Enacting Formula and the Long Title were added to the Bill.

SHRI P. CHIDAMBARAM : I beg to move :

"That the Bill be passed."

MR. CHAIRMAN : The question is:

"That the Bill be passed."

The motion was adopted.

15.11 hrs.

HIRE-PURCHASE (REPEAL) BILL, 2005

[English]

MR. DEPUTY SPEAKER : Now, the House will take up item No. 31. Shri H.R. Bhardwaj may please move the Bill.

THE MINISTER OF LAW AND JUSTICE (SHRI H. R. BHARDWAJ) : Sir, I beg to move :

"That the Bill to repeal the Hire-Purchase Act, 1972, as passed by Rajya Sabha, be taken into consideration."

The Hire-Purchase Act, 1972 seeks to define and regulate the rights and duties of parties to hire-purchase agreements and provide for matters connected therewith or incidental thereto. It was intended to bring the Act into force with effect from 1st June, 1973. However, several representations were received from the public against the bringing the Act into force and it was decided not to enforce the Act. While the provisions of the Act were being examined for making suitable amendments so that there may not be any objection for enforcing the law, the Banking Law Committee, in its Report on Personal Property Security Law, 1977 proposed certain far-reaching amendments to the Act. The Reserve Bank of India had also suggested that pending examination of the entire Report of the said Committee, the Hire-Purchase Act should not be enforced.

Consequently the Hire-Purchase Act, 1972 had been re-examined in consultation with the several organisations, and a Bill, namely, the Hire-Purchase (Amendment) Bill, 1989 was introduced in the Rajya Sabha on 5th May, 1989. The said Bill was referred to the Departmentally Related Parliamentary Standing Committee on Home Affairs for examination and report. The said Committee recommended for in-depth examination of the 1972 Act by the Law Commission of India. The Law Commission of India recommended, *inter alia*, that the statutory hire-purchase charges shall be an amount calculated at the rate of 18 per

cent per annum, or if a lower rate is specified by the Central Government, at such lower rate calculated in accordance with a mathematical formula to be incorporated in the Act.

The question, whether the Hire-Purchase Act, 1972 should be brought into force with amendments as proposed by the Law Commission was again examined in consultation with other Ministries and Departments of the Government of India and it was felt that the need of the Hire-Purchase Act, 1972 has lost much of its relevance now and exploitation of borrowers by charging exorbitant interest can be adequately dealt with under other laws. Such legislation is not needed in the present economic scenario when credit is freely available in the market. The Bill has been passed by Rajya Sabha without discussion on 20th April, 2005.

Sir, with these words, I commend the Bill for the consideration of the House.

MR. DEPUTY SPEAKER : Motion moved :

"That the Bill to repeal the Hire-Purchase Act, 1972, as passed by Rajya Sabha, be taken into consideration."

SHRI K. S. RAO (Eluru.) : Sir, I express my gratitude to the Law Minister for repealing this. I made a request earlier to the Law Minister, to the Finance Minister and to several other Ministers to repeal several laws which have lost their relevance today. They have been there since the last fifty or sixty years. They go on remaining on the statute book. The point is that somebody will misuse such a law all the time. So, my humble request to the hon. Minister is that he should go through all those laws which have become irrelevant to the present needs of the society and the nation. He should repeal all of them without giving any chance to any cheat or anybody to misuse it. I would like to congratulate the hon. Minister for bringing forward this Bill.

Actually, the hire purchase system is a way out particularly to those who have no access to the financial institutions, who have no Financial background, who cannot get a loan from the Financial institutions. For example, a poor man, a professional wants to purchase a truck to run it. No bank will give a loan because he does not have any financial background. So, a moneyed man will purchase it in his name and give it on hire purchase to the poor man. That man would charge so much fees from the person who is taking on hire purchase that he will never come out of that debts burden. Ultimately, he will have to sell the truck in-between and become bankrupt. He will lose even the little money which he has saved. So, time and again, on several occasions, the

Reserve Bank, the Banking Law Committee and several organizations, have requested that the Hire Purchase Act should not be enforced. Later, when the Standing Committee has referred it to the Law Commission, they quoted an interest of 18 per cent. As the hon. Minister has said the days when 18 per cent interest was charged were gone. Nowadays, money is available to a professional from the institutions even at six per cent, eight per cent interest. So, this law became highly irrelevant. To avoid some people misusing this Act, this has to be repealed immediately. Hence, the hon. Minister has brought forward this Bill. I heartily congratulate him for that.

Once again, I repeat my request. There are several such Acts in the country. I would request the hon. Minister to go through them also and get them repealed. He should not give an opportunity to anybody to misuse the laws. I would like to congratulate the hon. Minister for bringing forward this Bill.

SHRI S. K. KHARVENTHAN (Palani): At the outset, I would like to congratulate our hon. Law Minister for bringing forward the Bill to repeal the Hire Purchase Act, 1972 (Act 26 of 1972). Based on the report of the Law Commission of India and the recommendations of the Law Commission contained in its Report, the Hire Purchase Bill was introduced nearly 33 years ago. This Act was enacted in the year 1972 but it was not at all enforced.

In this country, particularly in the rural areas, so many poor people are struggling hard to get any vehicle or a car or a two-wheeler by getting money from the banks on loan basis. Only some particular community people, particular sects of people are able to get loans from the banks and get the vehicle on hire purchase. Such people are getting money from the private financiers and getting things on hire purchase basis but they are paying a huge interest and ultimately they are suffering. This act will pave the way to solve the problems of the people in the rural areas.

We are saying what happened to the Hire Purchase Act. It is not implemented. It is like Section 30 of the Advocates Act. Our hon. Minister has come forward with this repeal Bill. It will be helpful to the society. Therefore, I heartily welcome this Bill. I would like to congratulate and appreciate the hon. Minister for doing this job.

MR. DEPUTY SPEAKER: I would now request the hon. Minister Shri H.R.Bhardwaj to reply to the debate.

SHRI H. R. BHARDWAJ : Sir, at the outset, I would like

to say that there are two points. The hon. Member Shri K.S. Rao has suggested that the Government should look into the old and antiquated laws. Time and again, we are doing scavenging operations and we bring forward the Bill to repeal the Acts from time to time. We have done a major exercise. After the P.C. Jain Committee's report, most of the laws, which have lost their relevance, have already been repealed. But we are looking again to find out whether some laws are not needed at all on the statute book or not. We will definitely look into it.

With regard to other matters, I submit that now there is an economic boom. Money is readily available. As a matter of fact, the companies are coming forward one after the other to offer credit to any person for getting a vehicle or anything. So, those days were gone. These laws are no more relevant. Therefore, I would request the House to pass it.

MR. DEPUTY SPEAKER : The question is:

"That the Bill to repeal the Hire-Purchase Act, 1972, as passed by Rajya Sabha, be taken into consideration."

The motion was adopted.

MR. DEPUTY SPEAKER : The House will now take up clause-by-clause consideration of the Bill.

The question is :

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1, the enacting Formula and the Long Title were added to the Bill.

MR. DEPUTY SPEAKER : The Minister may now move that the Bill be passed.

SHRI H.R. BHARDWAJ : Sir, I beg to move :

"That the Bill be passed."

MR. DEPUTY SPEAKER : The question is :

"That the Bill be passed."

The motion was adopted.

15.21 hrs.

DISCUSSION UNDER RULE 193

Increasing Population In the Country—contd.

[English]

MR. DEPUTY SPEAKER : Now we will take up item no. 32, that is, further discussion regarding increasing population in the country. The time allotted for this discussion was two hours out of which 55 minutes have already been taken. We have a balance of one hour and five minutes. Shri Ramji Lal Suman was on his legs when the House was adjourned.

Shri Ramji Lal Suman—Not present

Shri Alok Kumar Mehta.

SHRI ALOK KUMAR MEHTA (Samastipur) : Mr. Deputy Speaker, Sir, I will speak next time.

MR. DEPUTY SPEAKER : If you are not ready, then it is all right.

Shri Raja Rampal—Not present

Dr. Karan Singh Yadav.

[Translation]

DR. KARAN SINGH YADAV (Alwar) : Mr. Deputy Speaker, Sir, on the discussion initiated by Shri Prabodh Panda ji on the issue of increasing population in the country, in the beginning, I would like to say that this is such an issue about which everyone needs to be concerned. When the country got independence, our population was 36 crore and now in the last 57 years, our population has crossed 102 crore mark. When we look at the last population figures, we find that the population would get doubled in about 50-60 years and when we now look at the recent figures, we find that our population get doubled every 30 years. In 1950, our population was about 30 crore and as per the 1980-81 census this figure was 72 crore approximately but today our population has crossed 100 crore mark. The pace at which our population has been increasing is certainly a cause of concern. After Independence, our country has made a lot of progress and so many schools and colleges were opened, dams, canals and hospitals were constructed and several means were made available, but still today we feel shortage of these means. Today, we have a legion of unemployed youth in our country. Our U.P.A Government propose to introduce an Employment Guarantee Scheme Bill but in view of the above facts and

figures, I think that the highest representative house of this country should always be concerned about the fact that whatever measures were taken for population control, could not prove effective enough. We have tried several coercive methods in this country, the people were forced to undergo sterilization operation, but they too did not prove to be of avail. In the last few years, there has been slight decline in the population growth rate. Some states have fared well on this count. Kerala and some other states have adopted a few effective steps to control population. On the other hand, unfortunately, in some northern states of India, popularly known as 'BIMARU' States which include Bihar; Madhya Pradesh, Rajasthan and Uttar Pradesh and in some north-eastern states where parameters of health are still very disturbing, nothing has been done to control population. If population keeps on growing at the present rate, it seems to me that our country will become the most populous country in the world by 2035 as has already been predicted. Our population will surpass that of China and that will be a horrendous situation. Therefore, it is imperative on the part of the Government and the Parliament to consider the Measures seriously to control our increasing population. Parliament is the best forum of the country. I think that as several states have enacted laws which prohibit those candidates from contesting Panchayat elections who have more than two children, similarly, our Parliament should also think in this direction. If we want to lead the country, we should voluntarily pass a proposal in this regard and such laws should be enacted in future so as to give impression to the people that this highest House of the country is concerned about population control.

I would like to say that we may take as many measures as we can but until and unless, there is improvement in the health care delivery system, we cannot control population. Today, people in villages do know that the population should be checked, there should be a small family, but the means needed for the population control are not available there, which we call unmet needs in technical language. We are not able to fulfil people's needs. There is acute shortage of facilities in primary and sub-primary health centres. Similarly, we have shortage of doctors, specialists and Gynaecologists in Community Health Centres. Doctors do not want to be posted in villages. Sir, I would like to draw your attention towards the acute shortage of health facilities in rural areas at block level and it is often seen that in the states where the health facilities and health care delivery system is in good shape in rural areas and where Surgeons, Gynaecologists, paediatricists and Anaesthetists, available at block level, family welfare programmes are running well there and where such

facilities are not available, population control has become a difficult task. I, would, therefore, like to give my thanks to the UPA Government which has envisaged National Rural Health Mission this time, through which a beginning is being made to upgrade rural health centres, equip these with proper facilities, and to hire the Doctors, Gynaecologists, and Anaesthetists, there at private level for procuring their services. All these initiatives will go a long way in improving health-care in rural areas. I think that the more the work progresses under this mission, the more we will be able to control population effectively.

[English]

MR. DEPUTY SPEAKER : Dr. Yadav, you may continue next time.

Hon. Members, before we take up private Members' Business, I call hon. Finance Minister to make a statement.

15.28 hrs.

STATEMENT BY MINISTER—Contd.

(v) Decision to order inquiry into the sale of two Hotels belonging to Hotel Corporation of India

[English]

*THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Mr. Deputy Speaker Sir, after examining the report of the Comptroller and Auditor General in respect of sale of two hotels belonging to Hotel Corporation of India, the Government of India have decided to order an inquiry. The nature and scope of the inquiry are under consideration and will be announced in due course.

15.30 hrs.

MOTION RE: TENTH REPORT OF
COMMITTEE ON PRIVATE MEMBERS'
BILLS AND RESOLUTIONS

[English]

MR. DEPUTY SPEAKER : Now we will take up Item 33. Shri Alok Kumar Mehta.

SHRI ALOK KUMAR MEHTA (Samastipur) : I beg to move :

*Also placed in Library. See No. LT 2321/2005.

"That this House do agree with the Tenth Report of the committee on Private Members' Bills and Resolutions presented to the House on the 11th May, 2005."

MR. DEPUTY SPEAKER : The question is :

"That this House do agree with the Tenth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 11th May, 2005."

The motion was adopted.

MR. DEPUTY SPEAKER : Now we come to Item 34.

Shri Chandrakant Khaire—not present.

Item 35, Shri Kashiram Rana—not present.

Item 36, Shri Kashiram Rana—not present.

Item 37, Shri Subodh Mohite—not present.

Item 38, Shri Subodh Mohite—not present.

Item 39, Shri Subodh Mohite—not present.

Item 40, Shri Subodh Mohite—not present.

Item 41, Shri Brajesh Pathak—not present.

Item 42, Shri Bachi Singh Rawat 'Bachda'—not present.

15.31 hrs.

INDIAN PENAL CODE (AMENDMENT) BILL, 2005*

(Amendment of section 375)

[English]

SHRI ABDULLAKUTTY (Cannanore) : I beg to move for leave to introduce a Bill further to amend the Indian Penal Code, 1860.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Indian Penal Code, 1860."

The motion was adopted.

SHRI ABDULLAKUTTY (Cannanore) : I introduce the Bill.

15.32 hrs.

CONSTITUTION (AMENDMENT) BILL, 2005*

(Amendment of articles 124 and 217)

[English]

MR. DEPUTY SPEAKER : Item 44, Shri Abdullakutty.

SHRI ABDULLAKUTTY (Cannanore) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution."

The motion was adopted.

SHRI ABDULLAKUTTY (Cannanore) : I introduce the Bill.

15.33 hrs.

CONSTITUTION (AMENDMENT) BILL, 2005*

(Amendment of the Seventh Schedule)

[English]

SHRIMATI D. PURANDESWARI (Bapatia) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRIMATI D. PURANDESWARI : I introduce the Bill.

15.33½ hrs.

COMMERCIAL CROPS WORKERS (WELFARE) BILL, 2005*

[English]

SHRI ABDULLAKUTTY (Cannanore) : I beg to move for leave to introduce a Bill to provide for certain welfare measures for commercial crops workers and for matters connected therewith or incidental thereto.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to provide for certain welfare measures for commercial crops workers and for matters connected therewith or incidental thereto."

The motion was adopted.

SHRI ABDULLAKUTTY : I introduce the Bill.

15.34 hrs.

REGIONAL RURAL BANKS (AMENDMENT) BILL, 2004—contd.

(Amendment of section 2, etc.)

[English]

MR. DEPUTY SPEAKER : Now, we will take up Item No. 47, further consideration of Regional Rural Banks (Amendment) Bill.

Now, Shri Suravaram Sudhakar Reddy to speak—Not present.

Dr. Karan Singh Yadav.

DR. KARAN SINGH YADAV (Alwar) : Hon. Deputy-Speaker, Sir, I rise to support the Bill moved by hon. Shri Basu Deb Acharia who emphasized the need to reorganize the Regional Rural Banks. As it has been well-elaborated, these Regional Rural Banks were designed to help the poorest of the poor in this country and they were established during the Emergency in 1975.

15.35 hrs.

(SHRI VARKALA RADHAKRISHNAN in the Chair)

They have now become a sort of inseparable part of

the rural credit structure and one can call them as a small man's banks. Now these banks are operating in 580 districts with the network of 14,446 branches and over 70,000 staff. We have 196 Regional Rural Banks. All these banks, which have been implementing the rural credit system, are the banks of the common man. But it has been noticed in the last few years that a large deposits, which come from the rural areas, from the rural farmers, from the rural artisans and from the rural peasants, are being invested in big investment in the towns, cities and in large industries. The poor farmers in the rural areas are deprived of their deposits. This is being done because of the inherent structure.

The sponsor banks are their master banks. These rural banks have rather become a sort of slave banks in the hands of those master banks. That is why, it is reported that out of Rs. 62,000 crore of the R.R.B. Deposits around Rs. 37,000 crore has been taken away from the villages in the form of investment, in the form of bonds, security and term deposit accounts of sponsor banks. These rural banks suffer from many in-built constraints. They have limited area of operation. The autonomy of the RRBs are twisted under the overbearing attitude of sponsor banks and officers deputed by these sponsor banks. They have lack of space for achieving benefits of cross-subsidisation. These anomalies have been noticed in this House time and again.

The Parliamentary Standing Committee on Finance has outlined and recommended proposals for consolidation of these rural banks. These kinds of proposals came in 1993. Again, they came in the year 2003. The Government had appointed Vyas Committee to go into the entire gamut of this banking system. But what the Government is proposing or possibly what the Government has in mind is to amalgamate the rural banks of that particular area under the same sponsor banks. What our hon. mover of the Bill, Shri Basu Deb Acharia has suggested is that all these rural banks should be de-linked from the sponsor banks and they should be amalgamated into 25 area specific or zonal rural banks.

There is suggestion that there should be an apex body like a National Rural Bank Commission or a bank like the NABARD could be a part of the apex committee of these banking institutions. It has been brought before this House that as a catalyst in the rural credit movement of the country, the NABARD could take the leadership and this infrastructure, which is already existing in the form of Regional Rural Banks could become a part of it. Every State or every zone could have one unit and there would be a lot of integration into the system. The Regional Rural Banks would be freed from the

*Published in the Gazette of India, Extraordinary, Part-II, Section-2, dated 13.5.2005.

clutches of the sponsor banks which are not serving the purpose of the farmers.

Our Government is now committed to increase rural credit. The hon. Minister of Finance has said that they have reached the target of distributing Rs. 1,000 crore last year and they are increasing the target by 30 per cent this year. I think, if we have to implement these policies of the UPA Government and if we have to cater to the needs of the farmers, peasants and rural artisans, the Bill piloted by Shri Basu Deb Acharia has to be brought before this House in the form of a Bill by the Government so that a national rural banking apex body could be formed and the zonal structure could also be formed.

With these words, I support the motion moved by Shri Basu Deb Acharia.

SHRI SUNIL KHAN (Durgapur) : Thank you, Mr. Chairman.

I rise to support the Bill brought by Shri Basu Deb Acharia, the Regional Rural Banks (Amendment) Bill, 2004.

As we all know more than 70 per cent of people in India are living in rural areas and the maximum of their savings are made through bank deposits. So, we have to have a thrust on re-organisation of rural banks.

Just as in the case of SAIL and Coal India, we could have an apex body for the Regional Rural Banks and NABARD could play this role. We have been demanding over the last one-and-a-half decade the consolidation of 196 RRBs into 21 State and zonal rural banks under an apex institution.

We have to increase rural deposits, agricultural production and employment generation in villages to put a halt to the rapid migration of rural resources to urban and non-productive sectors. We have to de-link sponsor commercial banks from RRBs and replace them by an institution like the NABARD. The commercial banks are sponsor banks of more than 14,000 branches of rural banks.

In the last year, the rural banks have made a profit of Rs. 623 crore; and in the last five years, they have been posting an average profit of more than Rs. 500 crore. In spite of that, the employees of the rural banks are not getting the same type of salaries and allowances as the employees of the commercial banks are getting. This is in spite of the fact that they are disbursing more credit in the villages. This is why I want that there should be a proposal for restructuring the rural banks of India.

To help RRBs get rid of the present constraints, it has been proposed by us that 196 RRBs of the country be amalgamated into 19 State Level Banks and one Zonal Bank for the North-Eastern States. A notional view of the reorganised structure with the business position as on 31-3-2004 may be seen from the list already given. Simultaneously, a lean and thin corporate body at the apex level, that is the National Rural Bank of India or the National Rural Banking Corporation in the pattern of the SAIL, the GIC, or the Coal India Limited be constituted to look after the 20 reorganised Rural Banks.

Since these Banks will go on discharging greater social responsibilities towards the largest segments of rural people, the Government of India (50 per cent) and the State Government (15 per cent) should continue with their ownership-stake in RRBs while the remaining 35 per cent now held by 28 Sponsor Banks may be taken over by the proposed apex body (NRBI) or the NABARD which has already acquired the mantle of leadership in rural lending rural planning and development. Incidentally, the existing provision of the NABARD Act, (Section 26) permit such purchase and holding of shares of rural financial institutions. The new structure would not require any additional manpower. The massive infrastructure is already there and only the small superstructure at the corporate level has to be developed with only around 100 experts and experienced bankers to be drawn from the banking industry on deputation into a panel to be maintained by the apex body or the NABARD as the case may be. Totally delinked from the Sponsor Banks and the uneven competition flowing from those masters, these reorganised banks are likely to go a long way in meeting the challenges of the emerging situation.

In the end, I would appeal to the Government that they should think about the rural banks, as to what they are doing in the rural sector, especially in the villages. As you know, most of the unemployment scenario is coming from the agriculture sector, especially the agricultural workers. We have no infrastructure for the rural development.

So, for the development of rural people for the development of unemployed people and for the development of our unorganised sectors, the Bill moved by Shri Basu Deb Acharia should be considered and passed.

SHRI C. K. CHANDRAPPA (Trichur) : Sir, the Regional Rural Banks (Amendment) Bill, 2004 has been introduced in this House by Shri Basu Deb Acharia. It gives us a big opportunity to discuss the problem of rural credit....
(Interruptions)

MR. CHAIRMAN : Shri Chandrappan, please wait for a moment.

Now, the time allotted for discussion of this Bill is over. If the House agrees, the time on this Bill may be extended by half-an-hour.

SEVERAL HON. MEMBERS : Yes, Sir.

MR. CHAIRMAN : Then, Shri Chandrappan, you can continue.

SHRI C. K. CHANDRAPPAN : This provides us an opportunity to discuss the problem of rural credit and the need for stronger institutional agreements for providing rural credit. The regional rural banks were established in 1976. Thereafter the experience in all these nearly 30 years is that these RRBs have improved and gained experience, they enhanced themselves into various parts of our country and attracted more rural deposit and helped providing credit to large number of people. But the problem now faced and for which several suggestions are offered, is that though these rural credit institutions are attracting a lot of investment from the rural areas, the sponsoring banks are trying to divert these funds from the rural areas and invest them in big cities. If that kind of attitude of the sponsoring banks be allowed to continue, that will adversely affect the purpose for which these banks were established.

MR. CHAIRMAN : Shri Chandrappan, time extended for this is only half-an-hour. Please bear this in mind when you are speaking. Please continue.

SHRI C. K. CHANDRAPPAN : Yes, Sir.

These banks were established actually to help the rural people. Now that purpose is being defeated. In that context several proposals were made by various people. Shri Basu Deb Acharia has supported one proposal in his amendment, that is setting up of an all-India establishment integrating all these rural banks into one body and strengthening it. But there is another suggestion made that these rural banks could be merged with the sponsoring banks and in that way these sponsoring banks could have their own branches in the rural areas and help the people.

Then, there are many suggestions made in this regard. Now, the point is that the rural peasants, artisans, the people depending on rural industries, agriculture operations etc. all these should get credit facilities. The Government, in the last Budget and in this Budget also, has announced its intention to enhance the rural credit. One of the most important policies of the UPA Government was to enhance rural credit so that

the agrarian sector gets more strengthened. This year, while announcing the Budget, the hon. Minister of Finance said that they have succeeded in their mission. Nobody will question the importance of rural credit and the importance of having such institutions. India is an agrarian country and our national economy is so much dependent on agriculture. The target for the Tenth Plan is to achieve four per cent or even more than four per cent growth in the agrarian field. The contribution to the GDP from this sector should be more than four per cent. But then, for achieving that, the rural credit institutions should be strengthened. There are other institutions also. But the point is to see how we will be able to utilise the huge deposits that are there in these RRBs.

Sir, what is happening? The mover of the Bill has pointed out that a large portion of the deposits in RRBs is not being used for rural development. He has said that mainly the sponsoring banks are responsible for it. That is what he was telling. In that context, how the Government will be able to achieve the goal for which these banks are set up should be more seriously discussed. One of the suggestions, which can be seriously considered, is proposed by the mover of the Bill. So, we broadly support the ideas advanced by the mover of the Bill, Shri Basu Deb Acharia. We extend our support to the Bill.

SHRI PRABODH PANDA (Midnapore) : Sir, I rise to support the Bill moved by hon. Member, Shri Basu Deb Acharia. It is said that India lives in villages. It is already said by hon. Members that RRBs have come up as an important and inseparable part of the credit system in rural India.

There are 196 RRB branches that are operating all over India. RRBs alone have organised 45 per cent of the total self-help groups, roughly 12 lakh self-help groups of the country. RRBs have also issued over 40 lakh of Kisan Credit Cards to the farmers and organised over 5,000, out of 11,000 farmers' clubs under NABARD scheme. The Government of India had advised the RRBs to increase their agricultural credit by 40 per cent during 2004-2005, but the RRBs exceeded the target by September, 2004. Their recovery position is satisfactory at around 74 per cent and NPAs stand at 12.6 per cent only.

The Standing Committee of Finance headed by Shri N. Janardhana Reddy—he is present here—had recommended that an apex body of the rural banks should be set up and the RRBs should be delinked from sponsoring banks. So, I support this proposal and this Bill. It may be noted that out of Rs. 62,000 crore of RRBs' deposits, around Rs. 37,000 crore have been taken away from the villages in the form of

investment in bonds, securities and term deposit accounts of sponsor banks. So, I would submit that this is to be taken as an important programme and these RRBs should be delinked from the sponsor banks. I think they are under ten to twelve sponsor banks of our country.

Not only that, as they are discharging their magnificent responsibilities and the main task of lending credits - the credit flows also increase through RRBs - the RRBs should be independent and should not be guided by the programme or guidelines of the sponsor banks. That is why; I rise here, I stand here to support this Bill. It was expected that this Bill would come to this House from the Government, but it is quite unfortunate that this did not happen. I must thank hon. Shri Basu Deb Acharia that he has brought this Bill before this House. I think, this House should consider this and approve it. I hope, the hon. Finance Minister will consider it positively.

16.00 hrs.

SHRI KINJARAPU YERRANNAIDU (Srikakulam) : Sir, I have given a notice to raise an issue of public importance. This is an important issue that I wish to raise in the House. Firing took place in Andhra Pradesh, and six party workers were killed in this incident.

MR. CHAIRMAN : Mr. Yerrannaaidu, I am told that your matter is under consideration.

...(Interruptions)

SHRI KINJARAPU YERRANNAIDU : Sir, I just want to raise this issue because it is a very important issue.

MR. CHAIRMAN : Mr. Yerrannaaidu, I am informed that your issue is still under the active consideration of the hon. Speaker.

Now, it is the turn of the hon. Finance Minister.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, the Bill moved by Shri Basu Deb Acharia points out that there are a number of limitations in the functioning of the Regional Rural Banks (RRBs). It is his view that by amending the existing law we can improve the working of the RRBs. The point is well taken that we need to improve the working of the RRBs. But let us look at why these RRBs were first set up. The objective of an RRB is to focus on the development of agriculture, trade, commerce and other productive activities, particularly, for the small and marginal farmers, agricultural labourers, artisans and small

entrepreneurs in the rural areas. Therefore, an RRB would be able to carry banking to these neglected sections of the people only if its focus is limited to an area, and its focus should not be completely diffused and it begins to function like a universal bank.

Today, RRBs are being sponsored largely by the public sector banks and some RRBs are sponsored by private sector banks such as the Bank of Rajasthan, the J & K Bank, and in one case, by the Uttar Pradesh State Cooperative Bank. If we accept the suggestion made by Shri Basu Deb Acharia that for an RRB established in a Group of Union Territories or Union Territory, the Government will be the Central Government and in a State Government it will be the State Government concerned, and if it is in a group of States, it will be the group of State Governments concerned then, I think, it will create complete confusion over the control over these banks. Today the line of control is clear. Either the nationalised banks sponsor the RRB or it is a private bank that sponsors the RRB, and the licence is given by the Reserve Bank of India. If we alter the system of control, then I am afraid, the whole system would have to be built from scratch, and it is not possible to build it from scratch anymore because the rural banks today have taken deep roots.

On the other hand, if NABARD is to take over these RRBs, then there will be a conflict of interest between NABARD—as a supervisory and regulatory agency—and as the owner of the banks. In fact, one reason why the ownership of bank vests in the Central Government, and regulation vests in the Reserve Bank is that the regulatory functions and the ownership functions must be separate. NABARD is the supervisory-cum-regulatory body for all agriculture-credit related banks, and I do not think that the regulator and the supervisor should also become the owner of the banks.

Sir, the RRBs today have improved their functioning. RRBs today are one of the most important arms of our agricultural credit operations along with public sector banks and cooperative banks. RRBs lend to farmers, and in the year 2004-05, RRBs have done very well, as far as agriculture credit is concerned. In fact, they have done much better than we expected.

Now, let us look at the credit growth rate of RRBs. It was Rs. 6,960 crore in the year 2000; now, in 2004, it was Rs. 15,579, crore. In these five years the compounded average growth rate is over 20 per cent. Out of Rs. 62,000 crore of RRBs deposits, Rs. 37,000 crore were mobilised from villagers. Sponsor Banks have invested money in RRBs. For example, Sponsor Banks, as on 31st of March, 2004, have

given Rs. 356.40 crore ; NABARD has given, both short-term and long-term, Rs. 4,288.75 crore. In fact, I am very happy with the performance of RRBs, especially in the year 2004-05. The agriculture sector has received agricultural loans from RRBs in a very large proportion, as much as Rs. 11,718 crore. Therefore, I think, the present system has stabilised and is working well.

Let us look at some other performance indicators of RRBs. The number of Kisan Credit Cards issued by RRBs at the end of 4th February, 2005 is 14,47,585; the number of Farmers' Clubs promoted by RRBs is 6,185. What have we done in the last year? We have made the Sponsor Banks squarely responsible for the functioning of RRBs. So, accountability has been fixed. We have asked every Sponsor Bank to nominate a senior Officer at the level of General Manager to supervise the functioning of RRBs. Therefore, there is a clear line of authority. It flows from RRB Chairman to the General Manager of the Sponsor Bank and to the Board, and the Chairman and Managing Director of the Sponsor Bank.

Sponsor Bank today takes the responsibility of training officers in RRBs. In fact, the pay-scales are now equal. Senior officers are deputed from Sponsor Bank to the RRBs. RRBs are also becoming as good in terms of knowledge and competence as the Sponsor Bank except that their functioning is at a much decentralised level, and they cater to a very different clientele than the clientele of Sponsor Banks.

Sir, perhaps, there was a reason when Shri Basu Deb Acharia introduced this Bill, but that reason is no longer valid. After seeing the working of RRBs in 2004-05, I think, we must warmly compliment the functioning of RRBs and allow them to continue to do the good work in 2005-06. If we encounter any practical difficulties, we will certainly address those practical difficulties. However, I respectfully submit that this is not the time to bring about any radical change either in the law or in the manner in which RRBs are structured or are working. There is also, I respectfully submit, no case for a national rural bank. That has not been recommended by many committees, including the latest committee. That will only mean that we create monolith and we dilute the focus of RRBs, which is, local bank for a local area focusing on the needs of the local population.

We are now encouraging a Sponsor Bank to horizontally integrate all RRBs sponsored by it and functioning in one State. That is the first step towards consolidation within the State. I think all State Governments, leaving maybe one or two, have agreed to this idea. So, if a Sponsor Bank has

more than one RRB in one State, those RRBs are being consolidated and brought under one name and one umbrella. I think, that effort must be allowed to succeed. I think, most of it will happen in the current year. I am confident that by the end of the year, I will be able to report that RRBs have done better in 2005-06 and have improved upon their performance in 2004-05.

Therefore, I would respectfully request Shri Basu Deb Acharia to withdraw his Bill. He has made a point. He has made a valid point. I have taken note of the point that he has made. But I think this is not the time to press this.

MR. CHAIRMAN : I call upon the Mover of the Bill, Shri Basu Deb Acharia to have his say.

SHRI BASU DEB ACHARIA (Bankura) : Mr. Chairman, Sir, why did I move this Bill to amend the RRBs Act? RRBs have been in existence for the last about three decades. RRBs were created in 1976 with a definite purpose - to concentrate on rural credit, to provide assistance to the farmers, agricultural labourers, rural artisans, small traders, etc.

I have not suggested in my Bill that some States should be clubbed together. My specific amendment is in Section 24B which says:

"The Central Government in consultation with the Reserve bank and the National Bank may by a notification in the Official Gazette or by a separate Act of the Parliament constitute a National Rural bank of India or by such other name as specified in the notification or Act, with a Chairman and such other number of members..."

My amendment in Section 3 (1) says :

"The Central Government may, if considered necessary and expedient in the interest of the people of a particular area or State or Union Territory or a group of States, by notification in the Official Gazette, establish in the concerned area or State or Union Territory or a group of States one Regional Rural bank with such a name as may be specified in the notification, or may by the said or any subsequent notification, specify the limits within which the Regional Rural bank shall operate."

A group of States here indicates the smaller States. There are smaller States in the North-Eastern region. These smaller States cannot have separate Regional Rural Banks. That is why I have suggested in my Bill that a group of smaller States can have one Regional Rural Bank.

My suggestion is not that one State will have only one RRB. Bigger States may have two RRBs. The hon. Finance Minister saying that I suggested having RRBs for groups of States is not a fact. With regard to my suggestion of having a National Rural Bank, the Minister has stated that it will become a monolithic structure. My suggestion does not necessarily mean that a separate body should be set up. NABARD also can play the role of coordination.

These Banks will only coordinate among the Regional Rural Banks. NABARD or the National Rural Bank will play the role of coordinators. I do not know as to what regulatory function is being done by NABARD. My suggestion is NABARD will not be the owner of the Bank. Rather, NABARD will coordinate among the different Regional Rural Banks.

Sir, the hon. Minister had admitted last year the Regional Rural Banks had performed excellently in regard to extending credit to the farmers and the rural people. The growth was 20 per cent. Those Regional Rural Banks, which were incurring losses, had come out of red. During these three decades, these banks have gathered experience. What is the role being played by the Sponsor Banks today? What are their contributions? I am grateful to all those who have participated in this debate. All the hon. Members have extended their support. All those who have participated, have demanded that Sponsor Banks should be delinked from the Regional Rural Banks. The Regional Rural Banks have gathered experience. They are now standing on their feet. Regional Rural Banks were formed in 1976. After three decades, they have gathered experience. Sponsor Banks do not play the role for which they were conceived initially. In that case, why should we continue with this system? If the same system were to continue, then why so many Committees were constituted, starting from Kelkar Committee, Dass Committee, the Reserve Bank of India also gave recommendations, and the Standing Committee, under the chairmanship of Shri Janardhana Reddy, also recommended on the same lines that there is a need for restructuring and reorganization of Regional Rural Banks.

In my Statement of Objects and Reasons, I have stated five reasons for bring this amendment Bill. Firstly, to enhance the spatial coverage of Regional Rural Banks and to extend the areas of coverage. Coverage means, for the purpose for which the Regional Rural Banks were created. I am not talking that outside that area, Regional Rural Banks will also be allowed to function. Secondly, to strengthen the resource-base of the banks by infusion of funds from different agencies. Thirdly, to delink the Sponsor Bank to the maximum extent possible from the affairs of the Regional Rural Banks in order

to provide recognized banks a level playing field in the current competitive scenario. Fourth, to ensure unity of approach, unity of command and accountability of the functionary at different levels; and fifth, to allow employees' participation in the management and decision-making and to have the negotiating forum of their own. There is no negotiating forum today. Whatever wage revision is decided for the nationalized banks, the same is extended to the Regional Rural Banks, that too after a prolonged struggle. Initially, for more than 20 years, the pay scales of the employees of the Regional Rural Banks were much lower than that of the employees of commercial banks.

None of the Committees have recommended for an apex body. The concept of apex body is that there will be one organization, the National Rural Banks of India. I have already said that its function will be of coordination. It will coordinate among different Regional Rural Banks. One Advisory Committee was appointed by the Reserve Bank of India on the flow of credit in agriculture and related activities. That Committee have recommended and I quote, "considering the magnitude of projected flow of agricultural credit, the committee feels that RRBs have an important role to play particularly because of their strong rural branch infrastructure, rural orientation of their staff and current flow of share of RRBs in agricultural credit, notwithstanding. The Committee, therefore, feels that the mandate of RRBs has to continue. Even, they need to be restructured into a viable financial institution and simultaneously, their regional character and rural focus need to be restructured." This committee has also suggested that there is need for restructure. The mandate will continue. This will depend on the regional character and rural focus. If amendment is accepted, if the Minister does not agree to have one Regional Rural Banks for each State, he can think over it. Today in West Bengal, there are six to seven RRBs. They can be merged into two RRBs. There could be one for smaller States and two or three for bigger States. After 30 years, in 1976, the situation was something different. A new concept of rural banks was adopted in the initial stage. We can see the functioning of the RRBs in other countries like Bangladesh. The Bangladesh Gramin Bank is success. He has said that there is no need for restructure or change in the structure of the RRBs; this will continue because they have performed well in the last year. He is expecting that this year also, their performance will be better. So; if performance is better, in order to function more efficiently, if there is a need for restructuring or reorganization, may I know whether the Government will consider it or not?

This Committee has also suggested this in para 7.17 and I quote :

"The Committee recommends a two-step reorganization of RRBs for the rest of the country. As a first step, all RRBs and the sponsored banks in a State would be amalgamated into a single unit in that State. There could be more than one amalgamated RRBs at the State level, depending upon the number of sponsored banks in the State. For this purpose, each sponsored bank may establish one holding company."

This is almost like a holding company. There are two holding companies under the Ministry of Heavy Industries. Under these holding companies, there are a number of units – 6-7 units under one holding company. The function of a holding company is to coordinate and to oversee; the holding company is not the owner of all the units. The concept of a holding company can also be adopted in the case of the RRBs.

"For this purpose, each sponsored bank may establish one holding company under the Companies Act, to serve as a Special Purpose Vehicle in the State. NABARD will contribute to the equity of the holding company in the ratio of 74-26 per cent. The holding company, in turn, will contribute to the equity of various State level RRBs of the sponsored banks; it will also return the share capital and additional share capital deposit contributed by the Central and State Governments at a price based on the book value. The loss making RRBs, if any, may be given reasonable time-frame to turn over with a clear understanding that they may not be allowed to continue the business thereafter. The first stage of reorganization will reduce the number of RRBs to 74 to 196."

This is not a fact that none of the Committees have recommended for restructuring. They may not have recommended it for the nationalized banks. I have also not suggested for monolithic organization. My suggestion is to have it like a holding company, like a coordinating body. NABARD can also play that role or you can have National Rural Bank to supervise, regulate and assist the RRBs. There are recommendations in favour of such amalgamations. He is for amalgamation of all the nationalized banks, but here, he is not agreeing to amalgamate the RRBs. Why is he objecting to it here? He is for merger and amalgamation of nationalized banks, but here, he is not in favour of amalgamation or merger of RRBs. Two different standards are being adopted here. So, I cannot subscribe to it.

SHRI P. CHIDAMBARAM : If the hon. Member may yield for a minute, he seems to be misinterpreting or misapprehending what we have said. In the case of public

sector banks we have said that we are not forcing or requiring any public sector bank to consolidate with any other public sector bank. If two public sector banks wish to consolidate, we will look upon that favourably. The idea is that India needs public sector banks of a certain size and scale in order to be able to complete. As far as Regional Rural Banks are concerned, as I said, we are actively encouraging a Sponsor Bank to consolidate more than one Regional Rural Bank of that Sponsor Bank in every State. We are encouraging consolidation within the State.

SHRI BASU DEB ACHARIA : What is the role played by the Sponsor Bank? What is their contribution? The Minister has stated that their contribution is only Rs.356 crore whereas our contribution is Rs. 4,268 crore. Why is the Minister entrusting this role to the Sponsor Bank when it is not playing its role? Once it was conceded, the concept of Sponsor Bank was adopted 30 years ago, will they not review it? We gather experience with time but after 30 years of experience we are still continuing with the same system. Of course, there are difficulties and problems. Indeed, there is a growth but whether there is further scope of growth or not has to be taken into consideration. In rural India, till today, as per the official figure, 26 per cent of the population is below poverty line. These 26 per cent of the people should have been brought above the poverty line and the Regional Rural Banks will have to play a vital role in that regard. We know the cooperative bank are in a very bad shape.

The Minister has brought a Bill today. The Vaidyanathan Committee has recommended for strengthening, reorganization, regulatory mechanism and such other things. How many cooperative banks have so far been closed? Cooperative Banks are also playing a vital role. The Regional Rural Banks have to play a very vital role for the people who are still below poverty line. But the Minister says that he will not review it. There is no doubt that we have achieved, but whether there is scope for further achievement and if so; what are the hurdles or difficulties will have to be seen.

Sir, you have seen the sense of the House. Of course, NDA is boycotting the House. But had they been in the House, they would have also extended their support to it. Yerrannaidu Garu is also supporting it.

SHRI KINJARAPU YERRANNAIDU : I am always for the Regional Rural Banks.

MR. CHAIRMAN : Your time is over. You cannot go on like this.

...(Interruptions)

SHRI BASU DEB ACHARIA : When the entire House is favour of delinking from the Sponsor Bank, the Finance Minister is not agreeing to that proposal. He has not given any assurance that he will review, or discuss it and that there is a need for restructuring, strengthening the Regional Rural Banks so that they can play the role entrusted to RRBs in 1976. Today, in the changed situation, there is a need for restructuring and strengthening. There is a need for merging some of the rural banks. There is also a need for a coordinating body.

I appeal to the Finance Minister to please agree to this proposal. I would request him to assure the House that he will definitely consider not only the suggestions contained in the Bill but also the suggestions made by the hon. Members. I would also request him to assure that he will take a positive decision in regard to restructuring and de-linking of the Regional Rural Banks so that they can function more efficiently, stand on their own feet and discharge the responsibility entrusted to the RRBs of India.

MR. CHAIRMAN : Are you withdrawing?

SHRI BASU DEB ACHARIA : Sir, unless the Minister gives an assurance, how can I withdraw?

SHRI P. CHIDAMBARAM : You will recall that in the course of my reply I said that the banks are doing well and they are expected to do better this year. Some consolidation is taking place at the State level and accountability is now fixed on the Sponsor Banks. So, there is no reason to disturb the structure now. But as I said, if it becomes necessary and if we find any practical difficulty, we will certainly re-visit the matter. There is a proverb which says : If it ain't broke, don't fix it'. At the moment, nothing is broke. So, let us fix something which is not broke. But if we encounter practical problems, we will certainly re-visit the matter. That is what I told my hon. friend.

SHRI BASU DEB ACHARIA : We had the problem in the past. But for the last one year it has functioned well. Therefore, he will not consider re-structuring and re-organization in future. So, unless he gives an assurance, how can I withdraw?

MR. CHAIRMAN : The intention and the purpose of the Bill are good. But let us now close it.

The question is :

"That the Bill further to amend the Regional Rural Banks Act, 1976, be taken into consideration."

The motion was negatived.

MASSAGES 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 Bihar Value Added Tax Bill, 2005, which was passed by the Lok Sabha at its sitting held on the 11th May, 2005 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 rule 127 of the Rules of Procedure and conduct of Business in the Rajya Sabha, I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on the 12th May, 2005, agreed without any amendment to the Right of Information Bill, 2005, which was passed by the Lok Sabha at its sitting held on the 11th May, 2005."

16.40 hrs.

RE: POLICE FIRING IN THE ANANTAPUR DISTRICT OF ANDHRA PRADESH

[English]

MR. CHAIRMAN : Now, Shri Yerrannaidu you may make your submission within two minutes.

SHRI KINJARAPU YERRANNAIDU (Srikakulam) : Sir, in the Anantapur district of Andhra Pradesh, due to police firing, six TDP workers have been killed...(Interruptions)

SHRI N. JANARDHANA REDDY (Visakhapatnam) : Sir, he is raising a State matter here...(Interruptions) Already a magistrate level inquiry has been ordered for this...(Interruptions)

MR. CHAIRMAN : Shri Yerrannaidu has been given permission to make his submission. Nothing else will be recorded.

...(Interruptions)"

*Not recorded.

SHRI KINJARAPU YERRANNAIDU : Sir, a former Minister of TDP, Paritala Ravi was murdered and on account of that, a by-election is being held in Anantapur in Andhra Pradesh...(Interruptions)

MR. CHAIRMAN : I would like to inform the hon. Members that Shri Yerrannaaidu has been given permission by the hon. Speaker to make his submissions and so I have called his name. The hon. Members would now at least be patient enough to hear him.

...(Interruptions)

SHRI KINJARAPU YERRANNAIDU : Sir, Shri Jaganmohan Reddy, son of Shri Y.S. Rajasekhar Reddy, Shri Divakar Reddy and the IG Police, Anantapur have been named in the FIR filed for the murder of the former MLA and Minister of TDP, Shri Paritala Ravi. A CBI investigation is going on...(Interruptions) Today, our party candidate, Smt. Paritala Sunita went to file her nomination for the by-election and a large number of our party workers gathered there and without any provocation. Without any indication, there was *lathi* charge and throwing of tear gas shells by the police...(Interruptions) and further owing to police firing, at least six TDP workers were killed. We have represented this matter to the hon. Prime Minister and the Home Minister and requested for a change of the IG and Superintendent of Police of Anantapur. Both of them are responsible for this firing...(Interruptions) Sir, on the floor of the House, through you, I would like to demand the immediate suspension of the IG and the Superintendent of Police of Anantapur district in Andhra Pradesh. The Government should also order a Judicial inquiry into this matter under the Commission of Inquiry Act...(Interruptions) This is our demand.

Mr. Chairman, Sir, six TDP workers have been killed. There is no law and order in the State. There are no human right and there is no rule of law in the State of Andhra Pradesh. Police are firing without any provocation. We are demanding a judicial inquiry under the Commission of Inquiry Act to be headed by a judge either of the High Court or the Supreme Court. This is our demand....(Interruptions)

Sir, truth will one day come out...(Interruptions) State sponsored police firing is taking place. The Government is using the police force and they want to win the elections by this method...(Interruptions) This is an unfortunate thing and we are demanding an inquiry into the matter...(Interruptions)

MR. CHAIRMAN : You had been given only two minutes. You please conclude now.

SHRI KINJARAPU YERRANNAIDU : Sir, my Party lost voters. Today there has been Police firing and there is no law and order in the State. We represented about this to the Human Right Commission; we also represented to the hon. President, the hon. Prime Minister and to the Human Right Commission about these killings...(Interruptions)

DR. M. JAGANNATH (Nagar Kurnool) : This is a grievous act...(Interruptions)

SHRI KINJARAPU YERRANNAIDU : Sir, we would like the hon. Home Minister to make a statement...(Interruptions)

MR. CHAIRMAN : Now, the House would take up the next item and nothing else will go on record.

...(Interruptions)*

SHRI KINJARAPU YERRANNAIDU : Sir, the hon. Home Minister should make a statement...(Interruptions) Government should institute a judicial inquiry and the IG and the Superintendent of Police of Anantapur district should be immediately suspended. We do not have any guarantee of a free and fair election being held in Anantapur and therefore, the Government should accordingly instruct the Election Commission to hold the elections directly under its supervision...(Interruptions)

MR. CHAIRMAN : You are not allowed to speak. Mr. Yerrannaaidu has completed his speech and no other hon. Member's speech will be recorded.

...(Interruptions)*

MR. CHAIRMAN : Nobody is allowed to speak on this matter now. Mr. Yerrannaaidu's turn is over.

...(Interruptions)

SHRI KINJARAPU YERRANNAIDU : Sir, the hon. Leader of the House is here...(Interruptions)

SHRI N. JANARDHANNA REDDY : Sir, I should be allowed to speak...(Interruptions)

SHRI KINJARAPU YERRANNAIDU : We are demanding a judicial inquiry...(Interruptions) The IG of Anantapur should be suspended...(Interruptions) In this way, how can we expect free and fair elections to be conducted...(Interruptions)

MR. CHAIRMAN : Please be seated.

...(Interruptions)

*Not recorded.

DR. M. JAGANNATH : Do you want people to be killed like this?...*(Interruptions)*

MR. CHAIRMAN : Nothing will go on record.

...*(Interruptions)**

MR. CHAIRMAN : You are making noise in the House. Nothing will be on record.

...*(Interruptions)**

MR. CHAIRMAN : It will not be recorded.

...*(Interruptions)**

SHRI KINJARAPU YERRANNAIDU : We have represented the case to the hon. Prime Minister and the Prime Minister has said that he will give instructions to the State Government to shift the IG from there. But it has not been done so far and that is why, this incident has happened now...*(Interruptions)*

MR. CHAIRMAN : Mr. Yerrannaidu, honourable friend, you have got your chance and now, nothing will be recorded.

...*(Interruptions)**

MR. CHAIRMAN : You go on making noise. Nothing will be on record.

...*(Interruptions)**

SHRI KINJARAPU YERRANNAIDU : Sir, the TDP workers have been killed without any warning about tear gas and all. We demand a judicial inquiry so that the truth will come out...*(Interruptions)*

MR. CHAIRMAN : Nothing will be on record.

...*(Interruptions)**

MR. CHAIRMAN : You have already spoken now and what you have said has been recorded. Why do you make noise now?

...*(Interruptions)*

SHRI KINJARAPU YERRANNAIDU : Sir, you give directions to the Leader of the House to order a judicial inquiry into this incident. Many people have been killed. ...*(Interruptions)*

MR. CHAIRMAN : I have only obeyed the directions of the hon. Speaker to give you two minutes for raising this matter.

...*(Interruptions)*

MR. CHAIRMAN : Nothing will be on record.

...*(Interruptions)**

MR. CHAIRMAN : It is very unfair and unfortunate. If you take your seat, then I can hear you. Nothing will be on record.

...*(Interruptions)**

16.49 hrs.

(MR. SPEAKER in the Chair)

MR. SPEAKER : I have come to know about this and I have said that I shall certainly allow you to speak. These are matters of great trauma and great sorrow. Some people have lost their lives. We sympathise for that. But the only thing is, you have mentioned it. Honourable senior Ministers are here. As you know, this is a matter on which we can express our sympathies and we do express our sympathies. Please do not make it a confrontational issue. Please sit down. Mr. Yerrannaidu, please be assured that this is a matter on which nobody can be happy. You have raised this matter in the highest forum of this country. It has come to the notice of the country. The Government is here and it has noticed it. I am sure, whatever is possible within the available structure, will be done.

SHRI N. JANARDHANA REDDY : It is a distorted version...*(Interruptions)*

MR. SPEAKER : I am not accepting his statement. Why are you bothered?

...*(Interruptions)*

MR. SPEAKER : It is a very sensitive matter.

...*(Interruptions)*

SHRI N. JANARDHANA REDDY : He has given his version...*(Interruptions)*

MR. SPEAKER : He has given his version. You may have another version.

...*(Interruptions)*

MR. SPEAKER : Hon. Members, will you please take your seats? All of you please take your seats. Let us not fight over this issue.

...*(Interruptions)*

MR. SPEAKER : Shri Janardhana Reddy, you are a very senior Member. It is also a human matter.

...(Interruptions)

MR. SPEAKER : Do not write anything. Nothing more will be recorded.

...(Interruptions)*

MR. SPEAKER : I earnestly request you that let us not get into confrontation.

...(Interruptions)

MR. SPEAKER : Shri Iqbal Ahmed Saradgi may please move his Bill. It is a very important matter. It is about abolition of child labour.

...(Interruptions)

MR. SPEAKER : Today is the last day. Let us not end it on this note.

...(Interruptions)

MR. SPEAKER : Shri Reddy, you are not agreeing to his allegation. You are not accepting his allegation.

...(Interruptions)

MR. SPEAKER : Dr. Manda Jagannath, I have got it recorded. I have said from the Chair that I condemn it.

...(Interruptions)

MR. SPEAKER : Shri Reddy, you are not accepting the allegation made by him.

...(Interruptions)

MR. SPEAKER : This is the problem. I have been requesting everybody. Whatever one hon. Member says here is not necessarily binding on others. He is giving his viewpoint.

...(Interruptions)

MR. SPEAKER : Shri Reddy, I have got it recorded that you do not accept that version.

...(Interruptions)

MR. SPEAKER : It has been mentioned. It is already on record. Let us not deal with it that way. After all, some people have lost their lives.

...(Interruptions)

MR. SPEAKER : Shri Yerrannaidu, I am more vocal than you. Why are you trying to do this? Some citizens of this country have lost their lives.

...(Interruptions)

MR. SPEAKER : This is very unfortunate.

...(Interruptions)

MR. SPEAKER : Nothing more will be recorded.

...(Interruptions)*

MR. SPEAKER : Shri Iqbal Ahmed Saradgi, you please come here.

...(Interruptions)

MR. SPEAKER : Now, the House will take up item No. 48. Nothing more will be recorded.

...(Interruptions)*

16.54 hrs.

ABOLITION OF CHILD LABOUR BILL, 2005

SHRI IQBAL AHMED SARADGI (Gulberga) : I beg to move :

"That the bill to abolish the child labour in the country and for matters connected therewith, be taken into consideration.

Sir, I am thankful to you for giving me an opportunity to start a discussion on the Abolition of Child Labour Bill. India has the largest number of child labour in the world. The official figure is thirteen million. But the actual number may be much higher. Indian children are the source of cheap labour because they can be paid lesser wages and can be abused without provoking retaliation. These children work in industries which are engaged in manufacturing crackers, diamond polishing, glass, brassware, carpet weaving, bangle making, etc. Some of the child labourers have been involved in the hazardous jobs, like automobile workshops, garages, slaughter houses, handling of toxic or inflammable substances, explosives, mines and collieries and fibre glass industries.

The jobs have come under the category of hazardous

occupations. Hundreds of millions of women and children have no access to life-saving drugs and care. A large number of children are also working as domestic servants. Poverty is cited as major cause of child labour. But it is not the only determinant. Inadequate schools or even inability to meet expenses for providing education leaves some of the children with practically no option to work.

Compulsory elementary education may help ameliorate this attitude. The problems of child labour cannot be estimated in one stroke. Many countries have stopped buying products of industries where children are employed. So many surveys have been conducted at the national and international levels.

According to the World Health Report, 2005 which was released, 10.6 million children die before the age of five. Half a million women die during child birth globally. The report points out that these death could be reduced through wider use of key interventions and continuum of care. The report puts India in the list of 51 slow-progressing countries as far as infant and child mortality is concerned. The report was launched in India to draw the attention of the Indian Government towards this serious issue.

The National Sample Survey Organization's Report is there. Take the latest NSSO Report on employment-unemployment situation in India. During 1991-2000, the number of persons employed in the age group of 5 to 14 years was 27 boys per thousand persons and it has risen to 43 boys per thousand in 2001-02. The reason is obvious that there is no policy to end child labour. But there was some understanding to draft a policy to reduce it and ultimately to eradicate it. Till now, the policy was to reduce the child labour but not to abolish the child labour. Hence, there is a need to bring a legislation to completely abolish child labour not only in India but throughout the world.

In this regard, I would like to say that many legislations have been enacted in different times. Many rules have been framed by the Central Government and the State Governments also. All the rules enacted earlier, all the laws and legislations made earlier were to prevent and to eradicate the child labour and for the welfare of the child labour but not a single legislation or a single rule has been framed to abolish the child labour. So, now what made me introduce this Bill is to abolish the child labour. This is a very serious problem prevailing not only in India but throughout the world.

Many of the legislations have been enacted regarding the commercial establishment also to prevent the employers from employing child labour in different establishments, commercial establishments and other factories. So, one of the Acts is the Child (Pledging of Labour) Act, 1933. This Act

prohibits making of agreements to pledge the labour of children. It was enacted in the year 1933.

The second Act relates to the Employment of Children Act, 1938. Section 3 (3) (i) of that Act says :

"No child, who has not completed 15 years, shall be employed or permitted to work in any transport, port, clearing of ash and construction of railway stations, bridges etc."

Several other legislations and Acts have been laid down. Special provision and clauses have been provided pertaining to prevention of employment of children. The Factories Act, 1948 is there. In that Act, one clause says :

"No child, who has not completed 14 years, shall be required or allowed to work in any factory."

The Mines Act, Section 45, also says the same thing. The Plantations and Labour Act, 1951 is there. Section 24 of that Act says :

"No child, who has not completed 12 years, shall be required or allowed to work."

The Indian Merchant Shipping Act, 1958, Section 109, says :

"No person, under 15 years, shall be engaged to work in any capacity in any ship."

The Motor Transport Workers Act, 1961, Section 21, says :

"No child, who has not completed 15 years, shall be required or allowed to be employed in any capacity."

Section 24 of the Beedi and Cigar Workers (Conditions of Employment) Act, 1966, says :

"No child, who has not completed 14 years, shall be required or allowed to work in any industrial premises."

The State Shops and Commercial Establishments Act says that the minimum age of employment in shops and commercial establishments is 12 years.

The Radiation Protection Rules, 1971 say :

"Persons below 18 years cannot be employed under Radiation Protection Rules, 1971."

17.00 hrs.

The Radiation Protection Act, 1971 says that persons

below 18 years cannot be employed in such industries where the effect of radiation will be there.

Sir, many legislations have been enacted, many rules have been framed, many State legislations have also been enacted in different States at different times, but there is no legislation or rule or policy clearly saying anything about abolition of child labour.

Many committees have also been set up to study this subject. A committee was set up under Shri Gurupadaswamy in the year 1979. That committee also did not suggest total abolition of employment of children in industrial establishments, but it laid emphasis on all round development of children including their education, health and other developments. Further, the committee made a distinction between child labour and the exploitation of child labour.

The present Act, that is, the Child Labour (Prohibition and Regulation) Act, 1986 was the culmination of Gurupadaswamy Committee. This Committee suggested some measures to prevent child labour and for the welfare of child labour, but nowhere it has been suggested to completely abolish child labour. The present Act was enacted with a view to rationalize earlier legislations of child labour, further elimination of child labour in hazardous employment and regulating the conditions of child labour in non-hazardous industries. The major loophole of this Act is that it only covers the children in organized sector and it is not covering 90 per cent of the children working in unorganised urban and rural sectors. Further, the Act does not specify the minimum age of employment of children in processes and occupations where the child labour is not prohibited. In the absence of clarity on child labour legislations to abolish child labour, the Central Government and State Governments initiated several action-oriented programmes to withdraw children from hazardous works. The most significant step in this direction was the adoption of 'National Policy on Child Labour, 1987'.

17.03 hrs.

(SHRI DEVENDRA PRASAD YADAV *in the Chair*)

In the National Policy on Child Labour, many measures have been suggested. It suggested drafting of a legislative action plan and suggested that focus should be given on general development programmes for the benefit of child labour wherever possible. It has also suggested a project-based plan of action in areas of high concentration of child labour engaged in wage or quasi-wage employment. Further, under the policy, a Child Labour Technical Policy has also been evolved to advise the Central Government.

In order to reduce the child employment, a number of committees have been set up, various policy have been framed, plenty of steps have been taken, different States have framed rules and regulations at different times, but we have not succeeded in totally preventing child labour. Obviously, the reason is, all the measures that have been taken earlier were in the nature of reducing child labour but not for abolishing labour.

The penal provisions which have been incorporated in various Acts were also not adequate. They were all in the nature of simple punishment of three months imprisonment or fine etc. But no stringent punishment was proposed neither in the Central Act nor in State Acts. As a result, the increasing number of child labour was not controlled.

Sir, I would now like to draw the attention of this august House towards the 17th Report of the Standing Committee on Labour and Welfare on "Abolition of Child Labour." In paragraph 1.10 of this Report, it has been stated that the Committee recommend that the Ministry should formulate a clear and cogent policy so as to abolish the child labour system. Paragraph 1.15 of the Report says :

"The Committee note with distress that although the Ministry of Labour had assured the Committee to make the Child Labour (Prohibition and Regulation) Act more stringent by amending the Act, nothing has been done so far, even after lapse of one-and-a-half years."

In para 2.5 of the report, viewing the situation with great concern, the Committee are of the view that necessary steps should be taken to mobilize the State Governments for the enforcement of the child labour law in letter and spirit. They are also of the view that regular monitoring should be done by the Ministry of Labour in this regard.

The hon. Prime Minister has also shown the concern with the child labour issue. With all these drawbacks you have to appreciate the positive steps taken by the present Central Government, particularly, the hon. Prime Minister, who has pointed out that the Government of India is committed to eliminate all forms of child labour. The hon. Prime Minister expressed confidence that the child labour could be eradicated if all sections of the society join hands in rooting it out while handing over the certificates to some child labourers, who have completed their Seventh Class bridge course at Aloor near Chevalla in Ranga Reddy District in Andhra Pradesh. We have to appreciate the concern of the hon. Prime Minister as well as the central Government in this regard.

Sir, no doubt, different projects for the welfare of the

children have been taken by the Central Government and by the State Government. Food security provided by the Mid-day Meal Programme has had a positive impact on reducing child labour. The Sarva Shiksha Abhiyan with the objective of education for all has substantially raised literacy levels among the children.

The Government has now adopted project-based approach to eliminate child labour. It encompasses education, stipend, motivation, health concerns and vocational guidance also. Food supplement is also given to them. The monitoring machinery is being strengthened at all levels based on inputs from teachers, employees of the labour department and the project authorities.

A major activity initiated under the National Child Labour Project is the establishment of special schools to provide non-formal and formal education, vocational training, stipend, health check-up and supplementary nutrition to the children withdrawn from jobs.

Presently, hundred child labour projects have been sanctioned in 13 States to cover 2.11 lakh children. So, in this regard, I would like to suggest that there is a need to have coordination between three Ministries of Labour, Health and Human Resource Development. In order to implement all the projects for the welfare of the children, there is a need of having a coordination between Labour, Health and HRD Ministries so that the coordination between all these three Ministries is able to eliminate child labour in a proper and better manner. It is because these three Ministries are primarily responsible for imparting education to children and provide certain facilities like mid-day meals and stipend of Rs.100 and help the NGOs to impart education. For the Health Department, it is necessary to provide health care to women and new born children and provide nutrition. The Ministry of Labour, particularly, has to coordinate and help in eliminating the child labour in hazardous occupations.

Even though a number of positive steps have been taken by the present Central Government for the welfare of child labour, no steps have been taken in the present legislation to abolish child labour as the prevailing atmosphere in the society was not favourable to bring in the legislation to abolish the child labour completely. Now, there is a trend to respond to the reformative acts, to the developmental acts and to support against such evils of the society. There is also a favourable atmosphere to bring in such legislation in this regard. So, I feel that this is the proper time to bring in a legislation to abolish child labour totally.

Sir, I have moved this motion with sole intention of

introducing certain provisions which have not been so far included in the earlier laws. I have suggested that child labour in any form, in any establishment, in the country should be abolished.

Secondly, any person who engages child in any employment should be punished with imprisonment and fine. Again, any guardian of a child who coerces his child into employment should also be punished.

Thirdly, the organization or establishment, which is found to have engaged children, should be closed within a certain period—six months—from the date of coming into force of this Act. The appropriate Government should order closure of such organizations or establishment. In addition, any child found engaged in a job or in any employment or found collecting rags and waste should be immediately taken into custody and should be sent to children's home which shall be established in every district with facilities like education and maintenance till such time as he or she has attained the age of eighteen years.

I will be happy if the hon. Minister commits that the measures suggested by me will be incorporated in the present law, or shall come forward with proper amendments in the existing Child Labour (Prohibition and Regulation) Act, 1986.

I am thankful to you for giving me an opportunity to discuss this important issue in the House.

[Translation]

SHRI SUNIL KHAN (Durgapur) : Mr. Speaker, Sir, I support the Bill brought by Shri Iqbal Ahmed Saradgi. India is a poor country. I cannot give exact figure but our country has the maximum number of child labour. The work which the Government has to do and which is also mentioned in our constitution is that there should be compulsory education for the children aged between 6 to 14 years. Sarva Shiksha Abhiyan is going on in the country and the Government is also making some efforts for it but it also requires some improvements. There is some lacuna in it. As it has been said that 5 year old children will go to school and this work is going on in all the states. But what is happening? The poor people living below poverty line engage their children in Beedi manufacturing which brings them some money and that is why they are not able to send them to schools. Sometimes, these children work in tea stalls also. I have travelled to some cities including Mumbai and found that child labour is engaged in boot polishing. This situation exists because our country is poor. What should have been done for the poor people during last 57-58 years, we could not do that. Everyone says that

there is no money. But, the rich people own Rs. 1,30,000 crore in the form of Non-Performing Assets on which they have not even paid the income tax. This money can be recovered by making some legislation.

Mr. Chairman, Sir, it is said that work under Employment Guarantee Scheme will be taken up in 150 districts. But, there are more than 400 districts and an amount of Rs. 40,000 crore is required for them. Rich people own Rs. 1,30,000 crore and we have a budget of more than Rs. 5,00,000 crore for them. Will it not be possible to allocate Rs. 40,000 crore from it? If we provide Rs. 40,000 crore for this purpose, then the poor man, who can not send his children to school will get employment and he will be able to send his children to school. This is the lacuna in the Sarva Shiksha Abhiyan. Every child should go to school.

In private schools the educated and post graduate teachers are paid Rs. One or two thousand while a teacher in a government school is paid Rs. 14000 to 15000. You can see that a person can not give voluntary service every year. He has to marry his children. Therefore, the Government will have to make amendments in the Sarva Shiksha Abhiyan.

It is true that an MLA or MP should not keep a boy below 14 years of age as domestic servant in their house. If it happens then the people will shout and say that a boy works in the house of a public representative, which is not good. I, therefore, request the Government to bring an amendment to this law. This amendment will have to be brought about through political will. This amendment would have already been made, had the Government shown a strong political will. Since we do not have political will, we try to speak more and more about it. We create non-performing assets. First of all the MPs who are the representatives of the public should improve their own conduct. If the public representatives will study properly, then their children will also be able to study properly. We have several executives here. We are not able to take the country ahead as we went to. We will have to look into it. Seventy percent of our population is engaged in agriculture. The children of the farmers work in factories as child labour. This situation can be improved if the Government have a policy to close down such factories where child labour is employed. The Government should bring legislation in this regard. It is my suggestion that the Government should repeal the Act of 1983. There should be a provision to punish the guilty. Keeping this in mind, the people will not engage child labour.

The parents can do something for the education of the child labour. The root-cause for this is poverty of the parents

who have to be educated first. There was adult education system earlier which has now been discontinued. If this system is revived, then parents can make effort to teach their children. We will have to educate everyone. The aim of the Government to educate everyone by 2010 can be achieved only if the Government make amendments in the existing law. Is the Government aware of the number of child labour in the country who are being exploited? I would like the hon. Minister to provide information in his reply regarding the number of people violating the law and the punishment given to them by taking action against them.

Has the International Labour Organization drawn the attention of the Government of India towards this and what is going on this issue in India. Presently, even the children of the age of three years are being exploited in the country. Let the hon. Minister inform the House about the number of complaints received and the action taken by the Government in this regard. The mover has made a demand for stringent action against the violators of the Labour Laws. He has also suggested that the action taken in this regard should be stringent so that it may work as an eye opener to others so that they do not indulge in any such act.

Mr. Chairman, Sir, let us try to know what the girl child labour are being subjected to in the North-East. Poor parents sent their daughters of 13 or 14 years of age to foreign countries in order to earn money. In foreign countries especially in Arab countries, rich people of 50 or 60 years of age take away the younger girls of 13 or 14 years of age for monetary considerations and push them into prostitution. People in North-East do not have proper means to earn their livelihood. There the rich snatch away the daughters of the poor for money. There is an organization which propagates against this menace in foreign countries. It should catch such people. Ours is poor country where people fail to win bread for their children. This is why they send their children to foreign countries. In other words, the parents are selling their children. With a positive approach and political will, we can put a check on this menace. Mere speaking here will not serve any purpose. People can deliver good speeches here but it is not going to serve any purpose. Let us bring such legislation in the country that can prevent people from engaging child labour. Even then, if anybody violates this law, he should be given exemplary punishment so that people are deterred from engaging child labour at their house, factory or other work place. With these works, I again support this Bill.

SHRI SURENDRA PRAKESH GOYAL (Hapur) : Hon. Chairman, Sir, I am grateful to you for providing me an opportunity to speak on the Child Labour Bill. This is a fact

and an irony too that despite so many legislations already in place for many years in the country practice of engaging child labour is found everywhere in the country. They may be seen working in hotels, small scale industries, other small factories or engaged in any other work. According to official figures and the census report approximately 13 million child labour are there in our country. If the official figure is 13 million, then to my mind, the actual figure may be approximately 20 million and these children may have been engaged in various sectors be it bangle factory, carpet industry or any other vocation. The countries in the world have put a ban on purchase of material from the factories or other setups where child labour are engaged. I would like the Government should consider this step also. So I have risen to support the Bill.

Mr. Chairman, Sir, I have seen for myself that younger children work in houses, bangle manufacturing units and mica factories. Besides other places there are glass factories in Khurja where children work.

This problem cannot be solved without stringent laws. I would like the social and political organizations to be engaged in this task and being about social and political awareness. Mere laws cannot help. This is such an inhuman practice that the children who should go to schools, are forced to work by their parents. The Government will have to think over this aspect as well. On one hand, we are thinking to ban child labour, but at the same time we also need to understand the compulsions under which the parents are forced to push their children into work, we should contemplate to take some measures in this regard as well. It is just possible that we may be harassing the families by putting a ban on child labour in which children of tender age are made to work in factories or at other work places by their parents. Therefore, I would like to say that this aspect should also be taken into consideration that some source of earning of livelihood is also provided to the families whose children are prevented from working.

Sir, the hon. Prime Minister has also expressed the wish of the UPA Government that the practice of child labour should be brought to an end.

Also, the factories or the workshops where these children work, and the owners under whose supervision these work, are also responsible, therefore, they should also be penalized for it. After making the law, provision should also be made to penalize the people who enforce the law so that it can be checked. When we make a new law, we open a new business for the officers who enforce it, in a way we make it an Inspector Raj and this becomes a source of income for

them, therefore the responsibility of those officers should also be fixed in whose area child labourers are working so that it does not happen....*(Interruptions)*

Sir, we read in the newspapers that blots of blood were seen in Germany on the carpets made in Bhadoi from where Sh. Mishra ji belongs. All this tarnish the image of our country. But this is not a case concerning to our country only rather this issue concerns the whole world. Recently, I had visited Bangkok.

17.29 hrs.

(Mr. DEPUTY SPEAKER in the Chair)

There also I saw shops alongside roads where children were working. With these words I conclude and strongly support this Bill.

SHRI SHAILENDRA KUMAR (Chail) : Hon Deputy Speaker, Sir, I rise to strongly support Eradication of Child Labour Bill introduced by Shri Iqbal Ahmed Saradgi. Bread is more import for the poor than the vote. All the hon. Members present in the House should give a serious thought to it. Child labour a is blot on our society. The number of child labourers is maximum in Asia which is more than 60 percent of the total number of Child Labourers in the world. I was just seeing that there are 88 percent child labourers in Kolkata who are the victims of malnutrition.

You might have also seen child labourers at various places. You may see little children at the garbage dump collecting scrap. In Rajasthan, you will find a large number of child labours working in mines. Hon. Member Shri Rajesh ji has pointed out that carpet is manufactured in Bhadoi district of Uttar Pradesh and in many nearby small district. You will find a large number of child labourers working therein which comprises both boys and girls and most of them are in the age group of 5 to 20. In the capital Delhi itself, there are 20 thousand child labourers. This is a thing to be ponded over and our UPA Government has promised to eradicate child labour by 2007 from all over the country. I would like to congratulate the UPA Government that they are prohibiting child labour. This will remove a big blot from our country.

The second thing is that the Government has said that it would spent 4 crore dollars to eradicate this evil. Today, child labour has taken a gigantic proportion and its main cause is lack of education. Those who have money and belong to rich families, send their children in good schools. On the other hand, the people from the SCs/STs communities could not provide education to their children. You can see the children of poor families working in a tea shop, pen shop or

any other such places. Similarly you can see poor children polishing the shoes of people. Our so many colleagues have said that you can go to any industry or any small industry, you will find children working therein. In villages, you can find children engaged in making bidis in every house hold. We will have to think to remove this evil. We have to think about their education and for their health-care. In this endeavour, India, Pakistan and America have said that they would jointly fight this evil. This is a very good thing and it is equally good for this Government also.

Similarly, you may observe that in the Muslim dominated areas, about 65 percent of 6 to 14 years old children work in slaughter houses. These children are employed in this trade on a very paltry amount in the name of giving them security but they are sexually exploited and forced into prostitution there. Besides, they are forced to do domestic work also. Child labourers are also forced to commit crimes which should be a matter of grave concern to all of us. You may find most of these children involved in criminal activities. This is a gang which forces children into begging also. The children holding bowls in their hand can be seen begging at religious and pilgrim places and the person controlling them snatches the whole amount in the evening in lieu of food. We need to pay attention to it also. We need to check this practice at the religions and pilgrim places.

Thirdly, about one crore children work as servant in the world. You can see children engaged in domestic work in Delhi or in my state. People should refrain from employing children for their domestic work. Sir, wherever such practice is in vogue should be opposed. The Government should launch a special programme for their rehabilitation, education and health care. Boarding schools should be set up for them. It is a good thing that there is a provision to educate these children under the Sarvashiksha Abhiyan and other programmes. If these children are educated, they would excel in good works.

Mr. Deputy Speaker, Sir, it is not so that child labourers are there in India alone. In South Africa, the child labourers are 20 lakh in Brazil 5.50 lakh, in Kenya 2 lakh, in Pakistan 2.65 lakh in Srilanka 1 lakh, in Indonesia 7 lakh and in Bangladesh 13 lakhs. In this way child labourers are there in all countries. We will have to fight the battle along with other countries to abolish child labour.

Mr. Deputy Speaker, Sir, I thank you very much for giving me an opportunity to speak on this important issue. I would, therefore, request the hon. Minister to expedite the work in this direction if child labour is to be abolished by the year 2007 so that some tenable progress could be made in

this direction. This will give solace to hon. Member Shri Iqbal Ahmed Sardagi, the mover of this Bill and the House as well the entire country would feel happy that children are no more being exploited in our country.

[English]

SHRIMATI TEJASWINI SEERAMESH (Kanakapura) : Mr. Deputy Speaker, Sir, I rise to support the Abolition of Child Labour Bill, 2005 in this august House. I would like to quote three incidents. One is diamond industry. Today, it is a practice that everybody is wearing the lucky diamonds to shine their fortunes. At the same time, we are unable to see the crying child labour behind the diamond polishing industry. It is very unfortunate.

The second incident is that during festivals, we burst crackers to express our joy. At the same time, we fail to hear the sound of cries of child labour involved in the cracker industry. In my 18 years' duration as a journalist, I have reported hundreds of fire incidents in the cracker industry, which were very painful.

The third one is the Gulf where one can see fortunate people who, in order to try to keep up their fitness and to shed their extra calories, keep these innocent and unfortunate kids running under the burning sun who have to do so to ensure a meal for the day for themselves.

My mother India is very gracious to have sanctioned the greatest wealth to this nation. Why were we unable to share this wealth among ourselves? I would always like to ensure my pride and my respect to the Left Parties for their solid support to the UPA Government. Our difference is ideological. We are also trying to prosper this country in our own ideological way and they were also trying to prosper this country in their own way. They also saying that wealth should be distributed among us equally.

Even today, we are celebrating Children's Day on November 14, which is the birthday of Pandit Jawaharlal Nehru. It shows that he had great vision for children and great love for children. That is why, he always used to say 'Today's children are future of India, future citizens of India'. We are unable to ensure the healthy mother and the healthy child today. If there is no healthy mother and healthy child in the society, I cannot call any nation, for that matter, a prosperous nation.

According to the 1981 Census, the number of working children in the country was 13.64 million. During the 1991 Census, their number reduced to 11.28 lakh. Any employed boy or girl under the age of 14 years is called as child labour

and employing child labour is also punishable. Child labour is subjected to ill treatment, exploitation and malnutrition. The most cruel part of their exploitation is sexual abuse, which is a shameful scenario for any civic society.

One can imagine the shattered dreams of the unfortunate children who are forced to take up the work of agricultural labour as there is no other way to ensure their livelihood. No mother will be happy to see their loved kids working as child labour.

It is very unfortunate that even though our Constitution promises us a lot of right like the Right to Employment, Right to Food, Right to Health, Right to Education, etc. but still we have failed to ensure it. If we are unable to provide these Constitutional Rights for the deprived people like *dalits*, minorities, backward classes, poor farmers in the villages, etc., then we would not be doing justice to them. We must ensure these basic rights to these unfortunate people.

The child labourers are unaware of their labour rights, and they are unaware of the wages that they are entitled to get. The reality is that they were the unfortunate ones to take birth in a poor family. If we do not materialize the spirit of our Constitution, which guarantees equality to every citizen, then we would not be able to eradicate this most cruel practice prevailing in our society.

I feel that wealth should be distributed to all; everybody should get education; health; social welfare; etc. If we fail to ensure these promises made in the Constitution, then we would not be able to eradicate a shameful practice like child labour from our society. I urge everybody that we should not politicize a problem like child labour. We should be determined to deal with the problem of child labour with stringent laws, and we must sincerely try to ensure this law for the unfortunate children.

I would like to thank my Government; the UPA Chairperson; the hon. Prime Minister; and all my colleagues for their support, and we are very determined to deal with this subject. I would like to once again mention that I support this Bill.

SHRI C.K. CHANDRAPPA (Trichur) : Sir, I am thankful to Shri Iqbal Ahmad Saradgi for introducing this Bill. It provides us an opportunity to discuss the problem of child labour. Actually, we are discussing about the children who lost their childhood. They do not enjoy their childhood as they are thrown to places of work. It is not that they desire to do it, but they are rather forced to do it. So, it is actually manifestation of poverty, and child labour is another face of poverty.

I fully share the concern of the mover of the Bill, but I do not think that there is any dearth of law due to which child labour continues in our society. Our own Constitution says that every child born in India should be provided with compulsory primary education up to the age of 14 years. More than half a century has passed since we enacted our Constitution. If this provision was implemented, then many children in our country would have been sitting in classrooms and studying rather than indulging in child labour.

Why does it happen? It happens because they are compelled to do so. No mother or father would like his child to go and earn his bread at tender age, when he should play and enjoy his childhood. No father or mother would like to see this happen. But, the compulsion of hunger; and of disease known as poverty compels them to do it. As a result of difficult situation being faced by them—with heavy heart and with great sorrow—they have to witness the tragedy of seeing their children go to work.

So, this is what is happening. Now, how to find a solution to this? I agree with those who have raised this issue and said that laws are good. Then, the mover of the Resolution has said that there are dozens of laws that prohibit expressly child labour. He also talked about the penalties. However, child labour is rampant. Therefore, we have to look elsewhere to find a solution. This is to be taken as a socio-economic problem, and a solution should be found at that level with a political determination. I think that political determination was expressed by the UPA Government when they said in their Common Minimum Programme and in their pronouncements that by 2007 they would find a solution to this. I do not know whether we are capable of finding a solution in two years. I have my doubts, but I salute their determination.

If we are to find a solution to this, then we have to have an education policy for which a lot of money is required. We have to find that money and we should provide facilities for primary education in the villages all over the country. It is not that by establishing schools alone, the children will go and educate themselves. They should be provided dresses, they should be provided food, and they should be provided a kind of stipend by which their other expenses are met. Probably, the poor people who are sending their children might have to be given some money for doing so because the hard-work of these children provides them sustenance today. That is the reality, whether we like it or not.

MR. DEPUTY-SPEAKER : Teachers also.

SHRI C.K. CHANDRAPPA : Teachers also.

Now, Sir, this is not new problem. Many speakers

pointed this out, and according to official figure, something like 13 million children in our country are engaged in child labour. There are some statistics which say that the number has reduced. I do not believe in statistics. The reality must be much bigger than this. There are certain unofficial figures which say that are 20 million children in India engaged in child labour. It is a blot on our civilization.

17.57 hrs.

(MR. SPEAKER in the Chair)

It is a problem of backwardness. In every backward country, there is child labour. It was there through ages. In the days of industrial revolution, when mankind was stepping into a new era in history, it was child labour that gave a thrust to that. It was all about the plight of those children, their sweat and tears. Karl Marx in *Das Kapital* said, "The Queens and Princesses, when they wore very soft and tender dresses and laces, it was all wet with the sweat, blood and tears of children." It was a reality then; it is a reality even today. So, in our country, today, the Government has so many schemes. I do not say that the Government is turning a Nelson's eye towards this problem, but those schemes are not sufficient. If we are to find a solution to this, then we have to find out sufficient resources by which these poor families from where children are thrown to the market of child labour, are financially supported. They are to be economically supported to see that their children are sent to schools.

In schools, facilities have to be provided, including food, dress, books, toys and everything, free of charge. For a country like ours, it will be difficult to do, I know. But we have to find resources. To find those resources it is necessary to have the political will, and give priority. We have to have as our priority. That children in this country will be provided a happy childhood should be the priority. For that, we have to find money, resources. If those resources are mobilized, properly channelised and properly utilised, then we will be able to make a big breakthrough in finding a solution to this problem. There are many aspects of this that one can discuss.

The lady Member who spoke before me mentioned the child labour engaged in the cracker industry. It is terrible thing. In cracker industry, a small spark, a careless moment can set fire to a whole factory and many children can get killed. It happens. Children are engaged in diamond polishing factories. They are engaged in the hotel industry.

We find a large number of children coming from poor areas in our country to the cities to work in hotels. This is

another aspect of exploitation. When there is unemployment all around, if you employ people properly, you will have to pay more money. For example, if you employ able-bodied, experienced boys and girls to work in a hotel, you will have to pay very high salaries. So, what is the shortcut then? The shortcut is to recruit child labour. They will demand nothing. They are unaware of their right. They are only worried about their hunger. They want some food to eat. The hotel can provide them food. Probably, they are providing only food and not even a good dress, and preventing the children from having all the enjoyment of the childhood. These children are compelled to work for ten hours, or whatever length of hours the management decides. So, it is poverty they are exploiting, it is unemployment they are exploiting, by making use of the cheap labour of children.

These issues can be talked about one by one. Primarily it is a question of finding new resources. If the Government has determination, political will, I do not think any new law is necessary to find a solution to this. We should stick to the position that the Constitutional provisions will be implemented and measures should be adopted for that. That is more than enough.

For every industry you can see, there are laws. The Mover of the Bill pointed out dozens of laws that prevent children from doing labour. All those provisions have to be implemented. It is not a question of bringing forward a single law and saying that hereafter the child labour would be abolished. It is a question of finding better situation, socio-economic situation in the country where we decide to provide a better life to our children. That was probably the dream of Pandit Jawaharlal Nehru.

Pandit Jawaharlal Nehru liked children. His birthday is Children's Day. It was he who, after Independence, on his return from a visit to the Soviet Union, said that he found children to be princess and princesses in the Soviet Union.

MR. SPEAKER : Shri Chandrappan, will you take long or would like to continue in the next Session?

SHRI C. K. CHANDRAPPAN : I will continue in the next Session...(Interruptions) You are suggesting that I should continue my speech in the next Session.

MR. SPEAKER : I am not trying to stop you as such. We are towards the end of the Session. You continue with the speech in the next Session

SHRI C. K. CHANDRAPPAN : All right, Sir.

17.55 hrs.

VALEDICTORY REFERENCES

MR. SPEAKER : The Prime Minister wishes to make a statement.

THE PRIME MINISTER (DR. MANMOHAN SINGH) : Mr. Speaker, Sir, it is once again with mixed feelings that we come to the end of yet another Session of this august House. There is a sense of achievement, with respect to the enormous business that we have been able to transact. There is also a sense of loss, occasioned by the manner in which the proceedings of the House were disrupted and boycotted and, more worryingly, the manner in which aspersions have been cast on the high office of the hon. Speaker.

Sir, at the end of last Session, I had expressed my sadness at the manner in which the proceedings of the House could not take place in an orderly fashion. I deeply regret that once again, we have not had adequate occasion to undertake our work in the presence of the Opposition for a substantial part of this Session. The people of India have reposed their faith and trust in us and have sent us here to project and protect their interests, to canvass and convey their concerns, to influence and shape public policy. We are here, Mr. Speaker, Sir, to voice the views of the people, not to stay away from the House and give no expression to it.

I must, however, compliment you, Sir, for your patience, your forbearance, your fair play and leadership in the conduct of the proceedings of this House. We are truly fortunate to have a leader of your eminence and wisdom chairing the proceedings of this august House. It is because of your abilities and your qualities of mind and heart that we have been able to transact so much useful business in this Session, in the face of the disruption of the proceedings of the House.

Sir, as many as 26 Bills were introduced and 26 Bills, including the Finance Bill, were passed in this Session. My colleagues in the Union Council of Ministers and I had 11 occasions to make important statements of the floor of this House. On ten important issues of concern to our people, the House discussed Calling Attention Motions. We discussed, under rule 193, such matters of national concern as the Tsunami, electoral reforms, foreign policy, demographic trends and developments in Nepal.

Sir, taken together the legislative business in this Session has taken the national forward in our march towards high economic growth with greater social justice. The United Progressive Alliance was voted to office to provide the people

of India with a Government that cares. A Government that is sensitive to the needs of the ordinary citizen, the *aam aadmi*, that strengthens the inclusive character of our nationhood. We had succeeded in this one year in reversing the trend of the politics of exclusion, the politics of divisiveness, the politics of majoritarianism. In its place, the UPA has returned the nation to even keel, to the course set by the leaders of our national movement for freedom. The path of secularism and pluralism in which every citizen of this country, irrespective of caste or community, region or religion, language or lineage feels an equal and has an equal stake in our collective future.

Sir, in my intervention yesterday, I dwelt at length at our initiatives in foreign policy. I do not wish to repeat what I said except to draw the attention of this House once again to the fact that our Government has been able to create an international environment in which our developmental priorities can be better addressed.

18.00 hrs.

Mr. Speaker, Sir, in his Budget Speech, the hon. Finance Minister has outlined our Government's priorities for this year. We are committed to building a more equitable and efficient economy. Our priority is to create new wealth and new employment, to attract new investment and generate new knowledge, to build a caring society and a competitive economy. That is our promise to our people.

Sir, I truly wish we had more time to discuss these issues that are the real concern of our people. I can only express the hope that the next Session would be a normal Session and a more productive Session. I trust the hon. Members of the Opposition will return to Parliament in the next Session so that we can resume normal work in accordance with the aspirations of the people we all represent. I look forward to participating in the next Session of Parliament, with the presence of all Members of this august House. I greatly regret the absence of the Opposition from Parliament. The Opposition has an honoured place in our system of governance and their absence from the House detracts from the efficiency of our processes of governance. As I have said repeatedly, Sir, all issues which are of concern to any Member of this august House can be discussed and debated on the floor of the House. It will be a sad day if our people were to lose faith in important institutions such as our Parliament. Therefore, both the Government and the Opposition are obliged to play their respective roles to ensure that the system of checks and balances envisaged by our founding fathers functions effectively and efficiently for the common benefit of our people.

Sir, I would like to conclude by placing on record my sincere appreciation for your guidance and leadership, and I also thank the hon. Deputy-Speaker, the Secretary-General and the staff of the Lok Sabha Secretariat for their commitment and hard work.

MR. SPEAKER : Hon. Members, the Fourth Session of the Fourteenth Lok Sabha, which commenced on 25th February, 2005 with the Address by the hon. President to the Members of both the Houses assembled together in the Central Hall, is coming to a close now.

During the Session, as many as 38 sittings, spread over 211 hours, were held. The House took a break from 27th March, 2005 to 18th April, 2005 to enable the Departmentally-related Standing Committees to consider the Demands for Grants of Union Ministries and Departments and submit their Reports to the House. The Standing Committees of Lok Sabha submitted 81 Reports during the Session. Statements were also made by the Ministers under Direction 73A on the Action Taken on the recommendations of the Standing Committee.

During the Budget Session, the House transacted many important items of financial, legislative and other business. After a debate lasting for more than 11 hours and extending over three days, the House passed the Motion of Thanks on the President's Address on 10th March, 2005.

The House, besides having General Discussions on the Budget (Railways) and Budget (General) for 2005-2006, also passed the Demands for Grants on Account (Railways) and (General) for 2005-2006, Supplementary Demands for Grant (Railways) and (General) for 2004-2005 and the related Appropriation Bills. The House also had General Discussions on the Budgets for the States of Goa and Bihar for 2005-2006 and passed their respective Demands for Grants on Account for 2005-2006 and Supplementary Demands for Grants for 2004-2005 and the related Appropriation Bills.

The Demands for Grants under the control of the Ministry of Agriculture, Rural Development, Home Affairs, and Science and Technology were discussed for over 14 hours before being passed. All the outstanding Demands for Grants in respect of Budget (General) for 2005-2006 were voted by the House on 27th April, 2005. Later, on 2nd May, 2005, after in depth discussion which lasted for over 10 hours, and spread over three days, the House passed the Finance Bill, 2005.

The House passed as many as 26 Government Bills during the Session. One of the Bills, the Patents (Amendment)

Bill, 2005 has been passed in fulfilment of India's obligations under the Trade-Related Aspects of Intellectual Property Rights under the aegis of the World Trade Organization. Similarly, the Weapons of Mass Destruction and Their Delivery Systems (Prohibition of Unlawful Activities) Bill, 2005, passed by the House provides an integrated legislative basis to the country's commitment to prevent proliferation of weapons of mass destruction. The other important Bills which have been passed are the Central Aquaculture Authority Bill, 2005, Prevention of Money Laundering (Amendment) Bill, 2005, and the Special Economic Zones Bill, 2005. Besides the above, two other important Bills passed include the Criminal Procedure Code (Amendment) Bill, 2005, which is another step towards reform of the criminal law system of the country. The Right to Information Bill, 2004 passed by the House is also a major initiative towards ushering in a new era in accessing information, which would, in turn, promote transparency in governance and eliminate corruption.

The House unanimously adopted the Resolutions seeking approval of the Proclamations dated the 4th March, 2005 and 7th March, 2005 issued under article 356 of the Constitution for the States of Goa and Bihar respectively.

Five Matters of Urgent Public Importance were raised under Rule 193. Further, 13 matters were raised by way of Calling Attention, in response to which the concerned Ministers made statements. Besides, as many as 58 statements were made by Ministers on various other important subjects.

Coming to the Private Members' Business, as many as 42 Private Members' Bills were introduced. Two Bills came up for consideration, out of which one was negatived after intense debate, and the debate on the second Bill still remains inconclusive.

Two Private Members' Resolutions were also considered by the House. One was negatived and discussion on the other has not concluded.

During the Session, 700 Starred Questions were listed, out of which 116 Questions were answered orally. Replies to the remaining 584 Starred Questions and 7,337 Unstarred Questions were laid on the Table.

356 matters were raised under Rule 377. Besides, as many as 348 matters of urgent public importance were raised during what is called the 'Zero Hour'.

As you are aware, during the second part of this Session the main Opposition Party and its Allies boycotted the House

from 27th April, 2005. I made repeated requests to hon. Members of the Opposition to participate in the proceedings of the House and I reiterated my assurance, if any was needed, that I was prepared to allow any discussion permissible under the Rules, but they have chosen to continue with the boycott, which is extremely disappointing for me. Nevertheless, I am happy that the Opposition did constructively participate in the discussion on the Finance Bill.

On 5th May, 2005, a section of the Opposition, namely the friends from the Telugu Desam Party, called off the boycott. While welcoming them, I renewed my request to all friends to participate in the proceedings of the House. While emphasizing that Lok Sabha does not belong to any particular section of the House, I stressed that it is the Speaker's duty to see that the House functions in accordance with the Rules of Procedure and well-settled conventions. I reiterate this position once again; and I humbly would try to maintain that position.

Of late, I have noticed a disturbing trend of absenteeism in the House due to which, on more than one occasion, the House could not meet at the appointed time or its proceedings had to be adjourned for want of quorum. I would appeal to the Leaders of Parties to give a thought to this problem and ensure that there is quorum in the House at all times.

I have since initiated a practice of informing the Members of the details of the business transacted in the House on weekly basis, mainly with a view to apprising all the Members of the actual business transacted in the House and the time lost due to forced adjournments and interruptions.

I have also been convening every morning, a meeting of the Leaders of Parties and Groups in the House 27th April, 2005 to discuss the urgent issues likely to be raised by them in the House.

Pursuant to a decision arrived at the Leaders' Meeting held on 20th of April, 2005, an attempt has been made to streamline the raising of matters under the so-called 'Zero Hour'. As agreed to at the said meeting, matters of only urgent national and international importance are being allowed to be raised after Question Hour.

The number of matters to be raised under Rule 377 has since been increased from 15 to 20 per day.

This year the country celebrated the Platinum Jubilee of the Dandi March led by the Father of the Nation. A reference on this occasion was made in the House. I may say that the challenges before the nation since that historic march have assumed new dimensions and that the onus of facing them is upon us as public representatives.

References were also made from the Chair on the occasion of Bandung Conference and celebrations held to mark the 60th Anniversary of the end of the Second World War and victory against fascism.

I have also announced the formation of a Parliamentary Forum on Water, for the proper functioning of which I seek cooperation of all sides of the House.

I would take this opportunity to thank the hon. Deputy-Speaker and my colleagues in the Panel of Chairmen for assisting me in conducting the proceedings of the House. I would like to specially thank the Leader of the House, the Leader of the Opposition, the Leaders of various Parties, Chief Whips and Whips for the cooperation extended to me. I would also like to thank the Parliamentary Affairs Minister and his colleagues for the cooperation all of them extended to me.

I would also like to express my appreciation for and thanks to the officers and staff of the Lok Sabha Secretariat and allied agencies for their valuable support in running the House. I thank the media for effective coverage of the proceedings of the House. I thank you all for your kind cooperation

18.10 hrs.

NATIONAL SONG

(The National Song was played.)

MR. SPEAKER : The House stands adjourned *sine die*.

18.11 hrs.

The Lok Sabha then adjourned sine die.

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