

Eighth Series, Vol. XIII, No. 2

Friday, February 21, 1986

Phalguna, 2, 1907 (Saka)

LOK SABHA DEBATES

(English Version)

Fifth Session
(Eighth Lok Sabha)



(Vol. XIII contains Nos. 1 to 10)

LOK SABHA SECRETARIAT
NEW DELHI

Price : Rs. 4.00

[Original English proceedings included in English Version and Original I proceedings included in Hindi Version will be treated as authoritative and not translation thereof.]

CONTENTS

No. 2, Friday, February 21, 1986/Phalgun 2, 1907 (Saka)

	Columns 1
Introduction of Ministers	1
Oral Answers to Questions :	1—29
*Starred Questions Nos. 1 to 3, 5, 17 and 6	
Written Answers to Questions :	29—271
Starred Questions Nos. 4, 7 to 16, 18 and 20	29—42
Unstarred Questions Nos. 1 to 36, 38, 39, 41 to 45	42—271
47 to 118, 120 to 171, 173	
to 195 and 197 to 223	
Re : Motion for Adjournment	271—278
Papers Laid on the Table	278—290
Assent to Bills	290—292
Estimates Committee—	292—293
Twenty-Third and Twenty-fourth Reports	
Railway Convention Committee—	293
Third Report	
Business of the House	293—299
Statement Re : Statutory Minimum Price for Raw Jute for 1986-87	299—301
Re : Muslim Women (Protection of rights on Divorce) Bill	301—311
Spices Board Bill	311
Motion Re : Suspension of Proviso to Rule 66	311
Spices Board Bill and Spices Cess Bill—	312—345
Motions to consider—	

*The Sign + marked above the name of a Member indicates that the question was actually asked on the floor of the House by that Member.

	Columns
Shri V. Kishore Chandra S. Deo	457
Shri Shyam Lal Yadav	462
Shri Ananda Gajapathi Raju	466
Shri P. R. Kumaramangalam	468
Shri Palas Barman	471
Shri Ram Pyare Panika	472
Shri Mohd. Mahfooz Ali Khan	476
Shri Haroobhai Mehta	478
Shri Abdul Rashid Kabuli	482
Shri R. L. Bhatia	486
S. Buta Singh	489
Prof.. Madhu Dandavate	498
Business Advisory Committee—	500
Eighteenth Report	

LOK SABHA DEBATES

1

2

LOK SABHA

*Friday, February 21, 1986/Phalgun 2,
1907 (Saka)*

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

[MR. SPEAKER in the Chair]

INTRODUCTION OF MINISTERS

[English]

MR. SPEAKER : The Prime Minister will introduce the new Ministers.

THE PRIME MINISTER (SHRI RAJIV GANDHI) : Mr. Speaker, I have pleasure in introducing to you and through you, to the House, my colleagues :

Shri P. Shiv Shanker—Minister of Commerce and Food and Civil Supplies,

Shri Chandra Shekhar Singh—Minister of State with independent charge of the Ministry of Petroleum and Natural Gas, and

Shri P. Chidambaram—who has been elevated as the Minister of State in the Ministry of Personnel, Public Grievances and Pensions.

ORAL ANSWERS TO QUESTIONS

[English]

Shortfall in production of sugar

***1. SHRI BALASAHEB VIKHE PATIL :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state ;

(a) the estimated production of sugar in the country during the crushing season 1985-86;

(b) whether Government visualise that there will be a shortfall in production of sugar; and

(c) if so, the quantity likely to fall short and how this shortfall is proposed to be met ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) to (c). Sugar production during 1985-86 season is estimated at about 65 lakh tonnes which would be higher than the production in the last two seasons i.e. 59.16 lakh tonnes in 1983-84 season and 61.44 lakh tonnes in 1984-85 season. Production trends so far are encouraging and it is expected that the production may exceed the estimate of 65 lakh tonnes.

The present overall sugar availability in the country including the imported sugar stocks are adequate to meet the requirement of internal consumption in the current sugar year 1985-86.

[Translation]

SHRI BALASAHEB VIKHE PATIL : Mr. Speaker, Sir, you know, the reply given by the Hon. Minister is none too satisfactory and even the factual position is not correct because 84 lakh tonnes of sugar was produced in the country during 1981-82 and our consumption has risen from 65 lakh tonnes to 90 lakh tonnes during the last two years. If 65 lakh tonnes of sugar is produced during the current crushing season, I am afraid, the Government will have to go for imports. Keeping in view this position, I would like to know from the Government whether they would give some incentive to the farmers

and the workers engaged in the production of sugar in the country with a view to encouraging indigenous production or are they simply going to import sugar ?

At the same time, I would like to know what measures Government are going to take to ensure proper payment of cane price to the farmers because the farmers have taken to agitation due to non-payment of adequate price of sugarcane by some sugar mill owners in North India ever since the new sugar policy was announced ?

[English]

SHRI A. K. PANJA : So far as the cane-growers are concerned, the Government is quite aware of the difficulties they might face and therefore, according to the Commission for Agricultural Costs and Prices—shortly known as CACP—the recommended minimum price has been increased i.e. to Rs. 16.50.

MR. SPEAKER : You changed the nomenclature from APC.

SHRI A. K. PANJA : Yes, it has been changed from APC to CACP.

MR. SPEAKER : APC is the powder you take for curing headaches !

SHRI A. K. PANJA : So far as the cane growers are concerned, we have looked after their interests and this price recommended has been accepted.

[Translation]

SHRI BALASAHEB VIKHE PATIL : Mr. Speaker, Sir, I had also asked what steps the Government have taken in view of non-payment of increased price of sugarcane by some sugar mills owners to the farmers ever since the new sugar policy was formulated, which have forced the farmers to adopt an agitational path. Also, what the Government propose to do when the consumption has increased so much and is likely to reach 90 lakh tonnes ? This too has not been replied to by the Hon. Minister. He is stating something else.

[English]

SHRI A. K. PANJA : The Hon. Member asked two questions. First question I have answered. The second question is, when consumption is being to be 90 million tonnes what we are going to do. The present indication is that we are in a good position to achieve the target. If there has been any shortfall, then certainly that portion will be imported as was done last year. But we have not ended the sugar year yet. We have to wait at least upto the end of April to find out the actual production and its relationship with the actual consumption.

SHRI BALASAHEB VIKHE PATIL : To supply adequate cane to the sugar mills, Government have collected sugarcane development fund to the tune of nearly Rs. 400 crores. This fund is lying idle with the Government and there is shortage of sugar as well as sugarcane to the factories. How will this fund be utilised by the Government ? How many schemes are sanctioned against this fund to the sugar-cane growers ?

SHRI A. K. PANJA : I have no information of any fund remaining idle. In fact, the resource constraints are talked about. About Rs. 400 crores remaining idle, I have to look into it and then answer.

SHRI THAMPAN THOMAS : Earlier subsidy was being given to the cultivators by the sugar factories. That has been stopped now. That is why, the area of cultivation has gone down. In my constituency, there is a sugar factory called Travancore Sugar Mills Ltd. In this area, there used to be a vast area under sugar cane cultivation. Now that has come down to 40 per cent. That is why, the production has gone down. In fact, the Minister's answer is that the production is higher than that of the previous year, but it has not been compared with 1980 or 1981. Will the Government devise a scheme to give per hectare subsidy through the factories for the purpose of cane growing ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : It is not a question of the subsidy to the farmers for the purpose of cultivation. It is a question of revision of

procurement prices which by itself give an incentive to the farmer for the purpose of cultivating more area.

SHRI THAMPAN THOMAS : Earlier when this scheme was there, the growers were getting subsidy directly but now the middlemen are getting the profit. To avoid middlemen, we would like the Government to give subsidy to the cultivators directly, so that more land can be brought under sugarcane cultivation. Will the Government consider this proposal and give necessary directions to the factories to give subsidy to the cultivators and not to the middlemen ?

SHRI P. SHIV SHANKER : So far as the middleman is concerned, if he is trying to meddle and create problems, his case is being looked after in a different way. But the subsidy part is a different issue. As I said, we will certainly be, as and when necessary, revising the procurement price so that area of sugarcane cultivation increases.

[Translation]

SHRI RAM NAGINA MISHRA : Mr. Speaker, Sir, the Government of Uttar Pradesh have fixed the price of sugarcane at Rs. 23-24 per quintal. The farmers are not supplying sugarcane at this price, whereas a number of private mills have been able to get supplies of sugarcane only after they started paying Rs. 28 per quintal. I want to know from the Hon. Minister whether other factories cannot pay this price ?

[English]

SHRI P. SHIV SHANKER : On the basis of statutory obligation the Government of India fixes the procurement price from time to time particularly at the commencement of the sugarcane year. But when it comes to the question of State Governments, that is their own action which is not supported by any law. They have to take into consideration how much support they must give to the sugarcane growers. If they have given Rs. 23 or Rs. 24 and if private mills are giving Rs. 28, perhaps, that is a case where the State Government might increase. But that is a different issue altogether.

SHRI VIJAY N. PATIL : From my information I can tell the House that lot of sugarcane development fund is being collected in the last few years under the Factories Rehabilitation Act and sugarcane development regulations. So, I would like to know from the Minister as to what they are doing with this Fund. So many sugar factories have forwarded their proposals for cane development and for increasing the area under sugarcane cultivation with the help of the Sugar-cane Development Fund. So, I would like to know what the Central Government proposes to do when those proposals are forwarded by State Governments like the Government of Maharashtra.

SHRI A. K. PANJA : Sir, so far as the proposal of the Government of Maharashtra is concerned, I will have to look into it, but so far as the Fund is concerned, I have got the information now. Rs. two crores have been sanctioned recently out of that Fund for cane development. The cases are being considered whenever they are coming and certainly funds will be sanctioned for such development.

SHRI E. AYYAPU REDDY : Sir, I would like to know whether there are any firm proposals to stop importing sugar and start exporting sugar.

SHRI P. SHIV SHANKER : The Hon. Member might appreciate that the import is dependent on the needs of the country. If the need of the country is more and the production is less, naturally the Government will have to go in for the import. But so far as this year is concerned, there is no proposal for the purpose of import at all.

Rise in prices of essential commodities

***2. SHRI GADADHAR SAHA** : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that prices of essential commodities of mass consumption like coal, rice, wheat, kerosene, etc. have been raised recently;

(b) whether it is also a fact that it will affect the rural and urban poor, their income, agriculture, transport costs, etc.;

(c) if so, the action proposed to be taken to check price-rise; and

(d) the reasons for increase in prices of these items of foodgrains of mass consumption?

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

(b) to (d). A statement is given below.

Statement

There is likely to be some impact as a consequence of increase in the prices of essential commodities. However, to the extent that these increases help in resource mobilisation to strengthen the Plan efforts and provide further thrust in implementing the anti-poverty programmes there will be a benefit to the country.

The rural poor will continue to get supplies of foodgrains at cheaper prices under various special programmes. The procurement/support prices of agricultural commodities are fixed after taking into consideration, among other things, various input costs. Efforts are being made to economise the use of petro-products. The overall efficiency of the public sector undertakings is being improved.

The main thrust of the Government policy continues to be to increase the production of essential commodities, particularly the ones which are in short supply. The Public Distribution System is being streamlined and expanded. Some of the essential commodities are imported to supplement the domestic supply. The export of essential commodities is banned/regulated. Action is being taken by State Governments against blackmarketeers and profiteers under the Essential Commodities Act, 1955 and the Prevention of Black-marketing and Maintenance of Supplies of Essential Commodities Act, 1980.

In order to reduce the mounting subsidy, the issue prices of rice and wheat have been revised so that the amount thereby saved could be used for strengthening the Plan efforts and provide further thrust in implementing the anti-poverty programmes includ-

ing supply of cheaper foodgrains for tribal areas, rural works and for women and children under welfare programmes.

SHRI GADADHAR SAHA : Mr. Speaker, Sir, in view of the fact that there is serious discontent and sensational reaction of different sections of the people, both urban and rural, to the abnormal, unprecedented, totally unjustified administered increase in prices of so many essential commodities of mass consumption and imposition of additional burden on them, and curtailment in food and fertilizer subsidy which will adversely affect the production, an expression of sensational reaction in the form of peaceful protests, strikes and *bandhs*, will the Minister take immediate steps to reduce/withdraw the price rise decision, check danger of inflation and finally lessen the burden of the common people and the States due to additional expense, and also tell us the reasons as to why the prices of so many commodities have been raised on the eve of the Budget Session bypassing the Parliament?

SHRI SOMNATH CHATTERJEE : You say that it is a mistake and sit down.

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : Mistake seems to be in your mind, Mr. Somnath...*(Interruptions)*. Please allow me to answer also. As regards the question of rise in prices, I must say that no government raises the prices with happiness, particularly this Government. I would like to say this. In fact.. *(Interruptions)*. That agitation you have indulged in outside but please do not indulge in inside also...*(Interruptions)*.

PROF. MADHU DANDAVATE : That will be at 12 o'clock.

SHRI P. SHIV SHANKER : That is a different issue. Now the point is that the administered prices had to be raised for two main reasons; one is to mobilise the resources for a thrust in the plan activity and secondly, to give a thrust to the anti-poverty programme.

(Interruptions)

MR. SPEAKER : Order, order.

SHRI P. SHIV SHANKER : The way my friends are getting agitated inside and outside the House.

SHRI BASUDEB ACHARIA : Why not ? We are agitated.

SHRI P. SHIV SHANKER : I am only saying this. They do not have patience to listen to the complete sentence. I would repeat this; will you please listen ? The way our friends are agitated inside and outside the House shows, the only persons who seem to be happy with the price rise are my friends sitting on the opposite side.

SHRI BASUDEB ACHARIA : Very objectionable, Sir. It is a serious matter. How are we happy about the price rise ? What are you talking ?...*(Interruptions)*

MR. SPEAKER : Order, order.

SHRI P. SHIV SHANKER : When you try to hit me you should be prepared to receive it back ! Now, Sir, the other part of it is this. It is the considered opinion of the Government that the reduction of the prices would only be...*(Interruption)*. I am not prepared to yield. Let me speak.

PROF. MADHU DANDAVATE : No defamatory remarks against the Members.

SHRI SAIFUDDIN CHOWDHARY : Every increase in price is because of the pressure of the monopoly houses, not Members of Parliament.

SHRI P. SHIV SHANKER : If even the wit is taken as defamatory remark, I am only sorry; the Professor indulges in so many remarks which are nothing but defamatory.

PROF. MADHU DANDAVATE : It is all a part of it.

SHRI P. SHIV SHANKER : That is precisely what I am saying. The point is this. Any reduction in prices will have to be done only at the cost of giving thrust to the Plan and also giving thrust to the anti-poverty programmes. *(Interruptions)*

SHRI BASUDEB ACHARIA : He has not replied.

SHRI P. SHIV SHANKER : I have replied. If you did not care to listen what can I do ? I have given a pertinent reply. If you have not followed, what can I do ?

MR. SPEAKER : No tempers, please.

SHRI GADADHAR SAHA : He has avoided answering the second part of my question. I asked why this was done on the eve of the budget session, bypassing the Parliament. They must directly answer this question. *(Interruptions)*

MR. SPEAKER : Order, order. Don't interrupt all the time. Don't have a running commentary.

SHRI P. SHIV SHANKER : The question that has been asked has a slightly political tinge. *(Interruption)*. I am sorry if you do not want to listen. When I am replying you must listen; you should give me a full hearing; then you have a right to put your supplementary question.

(Interruptions)

MR. SPEAKER : What are you doing ? If you don't want the question answered, it is all right. But you have to listen to the reply. How can you behave like this ? You are sitting and talking all the time which is unparliamentary.

SHRI P. SHIV SHANKER : Sir, in my submission there is no impropriety or otherwise involved in taking an administrative decision before the commencement of Parliament Session.

SHRI BASUDEB ACHARIA : Why ?

SHRI P. SHIV SHANKER : If it is 'why', then show me the law where it is made necessary that it must be only in the Parliament. I am saying that there is no impropriety involved.

(Interruptions)

SHRI AMAR ROYPRADHAN : There is a convention.

SHRI P. SHIV SHANKER : No, no. There is no convention of that type. (*Interruptions*). I am sorry there is no convention. If it is a question of authority, there is no convention at all. There is no such convention.

(*Interruptions*)

MR. SPEAKER : I have always done it, you see.

SHRI INDRAJIT GUPTA : It is all desirable that the conventions are recorded.

(*Interruptions*)

MR. SPEAKER : It is a question-answer session. He is answering that.

(*Interruptions*)

MR. SPEAKER : My observations are there always on record.

SHRI INDRAJIT GUPTA : But he does not know it apparently. You better remind him.

MR. SPEAKER : It is a question-answer session and he will answer that.

(*Interruptions*)

SHRI INDRAJIT GUPTA : The Hon. Speaker's observations are there and this is a question of... (*Interruptions*). He has put it from the Chair, you may not know about it.

SHRI P. SHIV SHANKER : Observation is something different from impropriety.

(*Interruptions*)

SHRI INDRAJIT GUPTA : Observation is his, impropriety is yours.

SHRI P. SHIV SHANKER : Absolutely not.

SHRI GADADHAR SAHA : My second Supplementary is whether...

MR. SPEAKER : You have put two questions already.

(*Interruptions*)

SHRI GADADHAR SAHA : Second is left.

SHRI BASUDEB ACHARIA : It is his second Supplementary.

SHRI GADADHAR SAHA : My second Supplementary is whether it is a fact that the Administrative Reforms Commission set up by Central Government in 1969 made certain specific recommendations on questions of Centre's responsibility to meet the additional burden for additional expenses from State Governments as a result of Central Government's wrong economic policy and price revision decision. If so, what is Government's reaction and whether the Government did not act in the light of this recommendation ?

(*Interruptions*)

SHRI P. SHIV SHANKER : The point is, the recommendations of the Administrative Reforms Commission in 1968 do refer that in appropriate cases the Central Government should come to the rescue of the State Governments. In fact the Central Government had always been coming to the rescue of the State Governments.

SHRI BHATTAM SRIRAMAMURTY : Sir, the question is not answered properly or fully. The question is like this : 'Whether it is a fact that the prices of essential commodities have been raised.' So, let him come forward with a specific reply saying 'yes' or 'No'; if so, to what extent. He has not answered that question. We only mention...

MR. SPEAKER : He never denied that the prices have increased.

SHRI BHATTAM SRIRAMAMURTY : That is all right, but he should give details in respect of those items, coal, rice, wheat, kerosene etc. in respect of which what is the extent of rise in prices.

MR. SPEAKER : That has come already in the papers.

(*Interruptions*)

MR. SPEAKER : You ask some specific question. Why are you asking statistical details ? They are already there.

SHRI BHATTAM SRIRAMAMURTY : His reply is not complete, Sir. Another aspect is here—‘whether it is also a fact that it will affect the rural and urban poor, their income, agriculture, transport costs, etc.’ What is his reply about this? And he has not come forward or has the face to give a reply to the question that is put. So, I demand a reply for this. Let him give the answer.

MR. SPEAKER : He has done it already. Mr. Minister, if you have got anything more to add to that, I do not find.

SHRI P. SHIV SHANKER : Actually the position is that my learned friend has not read the first part of it, which my colleague has already read. The answer to (a) is ‘Yes, Sir.’

SHRI BHATTAM SRIRAMAMURTY : To what extent? That should be replied.

SHRI P. SHIV SHANKER : Sir, I am sorry, the answer is to the question that is posed.

SHRI BHATTAM SRIRAMAMURTY : To what extent in respect of each essential commodity which is mentioned here?

SHRI P. SHIV SHANKER : I was submitting that the answer is

“(a) Yes, Sir.

(b) to (d) We have laid a statement on the Table of the House.”

If you like, I will read the whole thing. That will take care of the posers that have been put in (b) to (d). I thought that it has been laid on the Table of the House. That is why I did not refer to it.

SHRI BHATTAM SRIRAMAMURTY : This is a specific Supplementary. It is important. He must give details.

MR. SPEAKER : These are statistics which are already there in the newspaper.

SHRI BHATTAM SRIRAMAMURTY : They are not there in his file. His file has not shown the figures. If he gives the figures, he is liable to reconsider them.

SHRI P. SHIV SHANKER : I can put it on the Table of the House.

MR. SPEAKER : You put it on the Table of the House, to show the details.

SHRI DINESH GOSWAMI : One of the reasons given for raising the administered price is to contain consumption and in the last Budget speech of the Hon. Finance Minister, he assured this House that the Government will take all steps to curtail consumption of petrol so far as the Government and semi-Government bodies are concerned.

May I know from the Hon. Minister how much curtailment of consumption has taken place during the last year so far as petrol is concerned in case of Government and semi-Government bodies?

I would also like to know as to how the Government reconciles its position that on the one hand the Government talks of curtailment of consumption of petrol but on the other hand gives licences for expansion of motor vehicles and scooters to the extent of 60% and 30% during the last 1½ years.

SHRI P. SHIV SHANKER : The question which has been posed is with reference to how much consumption has decreased in the last year on the basis of the statement that has been given by the Hon. Finance Minister. To that extent, we will lay that information on the Table of the House at a latter stage because it is not readily available with me.

(*Interruptions*)

SHRI VAKKOM PURUSHOTHAMAN
In Kerala we have ration shops and fair price shops in all villages but only a few items are distributed through fair price shops. Why not we organise fair price shops through the State Government in the entire villages and distribute all the essential commodities through these shops?

SHRI P. SHIV SHANKER : I bring to the notice of the House that the Prime Minister has already issued the directions to the Department concerned in this regard. We are working out the details.

Raids on houses and offices of bank officials

+

***3. SHRI INDRAJIT GUPTA :**
SHRIMATI PATEL RAMABEN
RAMJIBHAI MAVANI :

Will the Minister of FINANCE pleased to state :

(a) whether offices and house of 48 bank executives were raided on 31 January, 1986 and currency, documents etc. were seized from their places;

(b) if so, the details thereof;

(c) whether the documents seized have been examined;

(d) if so, the nature of malpractices and irregularities indulged in by these officers;

(e) in how many cases charges have been framed against these officers and F.I. Rs. lodged;

(f) whether departmental actions have been taken; and

(g) if so, the details thereof?

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

Statement

(a) and (b) C.B.I. has reported that it had conducted searches on 31 January, 1986 in the Office/Residential premises of bank officials and private firms in connection with the investigation of 54 cases registered by various branches of the C.B.I. involving 52 present and former bank employees. They have further reported that during the course of the searches, the following amounts of movable/immovable items were unearthed :—

(i) Cash, bank balances, FDRs, NSCs, Bearer Bonds, etc. Rs. 20,40,293/- approx.

(ii) Movable assets like jewellery, imported VCRs, TVs, cars, costly electrical gadgets, etc. Rs. 23,88,729/- approx.

(iii) Immovable assets like houses, plots in posh locality, approx. land etc. Rs. 47,82,450/-

(c) and (d) CBI has reported that in course of the searches, incrimination documents pertaining to financial transactions concerning grant of loans, investments in movable/immovable property, etc. have been recovered and are under scrutiny of the CBI.

(e) : According to CBI, 54 cases have been registered and F.I. Rs. have been lodged in the Courts.

(f) and (g). Arising out of the cases registered by CBI, departmental action can be taken by the Banks only after finalisation of investigation by CBI and report becomes available thereof to the Banks.

SHRI INDRAJIT GUPTA : The statement which has been laid on the Table has given some very generalised information regarding the total outcome of these operations which have been carried out. Nothing specific is mentioned there. My purpose in putting this question was mainly to highlight the facts and try to get some information as to why so much inordinate delay is taking place in concluding cases of this type and in taking suitable action thereon because I have got here with me information which shows, for example,—I do not want to name anybody in particular here because it would not be proper to do so—the Assistant Manager of the Punjab and Sind Bank, Chandigarh Branch, figures here since 1984 in a number of cases which have been raised in the other House and has been a subject matter of questions and answers there, where some several lakhs. Rs. 30 lakhs or more, were given as loans to some truck-owners and later it was found that they were all fictitious and that there were no such truck-owners and the trucks did not exist at all. Now, the gentleman about whom a number of inquiries have been taking place since 1984, every time it is said that some appropriate or suitable action will be taken

on receipt of the investigation reports. First it was referred to the CBI. Then it was referred to the Central Vigilance Commission and then sometimes it was sent back to the CBI again and till to-day so far as I know, about this gentleman who is holding a high position in the bank and against whom it is alleged by the authorities that he has been instrumental in sanctioning such large sums of money to non-existent truck operators and truck-owners, no action has been taken against him.

So I would like to know, because there are so many other examples which I can give also, what is the *modus operandi* with which the government functions in such cases were public money is being squandered like this by some corrupt people, by some dishonest people who are working in high positions in the banks and how long it takes to conclude the investigation and who is responsible thereafter for taking penal action against these people ?

SHRI JANARDHANA POOJARY : The Government and also the management of the Bank are seized of the matter. Here particularly the Hon. Member has made out a point that there is a delay in investigation. In the particular case, raids were conducted on 31st January 1986 and to-day is 21st February. Much delay is not caused. Voluminous documents have been seized and hence the CBI has to investigate and we have to collect tangible evidence also.

So far as the particular case which has been referred to by the Hon. Member is concerned, we will definitely look into that and action will be taken. Here, when the CBI conducts a raid, tangible information will be collected and also there should be a *prima facie* evidence for taking some action against these people.

So far as this case is concerned, I will personally look into that and we will take proper action. That assurance I give.

SHRI INDRAJIT GUPTA : The same assurance is being given for the last 2½ years, but nothing has been done.

In this connection I would like to ask the Minister whether he is aware of the fact that the highest authorities of that particular bank—not a Branch Manager—the highest authorities have also admitted—I quote from one of their reports :

“Piecemeal investigations by the CBI have resulted in officers at junior level getting punished whereas it is possible that where such a large number of similar irregularities were committed in different regions, officers of the Bank at a much higher level may have had a role in these advances.”

So in many cases the higher officers are escaping and the buck is being passed on to very junior officers.

I would like to know from him whether he is also aware of such a case. It is now widely reported in the Press—serious allegations against the Manager of the Punjab National Bank, Daryaganj Branch where a huge foreign exchange racket took place in collusion with one of the non-official Directors of that Bank—I do not want to name those gentlemen here—as a result of which some lakhs of rupees a worth of foreign exchange was passed over the counter to the people who came claiming that they wanted to travel to various Gulf countries and so on abroad, and that money was handed over in foreign exchange in cash to them and not used by them, they never went abroad anywhere, and the money passed on to somebody else and now it is claimed that a huge amount of foreign exchange in dollars particularly was swindled in this way from the Bank. One non-official Director is involved and also a Manager of that Bank is involved. In such cases what are you doing ? What kind of summary investigation and action you have taken—I would like to know. Public money cannot be squandered like this.

SHRI JANARDHANA POOJARY : In this banking sector 724,000 people are working. We have already taken action against some officers. You know on 31st January 1986 the houses and premises of 52 people have been raided by the CBI. So action is

being taken. When specific instances like the one the Hon. Member mentioned are brought to our notice. Here also he has referred to an earlier case, about a CBI matter. We have referred the cases from the Banking Division to the CBI, as I stated earlier. The CBI once again, in turn, referred and we are going to look into that. That, I have stated. So far as this matter is concerned, if you are in a position to supply us information, we will be glad...

SHRI INDRAJIT GUPTA : You do not know about it; You are not aware of this case ?

SHRI JANARDHANA POOJARY : Any further information. If more evidence comes, it will be helpful for the Government to take action. We do not want to shut out any evidence. On the contrary we are welcoming any information, any suggestion, and stern action will be taken by the Government.

SHRI EDUARDO FALEIRO : I must appreciate the extremely good work that the Finance Ministry is doing for cleansing, for rooting out corruption in the Department. In the case of corruption, there are always two sides : one, the person who gives; and the other, the person who takes. What action is being taken against those who take has been mentioned. But what action is Government taking or contemplating to take against those private parties like those fictitious truck-owners who have been benefiting from this and gaining large amounts of money. Secondly, I would like to know in what manner the Government is implementing section 19(1) of the service regulations under which Government can compulsorily retire officials of doubtful integrity who have attained the age of 55 or who have put in 30 years of service. I want the Hon. Minister to reply to these two points.

SHRI JANARDHANA POOJARY : Out of these 52 cases, about 30 private parties are also involved. The investigations are on; the CBI is investigating into these matter, also, and stern action will be taken as suggested by the Hon. Member.

So far as section 19 is concerned, we have reviewed the cases of 1,300 and odd

people and out of those, we have retired about 77 officers of the public sector banks. Here also where corrupt elements are there, where people are known for their corrupt activities, their cases will be reviewed when they reach the age of 50 and 55 and when they complete 30 years of service.

[Translation]

SHRI GIRDHARI LAL VYAS : Mr. Speaker, Sir, the Hon. Minister is, perhaps, aware that frauds involving about Rs. 2,000 crores have been committed in the banks. In all such cases of frauds, your bank officials either swindled the money themselves or gave loans to others in an improper manner. They also gave loans from our banks in foreign countries by committing grave irregularities. The reason for this, as far as I understand, is that Parliament has no authority to oversee the working of these banks. They have embezzled money to the tune of thousands of crores of rupees. Had Parliament the authority to oversee their working, some action would have been taken against them. Government have been giving assurances all along that action was being taken against such persons and they have prematurely retired 74 persons out of over 1000 such cases.

Our Prime Minister, Shri Rajiv Gandhi, is providing assistance in a number of ways to lift the poor above the poverty line. On the one hand, these bank officials are doing this injustice to them by recovering Rs. 20,000 against a loan of Rs. 3,000 and are auctioning their lands and on the other hand these bank officials are misappropriating crores of rupees and are giving loans of such huge amounts without adopting a proper procedure. Therefore, I want to know from the Hon. Minister whether he would get all cases of frauds investigated and see that all the persons involved are punished in the same way as 74 persons were removed from service and 52 other cases were investigated ?

[English]

SHRI JANARDHANA POOJARY : I share the concern of the Hon. Member. As I stated earlier, the Government is determined to take action against the corrupt

people. The Hon. Prime Minister, when he took the charge, made it very clear that there is no scope for corrupt people and they will be weeded out. Not only that, there is no scope for inefficient people. So, in the light of these observations, I can say that we have started moving in that direction.

As I stated earlier, we have taken action and we have used even Rule 19. Under that Rule we have taken action against 77 people and they have been retired. Not only that, on one day, i.e. on 31st January 1986, we have raided the houses and premises of 54 people. I definitely take the suggestion of the Hon. Member. We are reviewing the cases of other officials also who are corrupt and particularly the persons who are dealing with poor sections at the branch level. The Government is determined to take action against those people.

(Interruptions)

KUMARI MAMATA BANERJEE : Sir, I must congratulate our Banking Minister because he is doing well for the upliftment of the poor. But may I ask from the Hon. Minister whether the Government is aware that some bank officials who are directly involved with some political parties are supplying all confidential news to those political parties? Sometime back Shri Indrajit Gupta stated some news. I don't know whether it is correct or not; but I think some union people are supplying all the news of the bank to the political parties to malign our Government. So, what is the Government's step regarding the persons who are distributing all this news?

SHRI JANARDHANA POOJARY : As per the custom and statutory provisions, no employee of the Government is expected to disclose or divulge any information relating to individual constituent and if there is evidence to show that any information is divulged and it is a contravention, action will be taken.

MR. SPEAKER : Question No. 5.

PROF. MADHU DANDAVATE : Question Nos. 5 and 17 may be taken together.

MR. SPEAKER : Do you agree to take up together?

PROF. MADHU DANDAVATE : The subject is the same. You have to direct. It is not left to the Minister; it is left to the Speaker.

New Textile Policy and package deal for nursing the sick mills.

*5. SHRI S. M. GURADDI : Will the Minister of TEXTILES be pleased to state;

(a) whether under the new Textile Policy, a package deal for nursing the sick mills back to health, was to be offered to the private textile mills.

(b) if so, the details thereof; and

(c) the number of sick mills and their names under process under this scheme?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) to (c). A statement is given below.

Statement

As per the Textile Policy statement of June, 1985 the measures needed for the revival of a sick unit have to be based on a detailed and objective study of the causes that led to sickness and identification of the steps necessary to revive the sick unit. A distinction shall have to be made between units which are potentially viable and those which are not. In the case of potentially viable units a rehabilitation package would need to be worked out. A nodal agency would be designated to evolve and manage this package. However, where a unit has no expectation of becoming viable in a reasonable period of time there may be no alternative but to allow the unit to close down.

The nodal agency, as envisaged in the New Policy, has been set up through a Government resolution on 9-1-1986 and is expected to begin its work shortly.

Assessment of New Textile policy and nursing of sick mills.

*17. SHRI H. M. PATEL : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have made any assessment of the new Textile Policy introduced last year;

(b) whether the promise made by Government to rehabilitate and nurse the sick mills has been carried out;

(c) whether Government have appropriate machinery to carry out the process; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Government have been reviewing from time to time the implementation and impact of the Textile Policy announced in June, 1985.

(b) to (d). A Nodal Agency as envisaged in the Textile Policy has already been set up to evolve and manage rehabilitation packages to be prepared in respect of sick mills that are found to be potentially viable. A Monitoring Cell has been created in the Textile Commissioner's Office to monitor sickness in the textile industry.

SHRI S. M. GURADDI : Sir, the Minister has not replied to part (c) of my question regarding the number of sick mills and their names under process under this scheme. Anyway the Textile Minister, Mr. Singh, had categorically stated that in view of the textile policy the Government has identified three major areas which will receive undivided attention, namely, sick mills, modernisation and exports. It is not clear what does the Government propose to do in these areas ? I would like to know whether you have given sufficient funds for rehabilitation of the sick mills ?

SHRI KHURSHID ALAM KHAN : As regards monitoring the sickness of the textile industry, a monitoring cell has been set up

in the Textile Commissioner's office which will monitor the sickness. As and when the sickness signs are indicated by any mill the Nodal Agency which has been appointed for preparing the packages for financial rehabilitation of the viable units will go into action and provide necessary financial assistance.

SHRI S. M. GURADDI : Sir, the monitoring cell has been set up in the Textile Commissioner's office. I would like to know whether that office has appropriate machinery to carry out this exercise ? Is it not a fact that the Textile Commissioner's office is located in Bombay whereas the Department of Textiles is in New Delhi ? Will this not result in lack of coordination and hit the sick industries ?

SHRI KHURSHID ALAM KHAN : The Textile Commissioner in his office as well as in his subordinate office has set-up the machinery and he is responsible to monitor this sickness. He is being equipped with computerised information and this information will be available for taking the necessary action and referring such cases of sickness to the Nodal Agency which has been appointed under the Chairmanship of the IDBI.

SHRI H. M. PATEL : Sir, the Hon. Minister has said in his statement that the textile policy was announced in June, 1985 and all that they have done till today is to appoint a Nodal Agency. There are so many aspects that were proposed in the textile policy and nothing whatever has been done. I have asked the question as to what actual steps have been taken and all that he says is that a Nodal Agency has been set up. I would like to know how many sick mills have been actually rehabilitated or have steps begun to be taken in respect of how many sick mills and how many sick mills you have decided not to rehabilitate at all.

SHRI KHURSHID ALAM KHAN : 41 mills have been examined since the special official group agency was appointed and the remaining 12 mills were again given financial assistance but they have not yet been reopened.

SHRI H. M. PATEL : The point really is that the speed with which the policy is being implemented can hardly do credit to what the prime Minister has said, namely that they are going to set an example in regard to speed with which they are going to implement the policy. Now, is the Hon. Minister satisfied that the speed is what it should be in regard to the rehabilitation? Not 10 or 12 mills, but several times that number are still sick and nothing has been done for rehabilitation.

SHRI KHURSHID ALAM KHAN : 78 mills were sick as on 31st Decemore 1985 and out of these 78 mills, 41 mills have already been examined. The rest will now be examined in due course. Besides, we are also taking steps for modernisation of all those mills which are likely to become sick as a result of age old machinery.

SHRI B. K. GADHVI : Sir, so far as the Textile Commissioner is concerned, I think the Estimates Committee of the Seventh Lok Sabha reported that the Office was not functioning at all and on scrutiny, it was found that there was syphoning of funds and they were not monitoring the complete working of the mills. The lack is on the part of the Textile Commissioner and this was very much highlighted. Now, the same agency has been set up and in Ahmedabad we know that the nationalisation of certain mills was pronounced long time back. So was the case in Bombay. But these mills have not yet been rehabilitated and some labourers wanted to retire. But these mills have not yet been started and they are all closed. The Prime Minister himself said that these mills would be taken over. In this connection, I would like to point out that the progress is very slow and needs to be speeded up. Therefore, I would like to know whether any other functioning agency would be set up to see that the rehabilitation is done at the earliest.

SHRI KHURSHID ALAM KHAN : The nodal agency is headed by the Chairman, Industrial Development Bank Chairman, Industrial Reconstruction Bank of India, the Textile Commissioner and the representatives of the State Government. I think this is the agency which can look

into the rehabilitation of these mills in a very adequate manner.

PROF. N. G. RANGA : Have the Government taken note of the handloom weavers' reaction in regard to the new textile policy? They have met in Uttar Pradesh, Bihar, Tamil Nadu and in Andhra Pradesh and they have all expressed their concern that the powerlooms are encroaching on their field of operation and that unemployment and under-employment which have been prevailing till now have increased ever since the new textile policy had been inaugurated.

SHRI KHURSHID ALAM KHAN : I am afraid, the unemployment has not increased because we have allotted to them more fabrics this year. Apart from the reservation order under the Essential Commodities Act which will be expiring on 31st March 1986, this year, a new reservation order is being issued which will be more comprehensive. Besides this, there was no machinery for the implementation of the reservation order. The enforcement machinery is also being set up so that this machinery will be in position and in action before 31st March 1986.

Supply of low cost inputs for agriculture

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

(a) whether representatives of agriculture farming interests represented to Government during pre-budget discussion in February 1986, for supply of low cost inputs for agriculture; and

(b) whether the Union Government contemplate to evolve a system for such supply of low cost inputs ?

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

(a) Yes, Sir.

(b) A Statement is given below.

Statement

Government accords high priority to increasing agricultural production and productivity. It has been, therefore, its constant endeavour to provide as much support as possible to ensure availability of inputs for agriculture at reasonable prices. Besides several institutional and organisational arrangements, a considerable financial support such as subsidy in the case of fertilizers is being provided for the purpose. The suggestions made by the representatives of the Farming Interests would be kept in view in the strategy and the overall economic policy for development.

SHRI K. RAMACHANDRA REDDY :

In answer to my question, the Hon. Minister has said that a considerable financial support such as subsidy in the case of fertilisers is being provided for the purpose. 'Subsidy is being provided' means that it was provided in the previous year also. Will the Hon. Minister be able to say that by providing subsidy, whether he is able to give fertiliser to the agriculturists at a cheaper rate than the rate of which it was given last year and a year before last year and, if so, what is the percentage of the cheaper rates?

SHRI VISHWANATH PRATAP SINGH : Sir, fertiliser is given on subsidised rates. As compared to last year, there has been a recent hike in the fertilizer prices, but the hike only brings the prices back to the 1981 price level. Virtually for four and a half years, there has been stability of prices for the fertilizers, whereas the wholesale price index has increased by 24 per cent during this period. The prices for fertilizers have remained the same during this period.

SHRI K. RAMACHANDRA REDDY : You have stated in answer to the question that subsidy is being provided in the case of fertilizers. The same subsidy was being given during the previous years also. By giving subsidy this year are you able to supply the fertilizers to the farmer at the cheaper rate than previous years?

MR. SPEAKER : He wants a comparison between this year and the last year.

SHRI VISHWANATH PRATAP SINGH : I have given the prices for the

fertilizers. Recently these have been hiked up, but this hike brings back the prices to the 1981 level. Virtually for four and a half years, the fertilizer prices have been kept the same, whereas the wholesale price index has gone up by 24 per cent. Now, the question is whether by subsidy we are able to supply the fertilizers at cheaper rates. Yes, had this subsidy not been there, the prices would have been higher. The amount of subsidy during 1981-82 was Rs. 375 crores and in 1985-86, it has gone up to Rs. 2051 crores. This is the amount of subsidy that we are giving. Had this subsidy not been there, the fertilizer prices would have been much higher. Because of the subsidy, there is stabilisation of prices for the fertilizers.

SHRI K. RAMACHANDRA REDDY : Are you in a position to supply or contemplate to supply any other input for agriculture at a cheaper rate so that the cost on agriculture is reduced?

SHRI VISHWANATH PRATAP SINGH : We do supply seeds, pesticides at subsidised rates; then there is subsidised interest on credit facilities many fiscal concessions have been given on excise duty etc. on agricultural implements.

SHRI D. P. YADAVA : The agricultural inputs do not mean only the fertilizer. Will the Hon. Finance Minister make a study on the cost of production on wholesale basis of some of the agricultural implements produced by the manufacturers and the prices on which these are being supplied to the farmers? I have found that the 5 HP diesel pumping set is being produced by the manufacturers at a price of Rs. 2000 and it is being supplied to the farmers at Rs. 6600. I would like to know whether a comparative study would be made by a combined team of the Ministry of Agriculture and the Finance Ministry about the cost of production and the cost at which these implements are being supplied to the farmers and a rational evolved.

SHRI VISHWANATH PRATAP SINGH : We will make a study and inform the Hon. Member.

[Translation]

SHRI RAMSWAROOP RAM : Mr. Speaker, Sir, the entire economy of the

country depends on agriculture. But, we see that the prices of agricultural inputs, whether they are seeds, pesticides or diesel, are increasing day by day. Through you, I would like to know from the Hon. Minister...

[*English*]

MR. SPEAKER : The Question Hour is over.

WRITTEN ANSWERS TO QUESTIONS

[*English*]

Compensation to fixed income group for declining purchasing power of rupee

***4. SHRI K. KUNJAMBU :** Will the Minister of FINANCE be pleased to state :

- (a) the real value of rupee at present; and
- (b) the specific steps being taken to compensate the fixed income group against the fall in their purchasing power due to the decline in the value of rupee ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The purchasing power of the rupee measured as the reciprocal of the All India Consumer Price Index for industrial workers (Base 1960=100) was 15.87 paise in December, 1985.

(b) The Government employees and the employees in the Public Sector and local bodies are paid dearness allowance so as to compensate them for the rise in the cost of living.

Report of fourth pay commission and grant of interim relief

***7. SHRI RAJ KUMAR RAI :**
SHRI DHARAM PAL SINGH
MALIK :

Will the Minister of FINANCE be pleased to state :

(a) Whether there is great resentment among the employees as the Fourth Pay Commission has not submitted its report so far;

(b) if so, the time by which it is likely to be submitted;

(c) the reasons for non—submission of the report in time;

(d) whether Government propose to grant interim relief to Central Government employees keeping in view the rise in prices;

(e) if so, when; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Staff Side of the National Council (Joint Consultative Machinery) have been urging the Government to request the Fourth Central Pay Commission to expedite submission of its report.

(b) No time limit for submission of report by the Fourth Central Pay Commission has been prescribed.

(c) Does not arise in view of answer to part (b) above.

(d) to (f). Two instalments of Interim Relief have already been sanctioned and paid to Central Government employees and hence Government do not propose to grant any more Interim Relief.

[*Translation*]

Recommendations of Tripathi Committee regarding imposition of additional excise duty in place of sales tax

***8. SHRI C. JANGA REDDY :** Will the Minister of FINANCE be pleased to state the views of each State and Union Territory in regard to the abolition of Sales

Tax with reference to the recommendations made in the Tripathi Committee Report.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : The recommendations of the Tripathi Committee on replacement of sales tax on vanaspati, drugs and medicines, cement, paper and paper board and petroleum products by additional excise duty were considered by a Conference of Chief Ministers held on 2.11. 1983. In that Conference Andhra Pradesh, Jammu and Kashmir, Karnataka, Tamil Nadu, Tripura and West Bengal were not in a position to accept the recommendations. They expressed the view that the replacement of sales tax by additional excise duty will affect the powers of the States and erode their revenues and resource position. The other States did not oppose the scheme. Many of them indicated their acceptance of the recommendations with or without reservations

[English]

Development of Khandagiri and Udygairi Tourism Centres in Orissa

***9. SHRIMATI JAYANTI PATNAIK :** Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government have prepared a Master Plan for the development of Khandagiri and Udayagiri in Orissa in order to increase the flow of tourists to those places of tourist importance;

(b) if so, the financial implications of the above programme;

(c) the estimated cost of implementing the Master Plan and the amount of assistance proposed to be borne by the Union Government to implement the above programme; and

(d) the steps taken in this regard ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) to (d). The Government have received no proposal

to prepare a Master Plan for development of Khandagiri and Udayagiri in Orissa. The Department of Tourism has sanctioned an amount of Rs. 8.10 lakhs to the State Government for floodlighting of these caves. However, there is a master plan for Ratnagiri-Udayagiri-Lalitgiri (District Cuttack) being prepared by the Town and Country Planning Organisation for which the Department has sanctioned an amount of Rs. 4.00 lakhs.

D. A. Instalments to Central Government employees

***10. SHRI MANVENDRA SINGH : SHRI V. S. VIJAYARAGHAVAN :**

Will the Minister of FINANCE be pleased to state :

(a) the number of instalments of D. A. that have become due to Central Government Employees on account of recent increase in prices of wheat, rice, petroleum products, coal, etc., and

(b) when Government propose to release the instalments of D. A. to their employees ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Consequent upon the increase of 8 points in the average index level at the end of December, 1985 from 600 points to 608 points, one more instalment of dearness allowance has become due for consideration w. e. f., 1.1. 1986. The impact of recent increase in prices of wheat, rice, petroleum products, coal, fertilizers etc., will be known in April, 1986 when the consumer price index for the month of February, 1986 will be available.

Payment of each instalment of Dearness Allowance to Central Government employees cost the exchequer approximately Rs. 70 crores per annum. Therefore, question of payment of each instalment has to be considered carefully with regard to their impact on the economic situation and the Budget. The question of sanction for payment of the D. A. instalment due from 1.1.1986 is receiving the attention of the Government. It is however, not possible to indicate any time limit for taking a decision in this regard.

Fire in Siddhartha Continental Hotel, New Delhi

***11. SHRI SRIBALLAV PANIGRAHI : SHRI ANANTA PRASAD SETHI :**

Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether a fire broke out in the 5-Star Siddhartha Continental Hotel, New Delhi on 23 January, 1986;

(b) if so, the causes of the fire;

(d) whether any inquiry has been conducted; and

(e) if so, the outcome thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) Yes, Sir.

(b), (d) and (e). The Delhi Administration has appointed a Commission of Enquiry to enquire into the fire incident and its report is awaited.

(c) The number of persons killed and injured is 37 and 38 respectively.

Financial grant to North Eastern Council for development of handloom industries

***12. SHRI N. TOMBI SINGH :** Will the Minister of TEXTILES be pleased to state :

(a) whether specific financial grant has been extended to the North Eastern Council for the development of handloom industries in the North Eastern States with special reference to the States of Manipur, Mizoram, Nagaland, Tripura and Arunachal Pradesh in the Seventh Five Year Plan; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAM) : (a) No, Sir.

(b) Does not arise.

Import Bill for Edible Oils

***13. SHRI M. SUBBA REDDY :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total import bill for edible oils during 1984-85 and upto December, 1985;

(b) whether any programmes for increasing the domestic production of edible oils are contemplated; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The imports of edible oils by State Trading Corporation of India during the financial year 1984-85 and April 1985 to December, 1985 are as under :

<i>Financial year</i>	<i>Quantity (in lakh tonnes)</i>	<i>Value Rs. in crores)</i>
1984-85	15.85	1309.00
1985-86 (Prov.) (April 85 to Dec. 85)	8.91	678.06

(b) Yes, Sir.

(c) A statement is given below.

Statement

The various measures taken by the Government to increase the production of oilseeds and oils are as follows :

1. Implementation of the National Oilseeds Development Project, covering special project on groundnut, rapeseed/mustard, soyabean and sunflower, besides intensive development work on other oilseeds. The programme, *inter-alia*, aims at the development of non-traditional oilseeds, increase in areas under irrigated crops, particularly ground-

nut in rabi/summer season, basic inputs and free distribution of seed cum-fertiliser mini-kits on a large scale.

2. National Dairy Development Board's Oilseeds Project-under which State level cooperative oilseeds growers federations have been formed in seven States under the project for restructuring of edible oils and oilseeds production and marketing through National Dairy Development Board.
3. Better incentive to producer through fixation of minimum support prices.
4. Intensification of research efforts for increasing the productivity of oilseeds.
5. Increase in area under non-traditional oilseed crop like soyabean and sunflower and exploitation of oilseeds of tree and forest origin, rice bran etc.
6. Setting up of necessary processing and infrastructural facilities to keep pace with the production programme of oilseeds.

Increase in prices of Coal, Foodgrains etc. on the eve of Budget session

***14. PROF. MADHU DANDAVATE : DR. VIJAYA RAMA RAO :**

Will the Minister of FINANCE be pleased to state :

(a) what is the estimate of revenues expected to be mopped up as a result of increase in prices of coal, foodgrains, fertilizers, petroleum products and transport charges prior to the presentation of the General Budget for 1986-87; and

(b) what was the urgency in effecting these hikes on the eve of the budget session ?

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

The revision in prices of petroleum products is expected to yield additional resources of Rs. 530 crores in a year. Coal price revision will help in reducing losses and will not result in additional revenue for meeting the increase in the cost of inputs. Prices of fertilizers and the issue prices of rice and wheat have been raised to contain the mounting subsidy on these two items. In the case of Delhi Transport Undertaking (D. T. C.) the revision in fares would help partly to cover working losses.

(b) The recent revisions in administered prices were under the consideration of the Government for sometime and its early implementation was of importance as some of the industries (like coal) were incurring heavy losses.

Quota fixed for export of engineering goods

***15. SHRI SAIFUDDIN CHOWDHARY:** Will the Minister of COMMERCE be pleased to state :

(a) what is the quota fixed for the export of engineering goods in the current financial year;

(b) what would be the requirement of steel to reach the target of export in this sector;

(c) whether there are any differences in respect of the assessment of (a) and (b) above between the office of the Iron and Steel Controller and the Engineering Export Promotion Council; and

(d) if so, what are the differences and how Government propose to resolve them ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The export target for Engineering goods for the current year is Rs. 1750.00 crores.

(b) The requirement of steel and pig iron for achieving the target is :

Steel	: 3,84,875 Tonnes.
Pig iron	: 2,48,100 Tonnes.

(c) No, Sir.

(d) Supply of steel for export production is being given high priority. Decision has also been taken by Government to supply various types of steel at international prices for the export production.

Inter-State consignment Act

*16. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government have considered about enacting an inter-State Consignment law;

(b) if so, the decision of Government in this regard; and

(c) when a Bill to that effect is likely to be introduced in Parliament ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c). A conference of Chief Ministers held on 28th May, 1984 recommended, by consensus, different aspect of framing legislation for taxing inter-State consignments of goods consequent upon the Constitution (46th Amendment) Act, 1982. As some of the issues involved are required to be sorted out, it has not yet been possible to take any decision.

Recovery of tax arrears from companies

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

(a) whether it is a fact that Income Tax amounting to rupees one crore and above was outstanding against about 200 companies including some public sector companies as on June 30, 1985;

(b) if so, the names of those companies and the reasons for arrears; and

(c) the measures being taken against those companies for recovery ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) :

(a) and (b), Income-tax amounting to Rs. one crore and above was outstanding against 119 companies, including some public sector companies as on 30.6.1985. The demands remained unpaid mainly because of pendency of appeals against disputed demands before the appellate authorities, stay granted by Income-tax Appellate Tribunals/Courts etc. A list showing the names of the companies against whom these demands were outstanding is given in the attached statement.

(c) Appropriate steps, according to law, are taken to recover the tax arrears. These steps include levy of interest under Section 220 of the Income-tax Act, 1961, imposition of penalty as envisaged under section 221 of the Act, attachment and sale of movable/immovable properties, action under Section 179 of the Act against directors of the defaulting companies, etc. etc. Besides, requests are made to the appellate authorities for disposing of appeals in such cases not on priority basis.

Statement

Sl. No.	Name of the Assessee
---------	----------------------

1	2
---	---

1. Nav Bharat Ferro Alloys Ltd.
2. Andhra Pradesh Road Transport Corp.
3. A. P. Industrial Infrastructure Ltd.
4. Gujarat Alkalies & Chem. Ltd.
5. Suessen Textile Bearing Ltd.
6. Bihar State Financial Corp.
7. Bihar State Forest Development Corp. Ltd.
8. Tata Engg. & Locomotive Co. Ltd.
9. Tata Hydro Electric P. S. Co. Ltd.
10. The Tata Power Co. Ltd.
11. Madhav Lal & Co. Pvt. Ltd.
12. The Andhra Valley P. S. Co. Ltd.
13. Poona Electrical & Industrial Co. Ltd.
14. Indian Oil Corporation Ltd.

1 2

15. T. V. Patel Pvt. Ltd.
16. Mazagoon Dock Ltd.
17. The Hindustan Sugar Mills Ltd.
18. I. B. M. World Trade Corpn.
19. American Express I. B. C.
20. Bank of Baroda
21. Bank of America NTSA
22. Swastik Household & Industrial Products P. Ltd.
23. F. L. Smidh & Co.
24. New India Assurance Co. Ltd.
25. The Indl. Credit & Investment Corpn. of India Ltd.
26. Linde A. G.
27. Unde Gmbh
28. Prakash Cotton Mills P. Ltd.
29. Siemens A. G. (W. G.)
30. Larsen & Toubro Ltd.
31. State Bank of India
32. Saudi Arabian Airlines
33. Banque National De Paris
34. A. C. Wickers Babcock Ltd.
35. Patel Impex Pvt. Ltd.
36. Maharastra Small Scale Industries Dev. Corp. Ltd.
37. S. M. Chemicals & Electronics Pvt. Ltd.
38. Kaoadua Const. Co. Pvt. Ltd.
39. Bombay Dyeing & Mfg. Co. Ltd.
40. Acquarius Agencies (P) Ltd.
41. Godfrey Phillips (India) Ltd.
42. Hindustan Aluminium Corp. Ltd.
43. Indian Smelting & Refining Co Ltd.
44. Nagpal Stainless Steel Ltd.
45. Raymond Woolen Mills Ltd.
46. Wallace Floor Mills Co. Ltd.
47. Zuari Agro Chemicals Works Ltd.
48. Dharangadhra Chemicals Works Ltd.
49. Kamani Engg. Corp. Ltd. Co.
50. Killick Nirlon Ltd.
51. Om Sadan Pvt. Ltd.

1 2

52. Swan Mills Ltd.
53. Amortex Agencies (P) Ltd.
54. W. D. Estates (P) Ltd.
55. Oriental Bank of Commerce
56. National Hydro Electric Power Corp.
57. Allenberry & Co. P. Ltd.
58. B. C. Finance & Industries Ltd.
59. Bharat Steel Tubes
60. Ansal Properties & India (P) Ltd.
61. Ganesh Flour Mills Co' Ltd.
62. Basti Sugar Mills Co. Ltd.
63. Indian Aluminium Co. Ltd.
64. Capital Flour Mill (P) Ltd.
65. Delhi State Indl. Dev. Corp.
66. Indian Tourism Dev. Corp. Ltd.
67. Modi Industries Ltd.
68. Modi Rubber Ltd.
69. Continental Const. P. Ltd.
70. Escorts Ltd.
71. Escorts Tractors Ltd.
72. Har Parshad & Co.
73. Swadeshi Polytex Ltd.
74. D. S. Construction (P) Ltd.
75. J. K. Synthetics Ltd.
76. Dalmia Cement (Bharat) Ltd.
77. Dalmia Dairy Inds. Ltd.
78. Orissa Cement Ltd,
79. D. C. M. Ltd.
80. Jay Engg. Works Ltd.
81. Weston Electronics Ltd.
82. Poly Steel (India) Ltd.
83. National Textile Corp. (Gujarat) Ltd.
84. Indcon Marketing (P) Ltd.
85. Kalindi Investment (P) Ltd.
86. Offisadar (P) Ltd.
87. Shahibag Entp. (P) Ltd.
88. Sara-bhai (P) Ltd.
89. Synbiotics Ltd.
90. Vallabh Glass Work Ltd.
91. Ambalal Sarabhai Enterprises Ltd.

1

2

92. Elecon Engineering Co. Ltd.
 93. Rajasthan Financial Corpn.
 94. State Bank of Bikaner and Jaipur
 95. Rajasthan Vanaspati Products Ltd.
 96. M/s Canpore Sugar Works Ltd.
 97. Bhoruka Steel Ltd.
 98. Canara Bank
 99. Indian Telephone Industries Ltd.
 100. Corporation Bank
 101. Syndicate Bank
 102. Mysore Cements Ltd.
 103. Mysore Wine Products Ltd.
 104. Andhra Pradesh Paper Mills Ltd.
 105. Pure Drinks (P) Ltd.
 106. McDowell & Co. Ltd.
 107. M. R. F. Ltd.
 108. Tamil Nadu Industrial Investment Corp. Ltd.
 109. South India Viscose Ltd.
 110. R. B. Shreeram Durgaprasad (P) Ltd.
 111. Machinery Manufacturer Corp. Ltd.
 112. Oberoi Hotels (P) Ltd.
 113. Badhulipur Tea Co. Ltd.
 114. National Insurance Co. Ltd.
 115. Annapurna Credit Co.
 116. Jiyajee Cotton Mills Ltd.
 117. Kanoria Chemical and Industries Ltd.
 118. Straw Products Ltd.
 119. Tata Tea Ltd.

Clandestine export of Indian leather

*20. SHRI MURLIDHAR MANE : Will the Minister of FINANCE be pleased to state :

(a) whether growing clandestine export of Indian leather has come to the notice of Government; and

(b) if so, the steps taken by Government to check such activity ?

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

Reports received by the Government and the trends of seizures made do not indicate clandestine export of Indian leather on any significant scale. However, a few cases of clandestine export of semi-processed snake skins/wild life skins and unprocessed goat skins have been noticed.

(b) The drive against smuggling activities in general has been intensified.

Export of chemical products

1. SHRI CHINTAMANI JENA : SHRI MOHANBHAI PATEL :

Will the Minister of COMMERCE be pleased to state :

(a) the details of chemical items which are being expected;

(b) the value of the chemical products exported during the years 1983-84, 1984-85 and likely to be exported during the year 1985-86;

(c) whether it is a fact that there is a great demand for Indian chemical products in foreign countries; and

(d) if so, the steps being taken to boost the export of chemical products during the year 1986-87.

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Chemical are being exported under six broad groups. The major items of export under each group are given below :

(i) Drugs and Pharmaceuticals :

Medicaments, Ayurvedic Medicines, Medicinal Castor oil, Surgical dressings, Papain, Sulpha Drugs, Sodium Iodide, Sonalesol, Beta Inon, Undecylenic Acid, Berbarine Hydro-chloride, Smetine salts, Strychnine Salts.

(ii) Dyes and Dye Intermediates

Organic Pigments, Direct Dyes, Basic Dyes, Sulphur Dyes, Vat

Dyes, Azoic Dyes, Hydro-Chloric Acid, Metanilic Acid, Anthra-quinone, Fluorescent brightening agent.

(iii) Basic Inorganic and Organic Chemicals including Agro-chemicals.

Rare Earth Chloride, Iron Chloride Ferric, Sodium Sulphate, Bleaching Powder, Aluminium Sulphate, Calcium Carbonate Sodium Tripoly Phosphate, Red Phosphorous, Sodium Cyanide, Catalyst Chemicals, Meta Amino Phenol, Megnesium Dioxide, Nicotine Sulphate, Insecticides and Pesticides, Aluminium Phosphide, Endosulphan Technical

(iv) Cosmetics and Toiletries

Hair Oil, Hair shampoo, Toilet Soap, Tooth Paste, Synthetic Detergents, Hydrogenated Caster Oil, Henna Leaves and Powder, De-hydrated Caster Oil.

(v) Agarbattis

(vi) Essential oils and Medicinal Herbs

Sandal Wood Oil, Lemongrass Oil, Palma Rosa Oil, Davana Oil, Psyllium seeds and husk, Senna Leaves and Pods, Opium.

(b) The estimated value of exports of chemicals is given below :

(Value in Rs./crores)

Year	FOB value of exports
1983-84	553.20
1984-85	619.16
1985-86	750.20 (Anticipated)

(These figures include exports of Naptha)

(c) and (d). Yes, Sir. An inter-ministerial Standing Committee has been constituted in order to further boost the export of chemical products.

Disparity between duty on filament and fibre

2. SHRI NARESH CHANDRA CHATURVEDI : Will the Minister of TEXTILES be pleased to state :

(a) whether the disparity between the duty on filament and fibre is creating lot of problems to synthetic spinners, and the filament manufacturers are being priced out resulting in huge unsold stock;

(b) if so, the steps Government are going to take in removing this anomaly;

(c) whether because of the price disparity, the powerlooms in Surat and Bhiwandi are finding it very difficult to sustain themselves and every day hundreds of powerlooms are being closed down rendering thousands of poor weavers jobless; and

(d) whether Government propose to reduce the duty on nylon filament, if so, when and how much ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Duties on the filament and fibre were never at par and the disparity has not resulted in building up of huge unsold stocks of filament yarn.

(c) No large scale closure of powerlooms has taken place due to price disparity.

(d) The Government is keeping a constant watch over the situation.

Withholding clearance of industrial and economic projects on account of arrears

3. SHRI BANWARI LAL BAIRWA : SHRI NARESH CHANDRA CHATURVEDI :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Government have decided to withhold the industrial

and economic projects applied for by some of the industrial houses who are in arrears of Government taxes and other duties; and

(b) whether Government propose to start clearing some of the economic projects like issue of debenture and shares by such Corporate bodies pending the disposal of the cases of non-payment of duties and taxes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Government take into account the overall performance of companies including their tax performance while considering proposals for clearance. Approval of applications for shares/debentures is given taking into consideration the existing guidelines and various other relevant factors.

Consultative Committee meeting for nationalised banks for Eastern Region

4. SHRI PURNA CHANDRA MALIK : SHRI MATILAL HANSDA :

Will the Minister of FINANCE be pleased to state:

(a) when the last meeting of the Consultative Committee for nationalised banks for the Eastern Region took place;

(b) the details of credit deployment and deposit mobilisation—both in money and percentage terms—of scheduled banks of the region at that time;

(c) the performance of rural banks and special schemes relating to the integrated rural development scheme or educated unemployed of the region at that time—both in money and percentage terms; and

(d) when the next meeting of the Eastern Region is likely to be held and the items proposed to be discussed thereat?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The last meeting of the Consultative Committee of nationalised banks for Eastern Region was held at Calcutta on 4th November, 1985.

(b) Available data relates to and December, 1984 and is as under for the Eastern Region:

	<i>(Rs. in crores)</i>
(1) Deposits	11,175
(2) Advances	6,419
(3) C : D Ratio	54.5 percent

(c) Under the Scheme of self-employment of the educated unemployed youth for the region, the banks had sanctioned 45,520 applications against the target of 45,750. The amount sanctioned for the year 1984-85 was Rs. 88.97 crores.

Under the Integrated Rural Development Programme (IRDP), the various financing institutions operating in the Region, had assisted 10,90,895 families with a term credit of Rs. 174.90 crores during the year, 1984-85.

(d) No date has yet been fixed for the next meeting for the Regional Consultative Committee, Eastern Region nor has any agenda been finalised for the same.

Excise Duty on Darjeeling Tea

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

(a) whether Government have received any representation urging them not to disturb the existing rate of Excise Duty on Darjeeling tea in view of continuing sickness of tea industry in Darjeeling; and

(b) if so, the reaction and the decision of Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The central excise duty on tea grown in Zone III (which includes Darjeeling tea) was fixed by an exemption notification at the rate of twenty paise per kilogram. This notification was valid upto the 31st December, 1985. A representation dated the 19th December, 1985, was received by the Government sug-

gesting that this concessional rate of duty may be continued for a further period, till Darjeeling Hill tea gardens fully recover from the sickness. Government have extended the validity of the exemption notification upto the 31st December, 1986.

Export of Handicrafts

6. DR. G. S. RAJHANS : Will the Minister of TEXTILES be pleased to state :

(a) whether any effort has been made to export the handicrafts of Mithila (North Bihar) in the last three years; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Yes, Sir. Following measures to promote exports of handicrafts of Mithila region specially Madhubani Paintings were taken in the last three years :

(i) Madhubani Paintings were exported to Copenhagen for an exhibition held in June 1983. After Copenhagen the Paintings were exhibited in Cuba in November, 1983 and in Maxico and Trinidad, in 1984.

(ii) An exhibition of Masks and Paintings was held at the retail outlet of Handicrafts and Handloom Exports Corporation of India Limited in Paris in September 1985. This Exhibition-cum-sale covered Worli and Madhubani Paintings.

(iii) Handicrafts and Handloom Exports Corporation undertook special projects to develop and export Madhubani Paintings, greeting cards and Portfolios to U.S.A.

(iv) In the Aditi exhibition held in Washington during Festival of India large sized papier machie figures were featured besides other papier machie display items.

Black Money

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

(a) whether, it is a fact that despite the liberal fiscal policies of the Government, black money is not easily coming out and it is well known that businessmen and others have undisclosed assets with them in the form of cash, ornaments, undisclosed fixed deposits and items of luxury goods;

(b) whether Government are aware that black money finds its consumption in purchasing land especially in those places where its selling is not allowed except in certain areas and under certain conditions; and

(c) if so, the steps Government have taken to find out the solution of black money which is not easily approachable ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). As a result of liberal fiscal policies of the Government, revenue collections have shown an upward trend during the current financial year. The liberalisation of summary assessment scheme and reduction in the tax rates of direct taxes is, however, only one limb of the policy. The other limb is intensive scrutiny and searches and seizures in the remaining cases so as to leave no doubts in the minds of tax payers that they cannot get away with anything they declare in their returns of income. Enforcement machinery is being strengthened and the number of searches has substantially increased. The Government is aware of the use of unaccounted income in land transactions. All possible measures to curb generation of black money, legislative, administrative and institutional are being taken from time to time.

Bank loans disbursed through loan melas

8. SHRI AJIT KUMAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) the criteria for selecting individual for bank loans disbursed through loans melas;

(b) whether certification from State Government authorities of the area is necessary in such cases;

(c) the ratio of recovery of such loans so far; and

(d) whether the burden of non-recovery of such loan rests with the disbursing authorities or with the area concerned ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There is no separate criteria for selecting individuals for bank loans disbursed in credit camps. The banks have been advised to follow proper procedure of identification, sanction and appraisal while sanctioning of all loans, including those disbursed in credit camps.

(b) The credit camps are organised by the functionaries of the bank. Wherever there is cooperation from the concerned State Government the beneficiaries under poverty alleviation programme and State sponsored schemes also get adequate benefit from these camps.

(c) and (d). No separate monitoring of number of such functions, amount distributed and recovered in respect of such loans is considered feasible or necessary. Thus ratio of recovery of such loans is not being monitored separately. The consequences of non-

recovery of loan are the same irrespective of the fact whether the loans were disbursed in a credit camp or otherwise.

Illegal dealing in Narcotic

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

(a) the nature of cases of illegal dealings in Narcotics in the country so far detected on raids during the last six months upto 31st January, 1986;

(b) the cost of the goods seized;

(c) the foreign countries from where the narcotics are imported to India; and

(d) the countries to which these are meant to be exported through India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The details of cases of seizure of drugs detected during the last six months upto 31st January, 1986 are furnished as under :

Name of drug	Illegal imports		Attempted exports		Internal trafficking	
	No. of cases	Qty. seized	No. of cases	Qty. seized	No. of cases	Qty. seized
<i>in kilograms</i>						
Opium	7	37.000	7	203.503	133	1172.749
Ganja	55	34966.000	6	91.950	36	2220.256
Charas	10	6018.600	16	4815.135	61	642.476
Heroin	11	790.228	17	37.641	41	65.681
Morphine	—	—	5	52.130	8	7.582
Cocaine	—	—	—	0.200*	1	4.200
Mandrax						Tabs.
Tablets	—	4 000*	6	134.800	1	1.600
Poppy	—	—	—	—	13	17218.000
husk						
Dionine	—	—	—	—	1	0.500

(Note : The figures are provisional. *indicates seizure with heroin)

(b) No precise value of narcotic drugs can be furnished as the illicit market price varies widely depending upon the time and place of seizure, purity of the drugs, local demand and supply position, etc.

(c) and (d). India is increasingly being used as a transit country for smuggling of narcotic drugs from Near and Middle East Regions and mainly destined for western countries.

Cheating of consumers through defective weights and measures

10. SHRI K. PRADHANI :
SHRI RAM PYARE PANIKA :

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

(a) whether the Indian consumer, particularly in the farflung rural and tribal areas, is cheated to the tune of crores of rupees a year through defective weights and measures according to an official survey recently made;

(b) if so, whether the consumer is also faced with the problems of buying sub-standard and adulterated food stuffs; and

(c) if so, the steps Government propose to take to protect the consumers' interests ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a).and (b). No official survey has been made recently in this regard.

(c) In order to curb short weights and measures and to protect the interests of consumers, the Central Government passed Standards of weights and Measures Act, 1976 and promulgated Standards of weights and Measures (Packaged Commodity) Rules, 1977. These Acts and Rules are enforced by the State Governments and Union Territory Administrations. In order to ensure uniformity in the enforcement laws, the Central Government has also enacted Standards of Weights and Measures (Enforcement) Act, 1985 to be enforced by the States. Apart from advising the State Governments and Union Territory Administrations to vigorously

enforce the provisions of Standards of Weights and Measures Act and Rules, the Central Government has taken steps to promote voluntary consumer movement in the country. The Government gives financial assistance for specific schemes on consumer protection to voluntary consumer organisations. Brochures have also been issued on adulteration and Packaged Commodity Rules for education of consumers.

Garment Export

11. SHRI N. DENNIS : Will the Minister of TEXTILES be pleased to state the names of the countries as well as the value and quantity of garment export quota allotted, category-wise during 1983-84 and 1984-85 ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : As such details are maintained calender year-wise the required details for calender years 1983, 1984 and 1985 are furnished in the statement laid on the table of the House.

[Placed in Library. See No. L.T. 2046/86]

Inter-Bank transfers of officers in nationalised Banks

12. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken any decision on the demand of the Bank employees for Inter-Bank transfers of the Officers of nationalised banks so as to dilute the dominance of vested interests caused by long stays at particular choice stations, sometimes for decades;

(b) if so, the nature of the decision taken and the likely date from which it would be implemented; and

(c) if not, the reasons for delay and the likely date by which the decision would be taken and implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). A panel

of willing officers in Senior Management and Top Executive Grades is being prepared for filling up vacancies in those banks which do not have adequate suitable officers from within. The final decision in this regard will, however, be taken in consultation with the concerned Banking Service Recruitment Boards.

Proposal to set up a common market for South Asia

**13. DR. B. L. SHAILESH :
SHRI UTTAM RATHOD :**

Will the Minister of COMMERCE be pleased to state :

(a) whether collective efforts are being made to develop a common market for South Asia;

(b) if so, the details thereof; and

(c) the broad outlines of the proposal and the stage at which this stands at present ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) and (c). The questions do not arise.

Outflow of money from Maharashtra and West Bengal to other States

14. SHRI MATILAL HANSDA : Will the Minister of FINANCE be pleased to state :

(a) the details of outflow of money from Maharashtra and West Bengal to other areas during the last three years-State-wise and year-wise; and

(b) the details of inflow of money in Uttar Pradesh, Delhi, Gujarat, and Madhya Pradesh during the last three years-State-wise and year-wise details ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Hon'ble Member is presumably interested in

the data regarding remittances by workers from one State to another. As far as we are aware, no such data is available.

Extravagant spending on Festivities

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

(a) whether his attention has been drawn to the news-item captioned "New Year fete may not be rosy" appearing in the 'Indian Express', New Delhi of 1 January, 1986;

(b) if so, the facts of the case;

(c) the outcome of the enquiries made into the extravagant spending on such festivities of ill-gotten wealth; and

(d) the preventive measures taken or proposed to be taken particularly in the case of Central Government officers accepting such a hospitality ?

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

(b) The Directorate of Revenue Intelligence had not deputed any of its intelligence officials for making any discreet enquiries about the bookings made in posh city hotels as reported in the news-item.

(c) Does not arise.

(d) Appropriate agencies of the Government remain vigilant to prevent/detect such cases of violation of Conduct Rules.

Re-investment of funds by nationalised Banks

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

(a) the ratio of re-investment of funds by nationalised banks in the area where such funds originate-region-wise details thereof for the last three years; and

(b) the ratio of funds investment by nationalised banks in the area from where

no funds originate, region-wise details thereof for the last years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). It is presumed that the question relates to Credit : Deposit Ratio of banks in the various Regions. Region-wise Credit : Deposit Ratio as at the end of December 1982, 1983 and 1984 of Public Sector Banks is set out below :—

Region	Credit : Deposit Ratio (%)		
	1982	1983	1984
Northern Region	72.15	64.83	62.24
North-Eastern Region	39.42	39.84	45.90
Eastern Region	55.26	53.64	52.54
Central Region	49.29	47.41	48.42
Western Region	74.38	78.21	81.48
Southern Region	78.29	77.91	83.14

Modernisation of sick mills for export production

17. SHRI LAKSHMAN MALLICK : Will the Minister of TEXTILES be pleased to state :

(a) whether there is any proposal that the textile mills under the National Textile Corporation which are in heavy loss should be modernised exclusively for export production;

(b) whether Government have also made efforts to improve the functioning of the mills incurring losses; and

(c) if so, the extent to which there has been satisfactory improvement in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No such decision has been taken.

(b) and (c). some of the important steps taken/being taken, within the limited resources, to improve the performance of the mills under NTC are as under :

- (i) arrangements are being made for timely procurement of cotton from different available channels;
- (ii) working capital has been replenished to make up for cash losses;
- (iii) to overcome the power, shortage, self-generating capacity, has been provided;
- (iv) selective modernisation programme have been adopted for result-oriented gains making best use of limited resources;
- (v) cost control methods have been introduced for reduction in cost at all levels;
- (vi) efforts are being made for reducing the non-operational administrative expenses;
- (vii) worker's participation/scheme in the management is being encouraged to achieve higher productivity; and
- (viii) the performance of NTC is being monitored closely to reduce costs, improve efficiency and quality.

As a result of the steps taken, the average net loss for April to November, 1985 has come down by Rs. 4.62 crores per month in the case of nationalised mills and by Rs. 0.31 crores per month in the case of managed units, as compared to the average losses during the corresponding period of the previous year.

[Translation]

Takeover of sugar mills running in losses

18. SHRI JAGANNATH PRASAD : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the number of sugar mills in the country which are running in loss and the amount outstanding against them;

(b) the efforts being made by Government to ensure that the aforesaid sugar mills do not run in losses;

(c) whether Government propose to take-over those sugar mills which are running in loss;

(d) if so, by what time; and

(e) if not, the reasons therefor ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). The Government do not maintain profit and loss accounts in respect of sugar mills which are mainly in private or cooperative sector. The sugar policy is announced by Government of India a from time to time. The profitability or otherwise of a sugar factory depends on a variety of factors which include cane availability, technical and managerial competence of a sugar mill and certain other factors which are not directly regulated by the sugar policy. The ultimate responsibility to ensure efficient running of a sugar mill lies solely with the management.

(d) and (e). In view of above, do not arise.

[English]

Memorandum from All India Regional Rural Bank Employees Association

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

(a) whether Government have received a memorandum from the All India Regional Rural Bank Employees' Association containing their charter of demands;

(b) whether Government have considered the charter of demands; and

(c) if so, the decision taken thereon ?

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

(c) The main demands contained in the Memoranda of Demands from Regional Rural Bank Employees Associations received in the recent past and action taken by Government/ NABARD on them are indicated in the attached Statement.

Statement

Sl. No.	Demand/Grievance	Action taken by Government/NABARD
1.	2.	3.
1.	“Equal pay for Equal Work” and Uniformity of pay scale and service conditions with commercial banks.	Regional Rural Banks have been conceived as low cost institutions having limited area of operation and clientele. Section 17 of the Regional Rural Bank Act provides that the remunerations of the employees of RRBs shall be such that will be determined by the Central Government and while determining such remuneration the Central Government shall have due regard to the salary structure of the employees of the State Government and the local authorities at comparable level and status in the notified area. In view of this remuneration and Service conditions of the employees of Regional Rural Banks cannot be equated

1.

2.

3.

with the employees of other commercial banks.

2. Increase in subsistence allowance as per Industrial Employment (Standing Orders) Amendment Act, 1972.

The issue was examined by the Law Department of NABARD which is of the opinion that the Industrial Employment (Standing Orders) Amendment Act, 1946 is not applicable to Regional Rural Bank employees and hence no increase in subsistence allowance can be considered.

3. Interbank request transfers.

Each Regional Rural Bank is a separate entity and mobility of staff amongst Regional Rural Banks is not considered advisable.

4. Formation of Rural Bank of India

Creation of Rural Bank of India, as demanded by the agitationists is not in conformity with the basic concept of Regional Rural Banks which have been established as district level institutions for effective dispensation of credit in rural areas. The distinctive feature of RRB is that they are local level units with staff drawn from the local population to ensure close identity with their clientele.

5. Promotion policies in Regional Rural Banks.

As per guidelines issued by NABARD 50 per cent of the vacancies have been reserved for internal candidates in respect of Field Supervisors and Branch Managers by promotion. Direct recruitment of remaining 50 per cent is considered necessary in order to inject fresh talent to RRBs.

6. Housing loans.

Guidelines have been issued by NABARD to Regional Rural Banks in January, 1985 under which RRBs can advance housing loans to its employees at rates of interest charged by State Government to its employees.

1.

2.

3.

Considering the limited resources at the disposal of Regional Rural Banks any enhancement in the limit or reduction in the rate of interest is not considered feasible for the present.

7. Regularisation of Messengers.

Government have already issued instructions to appoint regular messengers at Head Office of the bank and some of its major branches.

8. Negotiation forum.

Recently, a forum under the Chairmanship of Regional Manager, NABARD has been created at the State level to discuss grievances of staff and their service conditions and make suitable recommendations to Government/NABARD.

9. Withdrawal of Sponsor Bank staff.

It is in the interest of Regional Rural Banks to have deputed staff from the sponsor bank in the beginning. The deputed staff can continue even after 5 years with mutual agreement and can be withdrawn in a phased manner as and when Regional Rural Bank staff is sufficiently trained.

10. *Recruitment*—Constitution of RRBs Service Selection Board.

Government of India have already approved the proposal for recruitment of Regional Rural Bank personnel through existing Banking Service Recruitment Boards.

11. Uniform, L. T. C.

NABARD has already made clear that L. T. C. might be allowed by Regional Rural Banks as per State Government rules.

12. Relaxation of age, qualifications etc. for in service employees in recruitment to higher posts in some of other Regional Rural Banks.

While relaxation in age can be considered within the Regional Rural Bank, the relaxation in qualifications may not be desirable. As regards mobility of staff from one Regional Rural Bank to another, no ban is placed on an RRB employee, seeking better prospects elsewhere including another Regional Rural Bank.

Performance of new schemes to Supply Foodgrains at subsidised Prices to Tribals

20. SHRI KAMLA PRASAD SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government are satisfied with the performance of their new scheme to supply foodgrains at subsidised prices to tribals;

(b) if so, whether Government propose to extend it to other distressed sections as well; and

(c) the details regarding the quantity of varieties of foodgrains being supplied to the target groups ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : Yes, Sir; the working of the scheme is generally reported to be satisfactory in most of the States.

(b) Additional support is being provided to the supplementary Nutrition Programme for young children, pregnant women and nursing mothers, and the coverage of the Rural Employment Programmes expanded.

(c) Both wheat and rice are being supplied at specially subsidized prices in the tribal areas covered by the new scheme. As on 31st January, 1986, a quantity of 72,518 tonnes of wheat and 54,126 tonnes of rice had been issued by the Food Corporation of India to the various States/Union Territories for distribution under the scheme.

Fluctuations in foreign exchange reserve

21. SYED SHAHABUDDIN : Will the Minister of FINANCE be pleased to state :

(a) whether India's foreign exchange reserves have shown much fluctuations during 1985;

(b) the average level of foreign exchange reserves during the year and the maximum and minimum recorded during the period, with dates there-of; and

(c) the total commercial borrowings from foreign markets as distinct from institutional or inter-Governmental borrowing during the current financial year ?

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

(b) The average level of foreign exchange reserves (excluding Gold and Special Drawing Rights) as at the end of each month during 1985 was Rs. 6649.08 crores. The maximum and minimum recorded during this period were as follows :—

<i>Date</i>	<i>(Rs. in crores)</i>
1.2.85	5974.24
10.5.85	7247.06

(c) The approvals given for external commercial borrowings during the current financial year upto January, 1986 add upto Rs. 1200 30 crores.

Deposits in Rural Banks

22. PROF. K. K. TEWARY : Will the Minister of FINANCE be pleased to state :

(a) the amounts of deposits in rural banks during the last two years, year-wise, and the amount of deposits estimated during the current financial year; and

(b) the steps being taken to increase bank deposits from rural areas in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The deposits mobilised by the Regional Rural Banks as at the end of June, 1984 and June, 1985 are indicated below :

<i>As at the end of</i>	<i>Number of RRBs</i>	<i>Amount of deposits (Rs. in lakhs)</i>
June, 1984	162	77434
June, 1985	183	105704

Taking into account the growth trend over the last few years, NABARD has estimated a rise of 25 per cent in deposits of Regional Rural Banks in the year ending June, 1986.

(b) With a view to mobilising rural savings the RRBs have opened branches at a number of unbanked centres. Further they have been given the discretion of allowing an additional interest of $\frac{1}{2}$ per cent per annum on Term Deposits of less than 3 years and Savings Deposits.

Rural Branches/Offices of LIC

23. SHRI MULLAPPALLY RAMA-CHANDRAN : Will the Minister of FINANCE be pleased to state :

- (a) the number of branches/offices Life Insurance Corporation have in rural areas;
- (b) the rate of growth in business during the last three years; and
- (c) which State has recorded maximum business in 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Life Insurance Corporation has 797 branches in rural areas.

(b) The rate of growth in business during the last three years is as under :—

(Individual Assurances)

Year	Sum Assured (In crores of rupees)	Percentage of Growth
1982-83	3974.39	14.2
1983-84	4386.98	10.4
1984-85	5375.93	22.5

(c) The Maharashtra State has secured maximum individual assurance business of Rs. 795.13 crores sum assured during the year 1984-85.

Persons arrested and prosecuted for customs offences

24. DR. CHINTA MOHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that 2659 persons were arrested and 1893 prosecuted during January to November, 1985 for customs offences; and

(b) if so, the reasons for leaving 776 persons free after they were caught rehanded ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the period January-November, 1985, 2659 persons (provisional) were arrested and 1890 persons were prosecuted.

(b) The number of persons prosecuted during January to November, 1985 need not necessarily be from the persons arrested during the same period. There is always a timelag between the arrest and prosecution. Prosecution is sanctioned on merits by the Collector of Customs in terms of section 137 of the Customs Act, 1962.

Persons detained under COFEPOSA

25. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that out of 937 detentions ordered under COFEPOSA, actually 741 persons were detained upto 20 December, 1985;

(b) if so, what is the position about the remaining persons; and

(c) whether his Ministry propose to have a new separate cell created for apprehending COFEPOSA cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the year 1985 (upto 20th December); 937 detention orders were issued and 741 persons were detained under the COFEPOSA Act, 1974. The 741 persons detained include some of the

persons detained in pursuance of detention orders issued in earlier years also.

(b) The persons who could not be detained in pursuance of detention orders issued are, absconding. However, apart from the concerned authorities keeping a look out, appropriate action as warranted under the provisions of COFEPOSA Act, 1974 is also taken against the persons who are evading detention.

(c) No, Sir.

Subsidy for public distribution of Foodgrains in Kerala

26. SHRI VAKKOM PURUSHOTHAMAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state the central subsidy for public distribution of foodgrains in Kerala during 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : The Central subsidy to Kerala during April-December, 1985, is as follows (the figures for January-March'86 not yet available) :—

	<i>Quantity</i> <i>Lakh/tonnes</i>	<i>Amount of subsidy</i> <i>Rs./Crores</i>
Wheat	1.646	11.17
Rice	10.723	82.18
Total	12.369	93.35

Diversion of Plan funds for drought relief measures by Government of Karnataka

27. SHRI M. V. CHANDRASHEKARA MURTHY : SHRI B. V. DESAI :

Will the Minister of FINANCE be pleased to state :

(a) whether Government of Karnataka have decided to divert Rs. 78 crores from the Plan funds to meet the drought relief measures;

(b) if so, whether concurrence of Union Government has not been obtained by Government of Karnataka in this regard;

(c) whether it is a fact that the Union Government have not so far implemented the recommendations of the Eighth Finance Commission regarding 50 : 50 allocation of resources in the event of drought in the States; and

(d) if so, the steps Union Government have taken to help Karnataka to meet the drought conditions and the total amount of funds so far allotted to Karnataka for meeting the drought conditions.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government of Karnataka have informed that they have diverted Plan funds to the extent of Rs. 14 crores only for employment generation and other immediate requirements for drought relief.

(b) Planning Commission have not yet received any proposal from Government of Karnataka for diversion of Plan funds for drought relief measures.

(c) The Eighth Finance Commission have recommended that drought relief expenditure in excess of the margin money and upto 5 per cent of the approved annual Plan outlay of the respective States should be provided in the form of Advance Plan assistance. Expenditure in excess of 5 per cent of the outlay, if any, should be given as 50 per cent loan and 50 per cent grant and it is not adjusted against the States entitlement of Plan assistance. This recommendation has been accepted by the Union Government and is being implemented.

(d) The Government of India on the basis of the recommendations of the High Level Committee on Relief based on the Central Teams' report have approved total ceilings of expenditure of Rs. 55.03 crores to the State for drought relief measures in 1985-86.

Withdrawal of voluntary price control on vanaspati ghee

28. SHRI ANAND SINGH : DR. T. KALPANA DEVI :

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

- (a) whether Government have withdrawn the voluntary price-control on vanaspati ghee;
- (b) if so, the reasons therefor;
- (c) how the prices of vanaspati have been fixed since the withdrawal of the price control;
- (d) how Government propose to keep a watch over the price situation to ensure adequate availability of vanaspati at reasonable price;
- (e) whether a code of conduct for the new pattern of pricing and distribution of vanaspati has been evolved by the Vanaspati Manufacturers Association; and
- (f) if not, the other mechanism that has been evolved by Government to protect the consumers ?

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

(b) For minimising controls and keeping in view the satisfactory availability and reasonable prices of vanaspati the voluntary price agreement was withdrawn in January, 1986.

(c) The prices of vanaspati are ruling at reasonable levels determined by the interaction of demand and supply in the market.

(d) A watch is kept on market price of vanaspati through officials of the Directorate of Vanaspati, Vegetable Oils and Fats and with the help of State Governments/Union Territory Administrations. Remedial measures, including effective supply management of imported oils will be taken to ensure adequate availability and reasonable prices for consumers.

- (e) Not to our knowledge.
- (f) As in (d) above.

[*Translation*]

Raids on premises of Income Tax Officers

29. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of FINANCE be pleased to state :

- (a) whether it is a fact that Government have recovered huge amount of goods and cash in the raids conducted on the premises of Income Tax Officers in the past few months;
- (b) if so, the particulars of such officers and the details of the goods recovered;
- (c) whether Government have taken any action against these officers so far;
- (d) if so, the details thereof; and
- (e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Some goods and cash have been recovered in the raids conducted on the premises of some Income-tax officers since October, 1985.

(b) Raids have been conducted by the CBI since October, 1985 on the premises of 9 Income-tax Officers. At this stage it would not be appropriate to disclose the names of these officers and the particulars of the assets seized as such disclosure would hamper the investigations.

(c) Yes, Sir.

(d) Four of these officers have been placed under suspension and further investigation by the CBI is continuing in all the cases.

(e) In view of the above, question does not arise.

[*English*]

Increase in revenue collections

30. DR. T. KALPANA DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether there has been any increase in revenue collections of the Union Government during April-December, 1985;

(b) if so, the total collections from direct and indirect taxes respectively and the percentage of increase over the corresponding period of 1984; and

(c) the estimates of total collections for

1985-86 and the figures of budget targets and the revised targets ?

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

(b) Total collections from direct and indirect taxes and the percentage of increase over the corresponding period of 1984 is as follows :

Collection in crores of Rupees			
	April-Dec. 1985	April-Dec. 1984	Percentage increase
(i) Direct Taxes	3392.70	2746.05	23.55
(ii) Indirect Taxes	15913.89	12956.26	22.83

(c) Budget Estimates of total collection for Direct Taxes are Rs. 4942.50 crores and for Indirect Taxes are Rs. 20392.64 crores for 1985-86.

The revised estimates both for direct and indirect taxes for 1985-86 are still to be finalised.

Illegal import of wool-tops

31. PROF. RAMAKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are aware that despite ban on the import of wool-tops imposed in August, 1984, its illegal import for domestic consumption is continuing;

(b) if so, the details thereof; and

(c) the modus operandi of the importers involved in the illegal import of wool-tops and the action taken by Government in the matter ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). According to a newspaper report, import of

wool tops has been made in the garb of wool waste. Feats are being ascertained from the Customs Authorities.

Legislation to control activities of non-banking financial companies

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

(a) whether it is a fact that the existing provisions in the law are inadequate to control the activities of the non-banking financial companies in the country; and

(b) if so, whether Government propose to bring forward a comprehensive legislation to control activities of non-banking financial companies in the country and protect the interests of small depositors ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Non-Banking Financial Companies are incorporated bodies registered under the Companies Act, 1956. These Companies are therefore, subjected to and are required to comply with the various provisions of the Companies Act including filing the requisite returns with the Registrar of Companies. The deposit acceptance activity of these

companies is also regulated as the same is governed by the directions issued by the Reserve Bank of India which seek to regulate the deposit acceptance activity by imposing certain restrictions on the quantum and period of deposit, rate of interest/brokerage payable on deposits, maintenance of liquid assets in respect of certain deposits of financial companies etc.

There is no proposal at present under consideration of the Government to enact a comprehensive legislation to further control the activities of the non-banking financial companies.

Formulation of 'Health Code System' for loans given by Financial Institutions

33. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) the details of "Health Code System" for borrowers of scheduled commercial banks that has been devised by the Reserve Bank of India for the purpose of monitoring the risky accounts;

(b) whether any such 'Health Code System' has also been devised for loans given by the public sector financial institutions;

(c) if so, the details thereof; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (d). In November, 1985, Reserve Bank of India has advised all Scheduled Commercial Banks (excluding Foreign Banks) to classify their borrowing accounts as on 31.12.85 into eight different categories such as satisfactory; irregular; sick, viable under nursing; sick, non-viable/sticky; advances recalled; suit filed accounts; decreed debts; and bad and doubtful debts according to their respective health. The Health Code System devised by Reserve Bank of India is meant for classification of borrower accounts of banks under various categories to facilitate comprehensive and uniform credit monitoring. Financial institutions also categorise their borrowing

units into healthy and sick units needing rehabilitation, suit filed accounts etc., though they do not have code numbers as the number of units in their portfolio is comparatively small. The purpose of Health Code System is being already met with under the present system being followed by the Financial Institutions.

Remittance of funds by resident Indians held in foreign banks

34. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) whether Government are examining any scheme to permit resident Indians to remit to India the funds held in foreign bank as reported in the Times of India of 15 December, 1985;

(b) whether it is the estimate of Government that the total assets held abroad by resident Indians amount to Rs. 20,000 to Rs. 25,000 crores, mostly in the form of deposits in foreign banks;

(c) if not, the estimate of Government, if any;

(d) whether under such scheme, the owners of such money will be let off without any penalty or with only nominal penalty for violation of FERA; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Under the current Exchange Control Regulations, persons resident in India are not permitted to keep accounts outside India without the prior approval of the Reserve Bank of India. They are expected to remit to India all the funds held abroad. Suitable action is taken against those who violate the above mentioned Exchange Control provisions.

(b) and (c). No such estimate is available.

(d) and (e). Do not arise.

Rise in prices of wheat and rice in fair price shops

35. SHRI NARAYAN CHOUBEY ; SHRI R. M. BHOYE ;

SHRI CHITTA MAHATA :
SHRI RAMASHRAY PRASAD
SINGH :
SHRI SATYAGOPAL MISRA :

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

(a) whether it is a fact that prices of wheat and rice have been enhanced in Government ration shops and fair price shops from 1st February, 1986 if so, by what amount;

(b) whether Government are going to enhance price of wheat and rice again from 1 April, 1986;

(c) whether Government have raised issue price of wheat for public distribution system from Rs. 172 a quintal to Rs. 190, if so, from when;

(d) what were the prices of wheat and rice per kg. in fair price shops in Delhi on 1 January, 1985 and what are they at present; and

(e) whether Government are gradually going to cut down food subsidy ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) to (c). The Central issue price of wheat has been revised from Rs. 172.00 to Rs. 190.00 per quintal with effect from 1st February, 1986. With effect from the same date, the central issue prices of rice for the common, fine and superfine varieties were raised by Rs. 14/- per quintal to Rs. 231/-, 243/- and 258/- per quintal, respectively. The retail prices of these grains, for sale through the fair price shops, are fixed by the State Governments/Union Territory Administrations after taking into account incidental costs and State subsidies, if any.

The Central issue price of wheat for the roller flour mills will be raised from Rs. 190.00 to Rs. 220.00 per quintal with effect from 1st April, 1986.

(d) The retail prices of wheat and rice sold through the fair price shops in Delhi, as on 1.1.1985 and at present, are as under :

As on 1.1.1985

As from 1.2.1986

Wheat Rs. 1.78 per kg. Rs. 2.00 per kg.

Rice Rs. 2.41 per kg. Rs. 2.68 per kg.

(e) Efforts are being made by the Central Government to contain within reasonable limits the amount of the food subsidy which has been on the increase over the years.

Revamping Public Distribution System

36. SHRI T. BASHEER : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether there is any proposal under Government's consideration to revamp the Public Distribution System in the country during the Seventh Five Year Plan; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b). During the Seventh Plan, special emphasis is being given to increasing the number of fair price shops in the hitherto under-served and unserved areas and on organising mobile fair price shops in far flung regions. Thus the main thrust of expansion is in the rural areas so that the public Distribution System becomes supplementary to the poverty alleviation programme. In this context, Central Government has advised all the States/Union Territories to open new fair price shops to provide easy physical access to consumers; supply of ration card to every family; make adequate provision and improvement of infrastructural facilities such as storage and transportation; develop proper monitoring system at State, district and block levels; set up consumers advisory committees upto fair price shop level; draw up schedule for training of employees engaged in Public Distribution System work; tightening of inspection and enforcement measures; and for developing a system of effective coordination among various agencies engaged in the task of public distribution system.

Trade deficit with EEC countries

38. SHRI SRIHARI RAO : Will the

Minister of COMMERCE be pleased to state :

(a) the figures of imports and exports between India and EEC countries and the respective trade deficit during the last three years;

(b) the proposed measures to reduce the trade deficit; and

(c) the goods and commodities which are exported from India to EEC countries and the estimated value of their export during 1985-86 ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES : (SHRI P. SHIV SHANKER) :

(a)	(Rs. crores)		
	Import	Exports	Deficit
1982-83	3244.91	1475.10	1769.81
1983-84	3801.01	1702.40	2098.61
1984-85	4070.91	1946.72	2124.19

(b) Continuing efforts are being made to increase Indian exports to the EEC countries through various trade promotion measures such as exhibitions, trade fairs, exchange of delegations/missions, conferences, information exchanges and other marketing efforts.

(c) Indian exports to EEC largely consist of textiles, tea, tobacco, spices, foodstuffs, leather and leather products, precious and semi-precious stones, handicrafts and engineering items. Indian exports to EEC countries during 1985-86 (April-June) are Rs. 387.14 crores.

Reported fraudulent export by Bata India Limited

39. SHRI BANWARI LAL PUROHIT : Will the Minister of FINANCE be pleased to state :

(a) whether the Directorate of Revenue Intelligence (DRI) officials have detected a huge fraud by a leading multinational com-

pany, M/s Bata India Limited, to the tune of crores of rupees by way of fraudulent exports;

(b) if so, the details of incriminating documents, etc. seized during the raids;

(c) how M/s Bata India Limited were cheating Government for the last several years and mis-utilising the import-export licence; and

(d) the action contemplated by Government against the company ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reports received by the Government indicate that on 3rd February, 1986, the officers of the Directorate of Revenue Intelligence, searched the premises of Bata Factories and offices at Faridabad, Delhi, Bata Nagar and Calcutta. As a result, incriminating documents indicating company's involvement in the fraudulent practices to get higher amount of drawback from the Government were recovered and seized.

(c) preliminary scrutiny of the voluminous incriminating documents seized indicates that the Company was claiming higher amount of drawback based on their consumption data in respect of their export brands of rubber footwears.

(d) On completion of investigation, appropriate action for the realisation of excess drawback paid to the Company would be taken apart from launching of penal proceedings as warranted under law.

Price situation in 1985-86 vis-a-vis 1984-85

41. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether there has been any improvement or deterioration in the price situation in 1985-86 (upto end of December, 1985) as compared to 1984-85; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Wholesale Price Index (1970-71—100) registered an increase of 2.8 per cent in 1985-85 (upto 28th December, 1985) as against 5.1 per cent in the corresponding period of 1984-85. During 1985-86 prices of tea, condiments and spices, coconut oil, oilseeds, raw cotton, raw jute and oil cakes declined while prices of rice, wheat, pulses, fruits and vegetables moved up.

Hundred per cent export oriented units

42. SHRI SATYAGOPAL MISRA : Will the Minister of COMMERCE be pleased to state :

(a) the progress achieved in the hundred per cent export oriented units set up in the country;

(b) the total number of those units and area of their activities;

(c) the capacity utilization achieved by these units; and

(d) future potential of these export oriented units in the overall export policy of Government and details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). According to returns submitted by the approved 100% Export Oriented Units, 84 such units had gone into production and exported goods worth Rs. 285.47 crores upto 31-12-1985. These units *inter alia* belong to following broad production areas :—

Textile products, Readymade garments, Engineering goods, Electronics, Chemicals, perfumes and Toiletries, Granite Food and Agricultural products, Tobacco manufactures.

(c) and (d). The actual exports effected by 100% Export Oriented Units have been less than the export projections given by these units at the time of getting approvals. Assessment of export potential of all the approved 100% export oriented units will be possible when more units actually go into production and export.

Allotment of essential commodities to States for distribution through Fair Price Shops

43. SHRI K. V. SHANKARAGOWDA: SHRI B. V. DESAI :

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

(a) whether Chief Minister of Karnataka had during meeting with him in January, 1986 requested for increase in the allotment of essential commodities to Karnataka for distribution through fair price shops as the State was in a grip of drought for the last three years;

(b) what was the actual demand made by the Chief Minister in regard to rice, kerosene and edible oil;

(c) what was actual quantity supplied before and to what extent it was increased after the Chief Minister's meeting;

(d) whether the Union Government have agreed to further increase the quantity after the Central team's visit to the State; and

(e) to what extent he has agreed in view of the drought conditions prevailing in the State ?

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

(b) and (c). The Chief Minister of Karnataka had requested the Union Minister of Food and Civil Supplies in January, 1986 for additional quantity of 5,000 tonnes of rice, 2,000 KL per month of kerosene and 2,000 tonnes per month of edible oils. An additional allocation of 1,000 tonnes of kerosene was made to Karnataka for the month of January, 1986 raising the total allocation for that month to 31365 tonnes. In the case of rice and edible oils the monthly allocation of 45000 tonnes and 2000 tonnes, respectively, made during the month of December, 1985 was maintained in January, 1986.

(d) and (e). The Central team visited Karnataka in connection with the drought

relief operations during the months of April and August, 1985. The monthly allocation of Karnataka was raised from 25,000 tonnes in May 1985 to 30,000 tonnes in June, 1985, 32,000 tonnes each in July and August, 1985, 35,000 tonnes each in September and October 1985 and 45,000 tonnes in November, 1985. The increased level of allocation of 45,000 tonnes has since been maintained.

Apart from the above increases, special additional allocations of 20,000 tonnes and 25,000 tonnes of rice were also made to Karnataka in July and November, 1985, respectively.

Decline in prices of cardamom

44. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether the price of cardamom has declined sharply;

(b) if so, the extent of decline in its price;

(c) whether a request was made by the cardamom growers as well as by Government of Kerala that the floor price for cardamom should be fixed;

(d) if so, whether the Government have taken any step in this regard; and

(e) if not, the reasons thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). The prices of Cardamom have declined from the unusually high levels which prevailed in the last 2 to 3 years on account of short supply, as a result of drought as can be seen from the statement placed below :-

	80-81	81-82	82-83	83-84	Price in Rs./kg.	Qty. in Tonnes
Average Auction Price.	98.91	116.02	161.08	370.49	199.91	137.84
Export Unit Value	148.18	129.87	158.60	210.92	271.92	171.72
Realisation Production.	14400	4100	2900	1600	3900	4500 (E)
Exports	2345	2325	1032	258	2383	2400 (E)
						(Apr-Jan)

*E—Estimated.

(c) to (e). No request has been received from the State Government although there have been representations regarding fixing of a floor price.

Among others, one important consideration that makes fixation of floor price unnecessary is the fact that we have succeeded in exporting bulk of our exportable surplus this year.

Proposal to set up a Tribunal for Customs and Excise valuation

45. SHRI M. RAGHUMA REDDY : DR. G. S. RAJHANS :

Will the Minister of FINANCE be pleased to state :

(a) whether it is proposed to set up a Tribunal for Customs and Excise valuation

disputes to replace the existing jurisdiction of the High Courts in this matter;

(b) the other measures being proposed to ensure proper and prompt clearance of goods out of the customs; and

(c) the salient features of the new GATT customs valuation code and when it is proposed to implement them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As announced in the Long Term Fiscal Policy, it is proposed to set up a Tribunal under Article 323B of the Constitution, to deal with all matters concerned with payment of Customs and Excise Duties.

(b) The measures taken to ensure proper and prompt clearance include advance examination of bulk cargo on board the vessel, part clearance of goods upto 90% pending chemical tests, selective examination of cargo, introduction of a procedure for seeking clarifications from importers on a query memo and setting up of special co-ordination group for monitoring the pace of clearance of cargo. Measures have also been initiated for computerisation of assessment and allied areas of work in the Custom Houses.

(c) 'The Agreement on implementation of Article VII of the GATT' lays down the methodology for determining the value of imported goods for customs purposes. It contains a number of Articles and protocol containing special provisions for safeguarding the interests of developing countries. It lays down a series of rules in an hierarchical order, the second to apply only if the first is not applicable and so on. The emphasis is on transaction value as the basis.

It is proposed to implement this system on valuation by next year.

[*Translation*]

Increase in prices of food articles supplied by fair price shops

47. SHRI NARSINH MAKWANA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the extent to which prices of each of the food articles supplied by fair price shops have been increased and the reasons therefor;

(b) the quantity of edible oil supplied by these shops and the price at which it is supplied; and

(c) the rate of edible oil fixed in open market and whether or not the oils available at fixed rate ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The extent to which Central issue prices of food articles supplied by fair price shops have been increased, is given below :

(i) Wheat	Rs. 00.18 per kg.
(ii) Rice	Rs. 00.14 per kg.
(iii) Sugar	Rs. 00.40 per kg.
(iv) Imported edible oils	Rs. 1.00 per kg.

In order to reduce the mounting subsidy, the issue prices of rice and wheat have been revised so that the amount thereby saved could be used for strengthening the plan effort and for providing thrust in implementing the anti-poverty programme, including supply of cheaper foodgrains in tribal areas, rural works and welfare programme for women and children. In case of sugar, the reason was an increase in statutory minimum price fixed to be paid to sugarcane growers and certain escalation in admissible costs of conversion. The price of edible oils was increased to give support to indigenous oil/oilseed prices as an incentive to farmers for higher production of oilseed.

(b) The quantity of imported edible oil allocated to States/Union Territories under public distribution system from November, 1985 to January, 1986 is 1, 33, 015 metric tonnes. Against this they have lifted 1,22, 329 MTs. The imported edible oils are supplied to States/UTs. for PDS at Rs. 9,000/- per MT in bulk and at Rs. 10,500/- per MT in tins. Retail prices are fixed by State Governments. The actual distribution is the responsibility of State Governments. The Governments through fair price shops.

(c) No control is exercised by the Central Government in regard to open market price of indigenous oils.

[English]

**Facilities for Tourism in Gulmarg
(Kashmir)**

48. PROF. SAIFUDDIN SOZ : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government are aware that many domestic and international tourists are attracted to visit Kashmir for winter sports especially skiing at Gulmarg ;

(b) if so, whether it is a fact that proper facilities are not available for tourists coming for skiing etc.; and

(c) if so, the steps proposed to be taken by the Union Government to provide more facilities in Kashmir in general and Gulmarg in particular to attract tourists in large numbers ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) Yes, Sir. b) and (c). The required facilities for skiers are available at Gulmarg which we are proposing to upgrade match the international standards subject to availability of funds. A Council for development under the Chairmanship of the Minister comprising of official of the concerned Ministries, States and other experts is being set up to go into the question of promotion and development of Himalayan Tourism including Gulmarg. The Gulmarg Winter Sports Project (GWSP) trains professional Ski Instructors and under the guidance of Ski Instructors the Jawahar Lal Nehru Institute of Skiing and Mountaineering (JIS&M), provided facilities of training and guidance to skiers visiting Gulmarg in winter. There is a chair-lift and a ski lift at Gulmarg which is used as lift-aid by the trainees and tourists for skiing. 400 sets of ski equipment which have now been imported, will be made available on hire to the tourists and trainees. During summer months, the Institute conduct courses in water skiing in Srinagar and also undertakes mountaineering, rock climbing,

trekking, high altitude camping etc. India Tourism Development Corporation (ITDC) has undertaken the construction of JIS&M building at a cost of Rs. 175.30 lakhs to provide a permanent base for the Institute and centrally heated ITDC hotel under the Central sector.

The Department of Tourism has sanctioned Rs. 47.93 lakhs for the development of Bagh-i-Bahu at Jammu, Rs. 4.10 lakhs for purchase of Trekking equipment by the State Government. Master Plan for the development for Marthand, Avantipur and Pandrethan have been prepared. Some other proposals are also under examination.

Creation of buffer stock of cotton

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

(a) whether India has been harvesting a bumper cotton crop for the second consecutive year;

(b) if so, whether as a result the prices of cotton are declining; and

(c) if so, whether Government propose to take measures like creation of buffer stock of cotton as in the case of jute, to substantially alter the situation ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The production of cotton in the country during the last cotton season (1984-85) and the current cotton season (1985-86) was estimated at about 101.5 lakh bales and 94 lakh bales respectively.

(b) The prices of cotton have witnessed a downward trend during the current season as compared to the price trend, which prevailed during the last cotton season.

(c) In order to stabilise prices Govt. of India have released so far 10.00 lakh bales of long and extra-long staple cotton, 52000 bales of Bengal Deshi and 25000 bales of Yellow Pickings for export. Besides, Govt. have also announced minimum

support prices of cotton and the cotton corporation of India has been authorised to purchase cotton at the minimum support prices wherever the market prices of kapas tend to fall below the support price level, except in Maharashtra where the cotton Monopoly Procurement Scheme of the State Government is in operation.

[Translation]

Trade deficit

50. PROF. NIRMALA KUMARI SHAKTAWAT : DR. CHANDRA SHEKHAR TRIPATHI :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that trade deficit is likely to be more in the current financial year which would result in the problem of trade imbalance in the country;

(b) the steps Government propose to take to increase export so as to stem the crisis; and

(c) steps Government propose to take to make the public sector enterprises economically viable in view of the fact that the position of India's foreign exchange reserves is not satisfactory and certain countries want to give foreign aid with strings which are not acceptable to Government?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) It is very difficult to precisely state the trade deficit with which we will end the financial year 1985-86. However, according to rough estimates the deficit this year is likely to be more than last year.

(b) Increasing our exports, diversifying our productive base, modernising our productive apparatus are some of the steps taken by the Government. Modification and periodic revision of our industrial and fiscal policies are also the additional steps taken from time to time.

(c) Strengthening professional management, close monitoring of performance, reorganisation of capital base, improvement in marketing structure, modernisation and technological upgradation are some of the steps taken by the Government.

[English]

Sale and purchase of imported cars

51. SHRI MANIK REDDY : Will the Minister of COMMERCE be pleased to state :

(a) whether State Trading Corporation have taken over successfully sale and purchase of imported cars and making huge profits; and

(b) whether in view of the above, State Trading Corporation propose to take up sale and purchase of indigenous cars where middlemen are making huge profits now?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) As per directive of the Government STC is buying imported cars from the foreign Diplomatic Mission and the United Nations and its Specialised Agencies. STC sells some cars at a profit and some cars at a loss. However, STC makes an overall profit.

(b) No, Sir.

[Translation]

Income tax receipts

52. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) The amount of revenue received as income tax during the past six months and whether this receipt is incommensurate with the targets fixed in this regard;

(b) the reasons therefore; and

(c) the steps being taken in this connection ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI

JANARDHANA POOJARY) : (a) The latest figure of collection (provisional) of Income-tax (including Corporation Tax) is available upto 31st January, 1986. Upto January, 1986 the collections of the Income-tax (including Corporation Tax) were Rs. 3626.83 crores as against the Budget Estimates of Rs. 4816 crores. The collection upto January represents about 75.30% of the Budget Estimates. The collections cannot, therefore, be considered to be incommensurate with the Budget Estimates in this regard.

(b) and (c) Does not arise.

[*English*]

Increase in money supply

53. SHRI CHINTAMANI PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that money supply in the country went up from Rs. 10,958 crores in March 1971 to Rs. 85,897 crores in March, 1984;

(b) if so, whether the Reserve Bank has brought this to the notice of Government;

(c) whether the money supply has increased further during March, 1984, March, 1986; and

(d) if so, to what extent ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) Money supply (M3) in the country increased from Rs. 10,958 crores in March, 1971 to Rs. 85,899 crores in March, 1984 data relate to last Friday of March of respective years.

(b) The data on money supply are compiled by the RBI and made available to the Government, and also to the public.

(c) and (d). Money supply (M3) increased further to Rs. 101,815 crores in March, 1985 (last Friday of March) and Rs. 116,487, crores as on January 17, 1986.

Measures to check evasion of excise duty

54. SHRI MAHENDRA SINGH : Will

the Minister of FINANCE be pleased to state :

(a) whether any assessment has lately been made about the amount of excise duty payments evaded in the country per year and the latest arrears of excise duty payment;

(b) if so, whether any scheme for quick recovery of excise duty dues and for disclosures of excise duties evaded has lately been evolved; and

(c) the details thereof and the steps taken in pursuance thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The amount of arrears of central excise duty pending realisation as on the 31st December, 1985 is approximately Rs. 637 crores. Lately, no assessment has been made about the amount of excise duty payments evaded per year.

(b) and (c). The realisation of arrears of revenue is an on-going function and such measures aimed at realising the arrears as are considered necessary from time to time, continue to be taken. These measures include steps to expedite the finalisation of the cases of disputed demands, approaching competent appellate authorities/courts where recoveries had been stayed for vacating the stays and enforcing the demands through persuasive action in cases where the demands are not stayed.

No scheme for disclosure of excise duties evaded is being formulated.

Problems of Regional Rural Banks and their employees

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

(a) whether Government are aware of the problems of the Regional Rural Banks and of their employees;

(b) if so, the details thereof; and

(c) the steps taken by Government to solve the problems?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (c). The various aspects of functioning of Regional Rural Banks including their problems and the problems of their employees are reviewed by NABARD/Government. The various aspects of functioning of Regional Rural Banks is overseen by a Steering Committee headed by Chairman of NABARD.

The main problems being faced by Regional Rural Banks relate to industrial relations, attainment of viability, recruitment and manpower planning, development etc.

A number of steps have been taken by Government to solve the problems faced by RRBs and their employees. These include setting up of separate state level forums under the convenorship of NABARD to discuss exclusively the problems and grievances of Regional Rural Bank staff. The recruitment of staff in Regional Rural Banks has also been entrusted to Banking Service Recruitment Boards in order to streamline the process. With a view to suggest suitable changes in the structure planning and operational strategies of Regional Rural Banks,

Government have set up a Working Group under the Chairmanship of Additional Secretary (Banking).

Increase in prices of wheat, sugar and rice in public distribution system

56. SHRI AMAR ROYPRADHAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) whether it is a fact that prices of wheat, sugar and rice have been constantly increasing in the public distribution system in the past five years; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b). A statement giving the Central issue prices of foodgrains and retail issue prices of levy sugar during the last five years is attached.

The Central issue prices of wheat and rice for the public distribution system have been revised from time to time consequent upon increases in procurement prices. The increases in the retail levy sugar prices became necessary as a result of increases in the all-India average ex-factory prices fixed by the Government from year to year.

Statement

Statement showing the Central issue prices of rice and wheat and the retail issue prices of sugar over the past 5 years

Effective from	Common	Rice/Rs. per quintal	
		Fine	Superfine
1	2	3	4
1.1.1981	165.00	177.00	192.00
1.10.1981	175.00	187.00	202.00
1.10.1982	188.00	200.00	215.00
16.1.1984	208.00	220.00	235.00
10.10.85	217.00	229.00	244.00
1.2.86	231.00	243.00	258.00

Wheat

1.4.1981	(i) 145.00 for public distribution. (ii) 155.00 for roller flour mills.
1.8.1982	(i) 160.00 for public distribution. (ii) 185.00 for roller flour mills.
15.4.1983	(i) 172.00 for public distribution. (ii) 208.00 for roller flour mills.
10.8.84	(i) 172.00 for roller flour mills.
1.2.86	(i) 190.00 for public distribution. and roller flour mills.
1.4.86	(i) 220.00 for roller flour mills.

Sugar/Rs. per Kg.

1.12.1980	3.50
15.11.81	3.65
1.12.82	3.75
1.2.84	4.00
1.4.85	4.40
1.12.85	4.82

[Translation]**Sick textiles mills**

57. SHRI KALI PRASAD PANDEY :
Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to take over the management of nearly 22 more sick textile mills before the commencement of the next financial year and if not, the difficulty being faced in this regard;

(b) the financial position of 102 textile mills taken over previously; and

(c) the names of mills out of them which are earning profits and the names of those which are running into loss ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir. As per Textile Policy takeover by the Govern-

ment of sick units does not provide solution to the problems of sickness and the Government would not, as a rule, intervene in such cases

(b) There are 103 nationalised textile mills under NTC. Out of these 103 mills, 101 mills are in operation. During the current financial year (April-November, 1985) these 101 mills incurred gross losses amounting to Rs. 24.83 crores.

(c) A statement showing the names of mills which earned gross profits and mills which incurred gross losses, during the period April November, 1985 is attached.

Statement

Names of the mills which earned gross profits during the period April to November, 1985

NTC (MP) Limited

1. New Bhopal Textile Mills, Bhopal.
2. Burhanpur Tapti Mills, Burhanpur.

3. Bengal Nagpur Cotton Mills, Rajnandgaon.
4. Kalyanmal Mills, Indore.

NTC (SM) Limited

5. Barshi Textile Mills, Barshi.
6. Bharat Textile Mills, Bombay.
7. Digvijay Textile Mills, Bombay.
8. Aurangabad Textile Mills, Aurangabad
9. Chalisgaon Textile Mills, Chalisgaon.
10. Dhule Textile Mills, Dhule.
11. Nanded Textile Mills, Nanded.

NTC (MN) Limited

12. Model Mills, Nagpur.
13. R.R.B.A. Spg. & Wvg. Mills, Hinganghat.
14. Savatram Ramprasad Mills, Akola

NTC (Gujarat) Limited

15. Himadri Textile Mills, Ahmedabad.

NTC (APKK & M) Limited

16. Netha Spg. Mills, Elchiguda.
17. Tirupathi Cotton Mills, Renigunta.
18. Shri Yallamma Cotton, Woollen & Silk Mills, Lavanagar.
19. Kerla Laxmi Mills, Trichur.
20. Vijaymohini Mills, Trivandrum.
21. Cannanore Spg. & Wvg. Mills, Mahe.
22. Adoni Cotton Mills, Adoni.
23. Allagappa Textile (Cochin) Mills, Allagappa.
24. Parvathi Mills, Quilon.

NTC (TN & P) Limited

25. Om Parasakthi Mills, Coimbatore.
26. Cambodia Mills, Coimbatore.
27. Krishnaveni Textile Mills, Coimbatore.
28. Sri Rangavilas Gns. Spg. Wvg. Mills, Coimbatore.
29. Pankaja Mills, Coimbatore.
30. Pioneer Spinners, Ramnad.
31. Balaramavarma Textiles, Tirunelveli.
32. Kaleeswarar Mills 'B' Unit, Ramnad.
33. Coimbatore Murugan Mills, Coimbatore.
34. Somasundaram Mills, Coimbatore.

35. Coimbatore Spg. Wvg. Mills, Coimbatore.
36. Sri Sarada Mills, Coimbatore.
37. Sri Bharati Mills, Pondicherry.

Names of the mills which incurred gross losses during the period April to November, 1985

NTC (DPR) Ltd.

1. Dayalbag Spg. & Wvg. Mills, Amritsar.
2. Suraj Textile Mills, Malout, Punjab.
3. Shri Bijay Cotton Mills, Bijainagar.
4. Kharar Textile Mills, Kharar.
5. Ajudhia Textile Mills, Delhi.
6. Mahalaxmi Mills, Beawar.
7. Edward Mills, Beaware.
8. Panipat Woollen Mills, Kharar.

NTC (MP) Ltd.

9. Hira Mills, Ujjain.
10. Swadeshi Cotton & Floor Mills, Ujjain.
11. Indore Malwa United Mills, Indore.

NTC (UP) Ltd.

12. Shri Vikram Cotton Mills, Lucknow.
13. Bijli Cotton Mills, Hathras.
14. Muir Mills, Kanpur.
15. New Victoria Mills, Kanpur.
16. Lord Krishna Textile Mills Saharanpur

NTC (SM) Ltd.

17. Apollo Textile Mills, Bombay.
18. Jupiter Textile Mills, Bombay.
19. New Hind Textile Mills, Bombay.
20. Mumbai Textile Mills. Bombay.

NTC (MN) Ltd.

21. India United Mills, No. 1, Bombay.
22. India United Mills, No. 2, Bombay.
23. &
24. India United Mills, No. 3&4, Bombay.
25. India United Mills, No. 5, Bombay.
26. India United Mills Dye Works, Bombay.
27. R.S.R.G. Gopaldas Mohta Spg. Wvg. Mills, Akola.

28. Vidarbha Mills (Berar), Achalpur.

NTC (GUJ) Ltd.

29. Rajkot Textile Mills, Rajkot.

30. Mahalaxmi Textile Mills, Bhavnagar.

31. Petlad Textile Mills, Petlad.

32. Ahmedabad New Textile Mills, Ahmedabad.

33. Ahmedabad Jupiter Textile Mills, Ahmedabad.

34. &

35. Jahangir Textile Mills, Ahmedabad.

36. Rajnagar Textile Mills 1/2, Ahmedabad

37. Viramgam Textile Mills, Viramgam.

38. New Manekchowk Textile Mills, Ahmedabad.

NTC (APKK&M) Ltd.

39. Natraj Spg. & Wvg. Mills, Adilabad.

40. Anantpur Cotton Mills, Tadapatri.

41. Connanore Spg. Wvg. Mills, Cannanore.

42. Mysore Spg. & Mfg. Mills, Bangalore.

43. Minerva Mills, Bangalore.

44. Mahboob Shahi Kulburga Mills, Gulbarga.

45. Azam Jahi Mills, Warangal.

NTC (TN&P) Ltd.

46. Keleeswarar Mills 'A' units, Coimbatore.

47. Bengal Textile Mills, Cossimbazar.

NTC (WBABO) Ltd.

48. Arati Cotton Mills, Dasnagar.

49. Bengal Fine Spg. Wvg. Mills No. 2, Kataganj.

50. Kanoria Industries (Cotton Mills), Konnagar.

51. Sodepur Cotton Mills, Sodepur.

52. Associated Industries (Assam) Chandpur.

53. Bihar Co-op. Wvg. Mills, Mokameh.

54. Orissa Cotton Mills, Cuttack.

55. Central Cotton Mills, Howrah.

56. Bengal Fine Spg. Wvg. Mills No. 1 Konnagar.

57. Bengal Luxmi Cotton Mills, Serampore

58. Shree Mahalaxmi Mills, Palta.

59. Rampooria Cotton Mills, Serampore.

60. Laxmi Narayan Cotton Mills' Rishra.

61. Bangasari Cotton Mills, Sodepore.

62. Jyoti Weaving Factory, Patipukar.

63. Gaya Cotton Mills, Gaya.

64. Manindra Mills. Cossimbazar.

Repayment of Major International monetary fund loans

58. SHRI K. P. UNNIKRISHNAN : Will the Minister of FINANCE be pleased to state :

(a) the schedule of re-payment for the major International Monetary Fund loans taken since 1980;

(b) dates on which these loans have to be repaid during the next five years; and

(c) the amount to be repaid in the fiscal year 1986-87 and its due date ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Statement-I is attached.

(b) and (c). Statement-II is attached

Statement—I

(In SDR Million)

Year	Amount of Repayments due under			Total
	Compensatory Financing Facility (CFF)	Extended Fund Facility (EFF)	Trust Fund	
1983-84	66.50	—	—	66.50
1984-85	133.00	—	—	133.00
1985-86	66.50	131.25	52.546	250.296
1986-87	—	431.25	105.092	536.342
1987-88	—	704.16	105.092	809.252
1988-89	—	804.13	105.092	909.222
1989-90	—	681.21	105.092	786.302
1990-91	—	468.71	56.095	524.805
1991-92	—	337.46	—	337.46
1992-93	—	237.46	—	237.46
1993-94	—	96.00	—	96.00
1994-95	—	8.37	—	8.37
Grand Total	266.00	3900.00	529.009	4695 009

Note : Current rate of exchange is SDR 1=Rs. 13.5618.

Statement—II

*Due dates of repayments of IMF Loans
during five years from
1986-87 to 1990-91*

(In SDR million)

Due Date	Amount to be repaid	1	2
		1	2
1986-87			
22.4.86	18.75	13.1.87	62.50
3.5.86	18.75	14.1.87	12.50
29.5.86	20.50	22.1.87	18.75
6.6.86	18.75	6.2.87	25.00
13.7.86	37.50	14.2.87	52.546

1	2	1	2
23.2.87	37.50	30.4.88	20.83
	-----	3.5.88	31.25
Total	536.342	6.5.88	12.50
	-----	15.5.88	31.25
		29.5.88	12.50
1987-88		6.6.88	18.75
22.4.87	31.25	13.7.88	62.50
30.4.87	12.50	14.7.88	12.50
3.5.87	31.25	22.7.88	18.75
15.5.87	18.75	31.7.88	58.32
29.5.87	12.50	6.8.88	25.00
6.6.87	18.75	14.8.88	52.546
13.7.87	62.50	23.8.88	62.50
14.7.87	12.50	20.10.88	12.50
22.7.87	18.75	22.10.88	18.75
31.7.87	25.00	29.10.88	8.33
6.8.87	25.00	30.10.88	20.83
14.8.87	52.546	3.11.88	31.25
23.8.87	62.50	6.11.88	12.50
20.10.87	12.50	15.11.88	31.25
22.10.87	18.75	29.11.88	31.25
30.10.87	12.50	13.1.89	62.50
3.11.87	31.25	14.1.89	31.25
6.11.87	12.50	31.1.89	58.32
15.11.87	31.25	6.2.89	25.00
29.11.87	12.50	14.2.89	52.546
6.12.87	18.75	23.2.89	62.50
13.1.88	62.50		-----
14.1.88	12.50	Total	909.222
22.1.88	18.75		-----
31.1.88	41.66		
6.2.88	25.00	1989-90	
14.2.88	52.546	20.4.89	31.25
23.2.88	62.50	29.4.89	8.33
	-----	30.4.89	20.83
Total	809.252	3.5.89	31.25
	-----	6.5.89	12.50
		15.5.89	31.25
1988-89		29.5.89	12.50
20.4.88	12.50	13.7.89	62.50
22.4.88	18.75	14.7.89	12.50

1	2
31.7.89	58.32
6.8.89	25.00
14.8.89	52.546
23.8.89	62.50
20.10.89	12.50
29.10.89	8.33
30.10.89	20.83
3.11.89	31.25
6.11.89	12.50
15.11.89	31.25
29.11.89	12.50
13.1.90	25.00
14.1.90	12.50
31.1.90	83.32
6.2.90	25.00
14.2.90	52.546
23.2.90	62.50
<hr/>	
Total	786.302
<hr/>	

1990-91

20.4.90	12.50
29.4.90	8.33
30.4.90	20.83
3.5.90	12.50
6.5.90	12.50
15.5.90	31.25
29.5.90	12.50
13.7.90	25.00
14.7.90	12.50
31.7.90	83.32
14.8.90	56.095
23.8.90	25.00
20.10.90	12.50
29.10.90	8.33
30.10.90	20.83
3.11.90	12.50
6.11.90	12.50
15.11.90	12.50
29.11.90	12.50

1	2
13.1.91	25.00
14.1.91	12.50
30.1.91	58.32
23.2.91	25.00
<hr/>	
Total	524.805
<hr/>	

Note : Current rate of exchange is SDR
1 = Rs. 13.5618

[English]

**Indian businessmen losing contracts
in Africa and elsewhere**

**59. SHRI SATYENDRA NARAYAN
SINHA** : Will the Minister of COMMERCE
be pleased to state :

(a) whether the trade gap has continued
to widen in the first nine months of the
current financial year;

(b) if so, the steps taken to narrow this
gap;

(c) whether Government are aware of
Indian businessmen losing contracts in Africa
and elsewhere after reports of raids on their
houses by Enforcement authorities were
circulated in newspapers, and

(d) if so, the details thereof ?

**THE MINISTER OF COMMERCE
AND FOOD AND CIVIL SUPPLIES
(SHRI P. SHIV SHANKER)** : (a) and (b).
According to the provisional data available
for first six months of the current financial
year, India's balance of trade deficit was
Rs. 4124.00 crores as compared to a trade
deficit of Rs. 2290.58 crores during April-
September 1984.

Various steps like increasing and diversi-
fying the production making our exports
more competitive finding new markets for
our products, processing commodities for
higher value realisation, import substitution,

etc. are being taken to narrow the trade gap.

(c) No, Sir.
(d) Does not arise.

[*Translation*]

Increase in Indo-Soviet Trade

60. PROF. CHANDRA BHANU DEVI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that India's trade with the Soviet Union has been increasing substantially; and

(b) if so, the value of goods imported from the Soviet Union and the value of goods exported to the Soviet Union from India during the last three years ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). The value of goods imported from and exported to the Soviet Union from India during the last three years is given below :

Year	(Rs. in crores)		
	Imports from USSR	Exports from India	Total
1982-83	1413	1670	3083
1983-84	1659	1306	2965
1984-85 (Provisional)	1803	1655	3458

There was a slight decline in India's trade turnover with the Soviet Union in 1983-84 but the trade again picked up in 1984-85.

[*English*]

Reduction in basic duty on import of non-forging quality billets

***61. SHRI P. NAMGYAL :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that vide Customs, notification No. 213/85 dated 1 July 1985, duty on import of non-forging quality billets conforming to specification IS. 2830/1975 has been reduced to 15 per cent basic duty, if it is imported through the Minerals and Metals Trading Corporation (MMTC) of India which is the canalizing agency for import of the above stated billets; and

(b) if so, the reasons for not releasing on concessional basic (15 percent) of 2000 Metric tons of non-forging billets imported through MMTC by the J and K State small Scale Industrial Undertaking (SICOP) ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) By issue of notification No. 213/85-Cus. dated the 1st July, 1985, carbon steel billets other than forging quality billets and billets for seamless steel tubes ASTME-45, when imported for the manufacture of bars, rods or light structurals, have been exempted from basic customs duty in excess of 15% advalorem. No IS specification for non-forging quality billets has been indicated in the notification. Further, the exemption has not been restricted to imports by M. M. T. C. only.

(b) The goods imported by Jammu and Kashmir State Small Scale Industrial Undertaking through the port of Bombay have already been released under the aforesaid notification against a provisional duty bond pending test of sample.

Proposal to liberalise import of edible oil by vanaspati industry

***62. SHRI BRAJAMOHAN MOHANTY :** Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total quantity of edible oils imported during the year 1984-85 and contemplated to be imported in the year 1985-86;

(b) whether Government have any proposal to liberalise the imports of edible oils by the vanaspati industry.

(c) if not whether there is any proposal to supply them imported oils in spite of the

fact that they are now free to sell the Vanaspati without any price restriction on competitive basis; and

(d) whether any study has been conducted relating to the necessity of importing edible oils this year in the background of encouraging availability of such oil of indigenous origin ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) During the financial year 1984-85 State Trading Corporation imported 15.85 lakh MTs. and from April, 1985 to January, 1986 it imported 10.57 lakh M. Tonnes. The quantity to be imported is decided on the basis of a constant review of relevant factors such as prices, demand and availability of indigenous edible oils.

(b) No, Sir.

(c) Vanaspati industry is being supplied imported edible oil upto 30 per cent of its requirement at the normal rate of Rs. 11,500 PMT and 10 per cent at commercial rate of Rs. 13,000 PMT.

(d) Yes, Sir.

[Translation]

Registration of cases against persons for adulteration and wrong measurement in 1985

63. SHRI DILEEP SINGH BHURIA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the cases of adulteration and wrong measurement registered during the year 1985;

(b) the number of persons convicted and awarded punishment in this connection; and

(c) the steps being made by Government at present to prevent adulteration and wrong measurement ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b) The information is

being collected from the State Governments and Union Territories Administration, in charge of the enforcement of Prevention of Food Adulteration Act and Weight and Measures Act and will be laid on the Table of the House.

(c) The Central Government has advised the State Governments and Union Territories Administration to enforce vigorously the provisions of Prevention of Food Adulteration Act and Standards of Weights and Measures Act to prevent adulteration and wrong measurements. Besides, the Government has initiated measures for consumer education and development of voluntary consumer movement in the country.

[English]

Delay in sanctioning Loans by nationalised banks to Bhopal gas victims

64. SHRI PRATAP BHANU SHARMA: Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that a large number of applications for grant of loans to the Bhopal gas victims are still pending with various nationalised banks of Bhopal;

(b) whether recently the position was reviewed and all the nationalised banks gave assurance to expedite the sanction of the loans to Bhopal gas victims; and

(c) if so, the reasons still for continued delay in sanctioning the loans ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India has reported that as per the information furnished by 19 banks the number of applications pending for grant of loan to Bhopal Gas Victims was 1987 as on 15th January, 1986.

(b) and (c) As per the information furnished by Reserve Bank of India, 6335 applications were received from Bhopal Gas Victims and out of these 2741 applications have been sanctioned loan aggregating Rs.

139.58 lakhs and 1607 applications have been returned/rejected. The banks have been advised to sanction and disburse loans expeditiously and the progress is also being reviewed periodically.

Evasion of customs duties

65. SHRI RAM PYARE PANIKA : Will the Minister of FINANCE be pleased to state :

(a) the details of cases which came to light during 1985 involving huge amounts of evasion of customs duties;

(b) the estimated losses of revenues to the exchequer from those cases;

(c) whether there is a proposal to set up a separate body to deal expeditiously with the customs cases; and

(d) if so, the details of its constitution and when it will come into existence ?

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

(c) and (d) It is proposed to set up a Tribunal to decide Customs and Central Excise matters, including valuation disputes, to replace the existing jurisdiction of the High Courts in these matters. The details of its constitution and the date from which it will come into existence are yet to be finalised.

Raids on premises of drug peddlers and smugglers

66. SHRI MOHD. MAHFOOZ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that country-wide raids were conducted by Government under 'Operation Kal-Bhairav' on the premises of drug peddlers and smugglers in the country; and

(b) if so, the results achieved stating the number of arrests, if any, made in this connection, *the modus operandi* of the persons involved in the racket and their links within and outside the country and the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The one-day operation, code-named, 'KAL BHAIRAV' and conducted on 23.12.1985, covered 135 places in 11 States and 2 Union Territories. The following seizures were effected as a result of the operation :—

<i>Sl. No.</i>	<i>Name of drug</i>	<i>Quantity seized</i>
1.	Heroin/Brown Sugar	85.83 kg.
2.	Charas	59.13 kg.
3.	Opium	30.00 kg.
4.	Cocaine	4.20 kg.
5.	Ganja	15.70 metric tonne
6.	Mescaline	0.243 kg.
7.	Diazepam	10.500 capsules

The total number of persons arrested/detained, including those taken for interrogation, was 40.

As the searches were organised against the drug-traffickers and suspected storage and distribution points of drugs, their links within and outside the country could not be precisely established. However, the seizures clearly establish considerable increase in the smuggling of ganja across Indo-Nepal border.

The field formations remain vigilant in the matter. In addition, appropriate anti-smuggling measures are being taken in co-ordination with Central and State authorities concerned. The intelligence machinery has been geared up. Repeated co-ordinated operations like 'KAL BHAIRAV' will, no doubt, unearth the internal and foreign links of the drug traffickers in course of time.

**Nomination of SC and ST members
on the Board of Directors in
Nationalised Banks**

67. SHRI K. D. SULTANPURI : Will the Minister of FINANCE be pleased to state :

(a) the criteria for nomination of members on the Board of Directors in the Nationalised Banks;

(b) the names of the nationalised banks in which SC and ST members were nominated on the Board of Directors during the last three years;

(c) if the reply to part (b) be in the negative, the reasons therefore;

(d) whether there is any proposal to nominate at least one member belonging to SC and ST on the Board of Directors of Nationalised Banks; and

(e) if so, the reasons therefor ?

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

(b) and (c). SC/ST members were appointed for three year terms on the Boards of following nationalised banks durings January, 1982 to February, 1983;

1. Bank of Baroda
2. Bank of India
3. Punjab National Bank
4. Punjab and Sind Bank
5. Canara Bank
6. United Bank of India
7. Syndicate Bank
8. Dena Bank
9. Union Bank of India
10. Allahabad Bank

11. Indian Bank
12. Bank of Maharashtra
13. Corporation Bank
14. New Bank of India
15. Oriental Bank of Commerce
16. Andhra Bank
17. Vijaya Bank
18. Indian Overseas Bank

(d) and (e). While there is no statutory provision governing nationalised banks for reservation for SC/ST in the matter of appointment of directors on the Board of Directors, it has been Government's endeavour to appoint at least one person belonging to SC/ST on the Board of each of the nationalised banks.

Malpractices in import of rags

68. SHRI MOOLCHAND DABA : Will the Minister of TEXTILES be pleased to state :

(a) whether according to new policy, only premu-tilated rags would be allowed for imports and that too only by the actual users;

(b) if so, the loopholes in the earlier policy which necessitated issue of the new policy;

(c) in how many cases the imports of rags were misused during the last three years, giving yearly figures and action taken against then defaulters;

(d) the amount spent during the last three years towards imports of woollen rags giving yearly figures and name of country exporting; and

(e) the steps taken to reduce such imports ?

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

(b) and (c). The review of Import-Export Policy is a continuous process and corrective measures are taken wherever found

necessary to prevent misuse of its provisions. There were complaints that the imported woollen rags were finding their way to open market in unmutilated condition. Collector of Customs, Bombay, where majority of import of rags takes place, had carried out series of searches in 1984 resulting in the seizure of some quantities of unmutilated woollen rags which had been removed from port premises unauthorisedly.

(d) Import figures are available for the

period upto March, 1983, only. A statement showing the particulars of woollen rags during 1980-81, 1981-82 and 1982-83 upto March 1983 is annexed.

(e) Import of woollen rags is restricted to actual users (Industrial) and such importers are required to register their import contracts with Textile Commissioner, giving details about utilisation/disposal of the imported material in respect of all the contracts earlier registered.

Statement

Qty. in thousand kg. Value in Rs. Lakhs

Sl. No.	Description of Item/Country	1980-81		1981-82		1982-83	
		Quantity	Value	Quantity	Value	Quantity	Value
1. Woollen Rags							
	Australia	2110	98.72	2637	150.93	1660	96.26
	Belgium	2713	115.58	6281	267.42	8359	424.01
	Canada	749	35.65	490	23.71	819	58.07
	China Rep.	33	2.91	19	1.76	—	—
	China P. Rep.	25	1.07	51	4.82	—	—
	France	1101	61.94	346	17.82	232	11.48
	German F. Rep.	444	16.23	235	8.13	213	9.73
	Hong Kong	18	2.23	—	—	—	—
	Italy	16	2.31	—	—	—	—
	Japan	3008	94.20	3657	122.00	2964	98.00
	Netherlands	3084	121.68	481	24.26	703	32.55
	U. K.	29625	37.02	840	43.96	869	68.75
	U. S. A.	282	10.50	2309	115.09	3286	188.32
	New Zealand	79	3.03	322	14.19	363	29.32
	Afghanistan	8	0.33	—	—	—	—
	Others	—	—	41	1.70	38	3.24
Total		43296	683.40	17637	795.79	19505	1019.73

Development of tourist resorts

69. SHRI CHITTA MAHATA : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that a high level committee has been appointed to go into the further development of the tourist resorts in the country; and

(b) if so, the details thereof and the

allocation made to each tourist resort in the Seventh Five Year Plan ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). Development of tourist centres/resorts in the country is a continuous process. Allocation of funds for provision of tourism infrastructure is not made on region-wise or centre-wise basis but keeping in view specific requirements of a particular project/scheme. A Tourism Advisory Board has been set up by the Government to consider and recommend measures for promotion and development of tourism in the country as a whole.

For the Seventh Five Year Plan, an allocation of Rs. 138.68 crores has been made in the Central Sector for Tourism. This comprises Rs. 68.68 crores for the Department of Tourism, Rs. 40.00 crores for the India Tourism Development Corporation and Rs. 30.00 crores for the Hotel Management and Catering Unit.

Tax collection by way of raids

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

- (a) whether the yield in tax receipts this year exceeded the last year's collection by Rs. 1000 crores;
- (b) the efforts being made to improve the tax collection during the remaining period of financial year;
- (c) the total number of raids conducted and the total amount involved in such raids; and
- (d) whether such raids will further increase during the next financial year ?

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

Increase in issue prices of rice and wheat in fair price shops

71. SHRIMATI KISHORI SINHA : Will the Minister of FOOD AND CIVIL

SUPPLIES be pleased to state :

- (a) whether the issue price of rice and wheat in the fair price shops has been raised in recent months;
- (b) if so, the details thereof;
- (c) whether this rise has any relation to the distribution costs of foodgrains;
- (d) if so, what is the comparative cost of storing and distributing rice and wheat in public and private sectors; and
- (e) whether there are any further plans to expand Fair Price Shop distribution system ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b). The Central issue prices of rice have been raised to Rs. 231/-, 243/-, and 258/- per quintal for the common, fine and superfine varieties, respectively, with effect from 1.2.86. With effect from the same date, the Central issue price of wheat has been raised to Rs. 190/- per quintal. Rice and wheat are issued at these prices, from the Central Pool to the State Governments and U. T. Administrations for sale through the public distribution system. The prices in the fair price shops include distribution costs of the State Government and U. T. Administrations and their subsidies, if any, and very from State to State and, sometimes, even from region to region in the same State.

(c) The rise in the Central issue prices is not related to the distribution costs of foodgrains.

(d) Does not arise.

(e) All the State Governments and Union Territory Administrations have been advised, from time to time, to strengthen the public distribution system by opening more fair price shops to provide easy physical access of essential commodities to consumers, particularly, in rural, tribal, remote and far-flung areas.

Investment of LIC funds

72. SHRI C. MADHAV REDDI : Will the Minister of FINANCE be pleased to state :

(a) the guidelines laid down for the Life Insurance Corporation of India regarding investment of its funds;

(b) whether it is a fact that Life Insurance Corporation of India is required to invest 75 per cent of its funds as per Government stipulatives and not with a view to earning maximum returns for the policy-holders; and

(c) if so, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Section 27A (1) of the Insurance Act, 1938, as applied to LIC envisages the following pattern of investment by LIC

Percentage of Accretion to the Controlled Fund to be invested every year	
1. In Central Government Securities not being less than	25%
2. In Central Government and State Government Securities including Government guaranteed marketable securities and including (1) above being not less than	50%
3. In socially oriented sector including public sector, co-operative sector, house building by policyholders, OYH schemes and including (2) above being not less than	75%

The above had kept in view inter alia the recommendations in this regard of an Informal Group constituted in 1970 under the Chairmanship of the then Governor, Reserve Bank of India.

Government have, however, exempted the accretions to the Controlled Fund relating to Group Schemes Fund and Individual Annuity Fund from the above provisions of Section 27A (1) of the Insurance Act and allowed a different pattern of investment to ensure better yield and return to policy-holders :

1. In Central Government Securities not less than	15%
2. In State Government Securities and Securities guaranteed by the Central/State Governments not less than	15%
3. In Central Government deposits schemes not less than	35%
4. In debentures and loans to public sector companies not more than	35%

Liberalisation of norms for Bank advances against shares

73. SHRI GURUDAS KAMAT : Will the Minister of FINANCE be pleased to state :

(a) whether a proposal to liberalise the norms for bank advances against shares has been received by Government recently; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) : (a) The Government has not received any proposal from Reserve Bank of India for liberalising the norms for bank advances against shares.

(b) Does not arise.

Rise in prices of consumer goods

74. SHRI AKHTAR HASAN : Will the Minister of FINANCE be pleased to state :

(a) whether rate of inflation went down by 1.1 per cent as on 1 December, 1985 as compared to the position on 1 December, 1984;

(b) whether it is a fact that the prices of consumer goods in the market kept on rising during this period affecting the common people adversely; and

(c) if so, Government's reaction in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The annual rate of inflation on week ended 30th November, 1985 was 5.5 per cent, which is 0.9 per cent lower than the rate of 6.4 per cent on 1st December, 1984. Between 1st December, 1984 and 30th November, 1985, prices of certain consumer goods declined e.g. condiments and spices, tea, mustard oil, coconut oil, salt, soap etc.) while prices of rice, wheat, pulses, fruits and vegetables, eggs, fish and meat, sugar, khandsari and gur registered increases.

Government has been closely watching the price situation and has taken a number of steps for effective supply and demand management including strengthening of the public distribution system, enforcement of fiscal discipline and keeping the aggregate liquidity in the system under control.

Reduction in excise duty on Snuff

75. SHRI V. SOBHANADREESWARA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether a large percentage of persons who consume snuff, are poorer sections of society;

(b) whether Government have received representation for abolition of differential slabs of excise duty and reduce the rate of excise duty on snuff for the benefit of poor consumers; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). In a representation received from the Madras State Snuff and Tobacco Merchants Association it has been stated that the incidence of central excise duty on snuff, which is used mostly by poor people, is very heavy. It has been requested that the differential slabs for the purpose of levy of central excise duty on snuff may be abolished and the rate of duty may be reduced.

(c) The matter is under examination.

Import of banned items by marine products exporters

76. SHRI V. S. KRISHNA IYER :
PROF. K. V. THOMAS :

Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that scores of marine products exporters are reported to be found indulging in importing banned items like ivory boards, etc. from Japan for the manufacture of cartons for packaging export cargo under cover of Duty Exemption Entitlement Certificate (DEEC); and

(b) if so, the measures Government have taken to stop import of banned items ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Under the current Import Policy for the grant of Duty Exemption Entitlement Certificates, import of 'ivory board' is not permitted as a packing material to the exporters of marine products.

Customs authorities are investigating into the allegation of violation of DEEC's conditions, by Marine product exporters. Action under the Import and Export (Control) and Customs Acts would follow if these violations are established.

[*Translation*]

Maharashtra Savings Group

77. SHRI KAMLA PRASAD RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the number of the branches of Maharashtra Saving Group functioning throughout India and the number of those already closed down;

(b) if so, the amount lying deposited in the branches which have been closed down and where is that amount at present;

(c) whether Government are aware of the allegations against the management of the Maharashtra Savings Group for manipulating crores of rupees of the public; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India has reported that M/s Maharashtra Savings, having its Head Office at Bombay and Administrative Office at New Delhi, is a proprietary concern of Shri Ashok Thapar. Information relating to the number of branches of Maharashtra Savings which have closed down or the amount lying with them is not readily available.

(c) Complaints have been received alleging non-payment of deposits by M/s. Maharashtra Savings.

(d) in accordance with the provisions of Chapter III-C of the Reserve Bank of India Act, 1934, which regulates acceptance of deposits by unincorporated bodies, it is for the State Government concerned to create the necessary machinery to enforce the provisions of the Act. Reserve Bank of India have therefore passed on the complaints received against M/s Maharashtra Savings to Government of Maharashtra for necessary action.

The provisions of the Chapter III-C of the Reserve Bank of India Act, 1934 was

challenged by Shri Ashok Thapar by filing a writ petition in the High Court of Delhi. This petition was dismissed by the High Court of Delhi in December, 1985. Shri Ashok Thapar has thereafter filed an appeal in the Supreme Court against the judgement of High Court of Delhi and the matter is sub-judice.

[*English*]

Withdrawal of 'Chhoti Bachat Scheme' by Punjab and Sind Bank

78. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Punjab and Sind Bank has withdrawn the "Chhoti Bachat Scheme" which was introduced in 1976; and

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

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to the information furnished by the Punjab and Sind Bank, the scheme of Chhoti Bachat, introduced in March, 1978 was withdrawn with effect from 1st January, 1986.

(b) The bank has reported that in view of certain difficulties namely, non-viability of the scheme, substantial cost of stationery used, small collection against large quantum of work, chances of misappropriation, reported frauds and delay in tallying accounts etc., experienced in its functioning, the bank has decided to wind it up.

Increase in quota of imported edible oil to be supplied to Andhra Pradesh

79. SHRI V. TULSIRAM : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the quantity and quality of edible imported oils to be made available during the month of February, 1986 for each State;

(b) whether the quota of imported oil fixed for Andhra Pradesh is far less than the other States;

(c) if so, the reasons for the same; and

(d) the steps being taken to increase the quota of imported edible oil to be supplied to Andhra Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) A statement in respect of the quantity and quality of imported edible oils allocated during the month of February, 1986 for each State is attached.

(b) to (d). The Central Government has been making the allocation of imported edible oils under Public Distribution System

to States/Union Territories on month to month basis taking into consideration the realistic assessment of the demand, price and availability of indigenous edible oils within the State/Region, availability of stock with State Trading Corporation and other factors like pace of lifting of oils allocated earlier. Moreover, the allocation of imported edible oils to States under Public Distribution System is only of a supplementary nature and it is not intended to meet the entire demand of any particular State. Andhra Pradesh is one of the oil producing States. The period from November to March is a flush season when availability of indigenous edible oils is comparatively better as compared to other months. The allocation made to Andhra Pradesh is considered adequate at present. Hence the question of fixing the quota for Andhra Pradesh for less than other States does not arise.

Statement

(Quantity in M. Tonnes)

Sl. No.	Name of the State/ Union Territories	Palmolein	Palm oil	Rapeseed oil	Soyabean oil	Total
1	2	3	4	5	6	
1. Andhra Pradesh	500	...	...	...	5000	
2. Assam	...	...	200	...	200	
3. Bihar	...	400	...	...	400	
4. Gujarat	7500	...	...	...	7500	
5. Haryana	...	400	...	...	400	
6. Himachal Pradesh	...	400	300	...	700	
7. Jammu & Kashmir	...	...	325	...	325	
8. Karnataka	2000	...	...	...	2000	
9. Kerala	2000	...	...	...	2000	
10. Madhya Pradesh	200	...	...	800	1000	
11. Maharashtra	7700	...	...	...	7700	
12. Manipur	...	100	300	...	400	
13. Meghalaya	...	75	200	...	275	
14. Nagaland	...	80	80	...	100	
15. Orissa	700	...	...	...	700	
16. Punjab	...	1000	...	...	1000	

1	2	3	4	5	6
17. Rajasthan	...	200	50	...	250
18. Sikkim	...	50	100	...	150
19. Tamil Nadu	3600	...	...	...	3600
20. Tripura	...	60	100	...	160
21. Uttar Pradesh	...	700	...	...	700
22. West Bengal	...	...	6000	...	6000
23. Andaman & Nicobar Islands...	...	...	15	...	15
24. Arunachal Pradesh	...	...	30	...	30
25. Chandigarh	...	50	...	...	50
26. Dadra & Nagar Haveli	35	...	...	...	35
27. Delhi	...	500	500	...	1000
28. Goa, Daman & Diu	300	...	...	...	300
29. Lakshadweep	15	...	...	...	15
30. Mizoram	...	...	190	...	190
31. Pondicherry	240	...	...	...	240
Total :	29290	4015	8390	800	42495

Expansion programme for modern food (India) industries at Cochin

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

(a) whether production of breads, buns and other materials at Modern Food (India) Industries, Cochin Unit reached its target;

(b) whether there is any difficulty in selling the products of the Modern Food (India) Industries at Cochin;

(c) whether third line will be started to increase the production at Cochin; and

(d) the details of the expansion programmes chalked out for the Modern Food Industries at Cochin ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The production at the Cochin unit of Modern Food Industries (India)

Limited was 98.8 per cent of the target and the utilisation of the installed capacity 91.1 per cent during April to December, 1985.

(b) Government of Kerala has stopped taking bread for its nutrition feeding programmes and this has created some difficulty in utilising the installed capacity.

(c) A third line has been set up as a stand-by line.

(d) There is no proposal for expansion of the capacity at present.

[Translation]

Setting up of spinning mill in Ballia district of U. P.

81. SHRI JAGANNATH CHOURDHARY : Will the Minister of TEXTILES be pleased to state :

(a) whether Government have set up a spinning mill in Ballia district in Uttar Pradesh;

(b) if so, when it was set up and the target date fixed for its commissioning; and

(c) the annual production capacity fixed for this spinning mill ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) No, Sir.

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

[English]

Construction of hotels and tourist lodges

82. DR. SUDHIR ROY : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government propose to spend more money on building hotels and tourist lodges, as far every single bed in Northern India, the Western Region has 0.74 bed, the Southern Region 0.70 bed and the Eastern and North Eastern Region 0.28 bed; and

(b) whether such imbalance is conducive to tourist trade in a multi-destination country like India ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). The creation of hotel capacity in the country does not depend entirely on tourist trade but on several other factors such as commercial traffic, private sector initiative and availability of accommodation other than hotels. Central Government considers all regions as important tourist destinations and is engaged in constant efforts to create accommodation in tourist centres spread over the country in collaboration with the State Governments and is also encouraging private sector to build additional hotel capacity at the centres. Under the Seventh Five Year Plan, Government resources will be primarily spent on creation of accommodation for budget tourists and not on luxury hotels. In locating budget hotels in the public sector and approving the hotel projects in the private sector, all factors including regional availability will be kept in view.

Effects of differential excise duties on powerloom sector

83. SHRI VIJAY N. PATIL : Will the Minister of TEXTILES be pleased to state :

(a) what factors had the Government in its new textile policy to abolish differential excise duties between powerlooms and composite mill sectors;

(b) whether the new textile policy based on differential excise duties would not hit this tiny sector of powerlooms;

(c) if so, whether Government propose to reconsider the matter and not equate powerloom sector with the gigantic mill sector in regard to excise duties; and

(d) if not, the reasons thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) The changes in excise duty were made in March 1985. There was thus no differential in excise duties between the decentralised and composite mill sectors, at the time when the Textile Policy was announced in June 1985.

(b) Textile Policy does not envisage differential excise duties.

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

Nomination of M.Ps. to delegation visiting abroad

84. SHRI BHATTAM SRIRAMAMURTY : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number of Members of Parliament from each party included in any or all Government delegations which visited other countries during the last 12 months; and

(b) the names of such countries and of the Members of Parliament alongwith their party affiliation in these delegations and duration for which they toured abroad ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI

H. K. L. BHAGAT) : (a) and (b). The information is being collected and will be laid on the Table of the Lok Sabha.

Storage capacity of FCI for preservation of foodgrain stocks

85. SHRI HUSSAIN DALWAI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the total storage capacity available with Food Corporation of India to preserve the foodgrain stocks procured by it;

(b) the total quantum of foodgrains annually procured by the Food Corporation of India; and

(c) the arrangements made to preserve the surplus foodgrains stocks available with the Food Corporation of India ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The covered storage capability available with the Food Corporation of India, owned and hired, was 209.06 lakh tonnes as on 31.12.85.

(b) A statement is attached.

(c) The foodgrain stocks are subjected to regular inspection and insecticide treatment by well-trained quality control staff at each depot. Where, on account of acute paucity of covered storage, wheat and paddy have to be kept temporarily under CAP (Cover and plinth) storage, it is ensured that such storage is built and maintained along scientifically approved lines.

Statement

Quantum of foodgrains procured by the Food Corporation of India

Marketing Season	Foodgrains procured
1984-85	Wheat : 78.71 lakh tonnes Rice : 87.71 lakh tonnes
1985-86 (upto 17.2.86)	Wheat : 71.36 lakh tonnes Rice : 62.70 lakh tonnes

Note : (1) The figures are provisional.

(2) The rice figures include paddy in terms of rice.

(3) The quantities procured include quantities taken over from State Governments and their agencies.

Performance of Gramin Banks vis-a-vis disbursement of loans

86. SHRI VIRDHI CHANDER JAIN : Will the Minister of FINANCE pleased to state :

(a) the performance of Gramin Banks in relation to the disbursement of loans in different parts of the country;

(b) the performance of Rajasthan Gramin Banks especially Thar Gramin Aanchlik Bank and Jaipur-Nagaur Gramin Bank regarding the opening of branches disbursement of loans and local employment;

(c) the criteria adopted regarding the composition of Directors in these Gramin Banks; and

(d) whether it is a fact that these Gramin Banks have no non-official Directors on their Board ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The total outstanding advances by 183 Regional Rural Banks as at the end of June 1985 stood at Rs. 1188.35 crores. The State-wise break up is set out in the attached Statement-I.

(b) The performance of Gramin Banks functioning in Rajasthan including Thar Aanchalik Gramin Bank and Jaipur-Nagaur Gramin Bank is indicated in the attached Statement-II.

(c) The Boards of Directors of Regional Rural Banks including those functioning in Rajasthan have been constituted in accordance with the provisions of Section 9 of Regional Rural Bank Act, 1976.

(d) The Government have appointed non-official directors on the Board of Directors of eleven Regional Rural Banks in Rajasthan.

Statement-I

Sl. No.	Name of the State/ Union Territory	Number of RRBs	Outstanding Advances as on 30.6.1985 (Rs. in lakhs)
1.	Andhra Pradesh	14	13295
2.	Assam	5	1970
3.	Bihar	22	15469
4.	Gujarat	9	964
5.	Haryana	4	2759
6.	Himachal Pradesh	1	961
7.	Jammu & Kashmir	3	1151
8.	Karnataka	13	12316
9.	Kerala	2	6269
10.	Madhya Pradesh	22	8900
11.	Maharashtra	6	2434
12.	Manipur	1	55
13.	Meghalaya	1	125
14.	Nagaland	1	12
15.	Orissa	9	10583
16.	Punjab	3	269
17.	Rajasthan	14	7897
18.	Tamil Nadu	1	2755
19.	Tripura	1	1759
20.	Uttar Pradesh	38	22316
21.	West Bengal	9	6523
22.	Arunachal Pradesh	1	2
23.	Mizoram	1	51
Total :		183	118835

Statement-II

Performance of Regional Rural Banks in Rajasthan

(Amount in Rs. lakhs) (As on 30.6.85)

Sl. No.	Name of the RRBs	No. of branches	Advances (outstandings) Amount	No. of Staff
1.	Jaipur-Nagaur Aanchalik Gramin Bank	140	2139.66	397
2.	Marwar Gramin Bank	129	2705.18	537
3.	Shekhawai Gramin Bank	95	1165.97	325
4.	Marudhar Kshetriya Gramin Bank	59	649.06	207
5.	Alwar Bharatpur Aanchalik Gramin Bank	75	416.77	225
6.	Aravali Kshetriya Gramin Bank	58	239.65	158
7.	Hadoti Kshetriya Gramin Bank	109	185.90	249
8.	Mewar Aanchalik Gramin Bank	57	158.36	131
9.	Thar Aanchalik Gramin Bank	51	188.65	143
10.	Bundi-Chittorgarh Kshetriya Gramin Bank	46	10.66	146
11.	Bhilwara-Ajmer Kshetriya Gramin Bank	23	23.92	53
12.	Dungarpur-Banswara Kshetriya Gramin Bank	18	9.11	47
13.	Sri Ganganagar Kshetriya Gramin Bank	38	4.29	97
14.	Bikaner Kshetriya Gramin Bank	1	—	—
Total :		899	7897.18	2715

Sale of Foreign Goods in the Country

87. SHRIMATI D. K. BHANDARI : Will the Minister of FINANCE be pleased to state :

(a) whether it has come to the notice of Government that foreign goods are openly sold in markets of some of the cities, nicknamed as Hongkong markets;

(b) if so, the places where such markets exist; and

(c) the measures Government have taken to deal with this situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reports received by the Government and seizures made indicate that imported consumer goods are sold in some of the markets of metropolitan cities towns in the country. These markets are known under different names from place to place.

(c) In order to curb open display/sale of smuggled goods, the enforcement agencies of the Department remain vigilant to unearth sources of supply/storage of smuggled goods and conduct raids/searches on shops/stalls/vendors and hawkers dealing in smuggled goods. During the year 1985, 4862 searches/raids were conducted against open display and sale of smuggled goods and Rs. 2.63 crores worth of contraband goods were seized all over the country.

Promotion of Indian tea abroad

88. SHRIMATI MADHUREE SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that in the absence of professional marketing and sufficient promotion effort in foreign countries, the traditional buyers are not purchasing much Indian tea; and

(b) if so, the steps taken to increase exports of Indian tea in Western Europe, the Soviet Union and other countries ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Tea exports in the past four years have shown a consistent increase as can be seen from the figures given below :

Year	Qty. (M.Kgs)
1982	189.9
1983	208.5
1984	217.0
1985	222.4

USSR, UK, ARE, Iraq and Iran are some of the consuming countries who have been buying large quantities of Indian tea since past many years. Measures taken to increase exports include assistance for brand promotion and warehousing abroad as well as cash compensatory support on value-added teas. Tea Board also undertakes promotional campaign through its offices abroad.

Export of raw jute by Jute Corporation of India

89. SHRI SРИBALLAV PANIGRAHI : Will the Minister of TEXTILES be pleased to state :

(a) the efforts made by the Jute Corporation of India to explore the possibility of export of raw jute both to the Rupee Payment as well as General Currency area countries indicating the names of the countries;

(b) the details regarding the contract signed, if any, to foreign countries; and

(c) the details regarding the negotiations for further export contracts being made by Jute Corporation of India ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). The Jute Corporation of India has so far signed contracts for export of raw jute, both to rupee payment and free foreign exchange countries, as under :

Country	Qty. contracted (Approx. bales)	Approx. Value (Rs./ Crores.)
(A) Rupee Payment Area :		
(i) USSR	27,778	2.43
(ii) Poland	23,372	2.00
(B) Free Foreign Exchange Area*		
	7,575	0.48
	-----	-----
	58,725	4.91

* Export under free foreign exchange area is mainly limited to U. K.

(c) Efforts have been initiated to secure export orders both from rupee payment and free foreign exchange countries.

Export of Wheat

90. SHRI ANANTA PRASAD SETHI : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that wheat has been exported during 1984-85 and upto January, 1986; and

(b) if so, the names of the countries to which wheat was exported indicating the quantities of wheat exported and the per quintal rate ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) 32,412 MT wheat was exported during 1984-85. Export of wheat during 1985-86 up to January 1986 is estimated at 3,11,170 MT.

(b) Wheat has been exported as a gift to drought affected African countries and as commodity loan to Vietnam. Exports to USSR were at the then prevailing international prices.

Alleged evasion of excise Duty by Fedders Lloyd

91. SHRI DHARAMPAL SINGH
MALIK :
SHRI M. RAGHUMA REDDY :
SHRI SARFARAZ AHMAD :

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news item appearing in the Hindustan Times of 13 December, 1985 wherein it has been stated that a Delhi based Company "Fedders Lloyd" manufacturing refrigerators and airconditioners has been found evading excise duty of more than Rs. 23 crores;

(b) whether the company has also been found undervaluing their products; and

(b) if so, the action taken against the company ?

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

(b) and (c). On the basis of investigations, two show cause notices have been issued to the company for alleged contravention of Central Excise law, including under valuation.

Consultative Committee meeting for nationalised banks of Eastern Region

92. SHRI GADADHAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) the details of the decisions taken at the last meeting of the Consultative Committee for nationalised banks of the Eastern Region;

(b) how many of these decisions required follow-up action;

(c) whether follow-up action was taken. if so, the result achieved so far; and

(d) the improvement resulted as a result of the decisions taken at the last meeting ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The following decisions were taken at the Regional Consultative Committee meeting for nationalised banks of Eastern Region held at Calcutta on 4th November, 1985 :

(i) The banks should take all necessary steps to step up advances in the Eastern Region;

(ii) The Union Minister of State for Finance will monitor the progress of Branch Expansion in the Eastern Region.

(iii) The banks should formulate an active programme to step up Credit Deposit Ratio.

(iv) The State Government should extend their full cooperation in the matter pertaining to law and order for proper development of banking and to provide necessary security in the banks.

(b) to (d). The decisions taken at the meeting are under active follow-up of the concerned agencies but it is too early to expect any discernable results.

Building up of godown in Andaman Nicobar to facilitate adequate storage of food stuffs

93. SHRI HANNAN MOLLAH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government are aware of the problem of supply of food stuff in Andaman and Nicobar from the Mainland;

(b) whether Government propose to build up godowns in Andaman and Nicobar to facilitate adequate storage there; and

(c) if so, the steps Government propose to take in the matter ?

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

(b) and (c). The Food Corporation of India proposes to construct a godown at Port Blair. The Corporation has already approached the Andaman and Nicobar Administration for allotment of suitable land for this purpose.

Non-Payment of Income tax by film stars

94. SHRI HANNAN MOLLAH : Will the Minister of FINANCE be pleased to state :

(a) the number of film stars who failed to pay income tax last year and the amount of unpaid tax;

(b) the top twenty, in the list of defaulters and the amount due from them; and

(c) the action Government have taken against them and the results thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There were 54 film stars against whom income tax

dues exceeding Rs. one lakh were outstanding as on 31.8.1985. The dues outstanding against them amounted to Rs. 5.86 crores.

(b) The names of top twenty such film stars and the amount outstanding against them are given in the *annexed statement*.

(c) Appropriate steps, according to law, are taken to recover the demand outstanding against them. As a result, the demand of Rs. 4.86 crores outstanding as on 31.3.1985 stood reduced to Rs. 4.53 crores as on 30.9.1985 and out of this Rs. 0.85 crores were not enforceable.

Statement

Names of film stars	Income-tax demand outstanding as on 31.3.1985 (Rs. in lakhs)
1. Amjad Khan	53.43
2. Ranbir Kapoor	51.05
3. Hema Malini	45.47
4. Jitender Kapoor	35.48
5. Rekha Ganeshan	26.93
6. Rajesh Khanna	35.02
7. Kishore Kr. Ganguli	26.25
8. Shashi Raj Kapoor	25.44
9. Rama Rao N. T.	22.60
10. Ganeshan V.C.	19.57
11. Kalpana K.	18.73
12. Amar Nath Kapoor	16.57
13. Lakshmi Smt.	15.61
14. Randhir Raj Kapoor	15.25
15. Nasirkhan Sarvarkhan	15.07
16. Rajnikant R.	15.01
17. Rana B.C.	13.69
18. Vinod Mehra	12.35
19. G. M. Roshan	11.36
20. Tina Munim	11.36

Volume of India's export

95. SHRI HANNAN MOLLAH : Will the Minister of COMMERCE be pleased to

state the total volume of India's export in the following categories and the share of each State therein during the period 1980-85; (i) tea, (ii) Jute and Jute products, (iii) coal, (iv) iron ore, (v) marine products, (vi) fancy leather goods (genuine leather), (vii) shoe upper and shoe of genuine leather; (viii) hides and skins both raw and finished, (ix) natural silk yarn and natural silk cloth; and (x) betel leaves ?

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

P. SHIV SHANKER) : A Statement is attached.

Statement

The State-wise export statistics are not compiled. The volume figures of export in respect of product groups such as fancy leather goods (genuine leather), shoes of genuine leather, hides and skins both raw and finished, natural silk yarn and natural silk cloth are not available. However, the volume of India's export in respect of other product groups during 1980-85 is as under :

Sl. No.	Item	Unit of Quantity	1980-81	1981-82	1982-83	1983-84(P)	1984-85(P)
(i) Tea and mate	Mill. kg.	229.2	219.0	194.6	197.5	216.2	
(ii) Jute and Jute products (incl. twist and yarn).	Lakh. T	6.6	4.5	3.3	3.0	2.9	
(iii) Coal	000T	108.0	118.0	116.0	N.A.	N.A.	
(vi) Iron Ore	Mill.T	22.4	23.7	21.7	21.2	23.5	
(v) Marine products	000T	69.4	74.5	83.8	81.8	90.3	
(vi) Leather uppers	000 pairs	6939	10498	14507	N.A.	N.A.	
(vii) Betel leaves	000kg	435.0	574.0	740.0	N.A.	N.A.	

P : Provisional

N.A. : Not Available

Source : DGCI and S. Calcutta.

**Meeting of US backed business
International with the
Union Government**

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

(a) whether the US Backed Business International held a 3-day meeting with the representatives of the Union Government during January last for facilitating foreign investment in this country;

(b) if so, the subjects discussed at these meetings; and

(c) Government's reaction thereto ?

**THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) :** (a) to 'c).
Pacts are being ascertained and will be laid on the Table of the Lok Sabha.

Shortage of Coin

97. SHRI K. PRADHANI :
SHRI MOHANBHAI PATEL :
SHRI AMARSINH RATHAWA :

Will the Minister of FINANCE be pleased to state :

(a) whether he is aware that coin shortage still persists in the rural and tribal areas causing considerable inconvenience to the people living there; and

(b) if so, the steps Government propose to take to overcome this shortage and make available sufficient coins for use in the areas inhabited by comparatively poorer people?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Complaints have been received about shortage of coins from various parts of the country.

(b) To overcome the shortage of coins in every part of the country including rural and tribal areas, the Reserve Bank of India, which is responsible for distribution of coins, has strengthened its distribution machinery for coins. The R. B. I. have authorised the establishment of core Small Coin Depots and Currency Chests throughout the country. Branches of nationalised banks are also now collecting coins from the R. B. I. and distributing the same to the public in exchange of currency notes. In order to increase the supply of coins, it has been decided to import coins to supplement the local production. As on 8.2.1986, 1083.26 million pieces of coins have arrived from abroad and these are being distributed. Indigenous production of coins during the current financial year amounted to 1760.46 million pieces (as on 8.2.1986). The shortage pockets are being identified by RBI and supplies are arranged to those areas forthwith. The supply and distribution of coins is being regularly and effectively monitored by the Government. These steps have already started yielding results.

Policy for grant of licences for opening of new bank branches

98. PROF. NARAIN CHAND PARASHAR : Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India follows a policy of giving a fair share in the grant of licences for the opening of new branches to all such nationalised banks as have applied to the Reserve Bank of India after proper survey in Himachal Pradesh.

Punjab and Haryana, or gives a large chunk to the lead banks of the districts concerned;

(b) the number of licences granted for opening of new branches in each of the State to each one of the nationalised banks which had applied for this purpose to the Reserve Bank of India during 1983, 1984 and 1985;

(c) whether the nationalised banks which have got a meagre share so far in the allotment of licences are proposed to be given preference in the allotment over the period of the current branch licensing policy; and

(d) if not, the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India has reported that it is generally ensured that all banks get an equitable share in the overall expansion. RBI has also reported that in the command area of a Regional Rural Bank preference is given to the Regional Rural Bank and in other cases allotment to Public Sector Banks is made equitably on the basis of their representation in the district and lead responsibility. Allotment is also made wherever necessary to other Public Sector Banks.

Details of number of licences granted to the Public Sector Banks during the period April, 1982 to March, 1985, in the States of Himachal Pradesh, Punjab and Haryana are indicated, bankwise in the attached statement.

Statement

Name of the Bank	States		
	Himachal Pradesh	Punjab	Haryana
1	2	3	4
State Bank of India	17	18	15
State Bank of Patiala	4	32	9

1	2	3	4
Allahabad Bank	—	—	1
Bank of Baroda	—	1	—
Bank of India	—	6	—
Canara Bank	—	—	2
Central Bank of India	2	6	5
New Bank of India	1	7	7
Punjab National Bank	33	27	24
Syndicate Bank	—	—	8
Punjab & Sind Bank	—	29	2
Union Bank of India	—	7	2
United Commercial Bank	33	7	5
Indian Overseas Bank	—	—	1
Oriental Bank of Commerce	—	12	8
Total	90	152	89

Raising of bread price in Delhi

99. DR. B. L. SHAILESH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether the Delhi Administration has sought approval of his Ministry to raise the prices of bread in the capital;

(b) if so, by how much; and

(c) the date from which the new price will come into force ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). The revised prices of bread in Delhi have already been fixed by the Delhi Administration with the concurrence of the Central Government. They became effective from 7.2.1986. The prices before revision and after revision are indicated below :

		Prices before revision	Prices after revision
	400 gms. loaf	Rs. 1.35	Rs. 1.45
	800 gms. loaf	Rs. 2.65	Rs. 2.80

Misuse of advance licence facilities

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

(a) whether the Enforcement Wing of the Chief Controller of Exports and Imports during a recent inspection of some units in Gujarat detected large scale misuse of advance licence facilities as reported in the 'Financial Express' New Delhi of 15 January, 1986;

(b) if so the details of lacunae noticed; and

(c) the remedial measures being taken to plug the loopholes ?

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

(b) In the case of M/s. L. D. Textiles Industries, Ankleshwar, the firm has sold the imported material i.e. polyester staples fibre by mis-declaring the same as non-cellulosic synthetic waste in the open market. In the case of M/s. Universal Dye Stuff it has been detected that they had submitted forged export documents with forged enteries on the DEEC Book regarding export of synthetic detergent washing powder under the signatures

and stamp of Inspector of Customs, Tuna. Whereas no detergent powder was exported from Tuna by this firm as confirmed by the Dy. Collector of Customs, Kandla. Action has been initiated under the Imports and Exports (Control) Act and Import and Exports Control Order besides suspension/cancellation of the operation of the licences. Necessary action has been initiated to recover the bond amount liquidated damages and export duty. The firms have been placed under abeyance stopping issue of any kind of import licences to them as well as release of imported material by the canalising agencies. Investigations have been entrusted to the CBI.

(c) Under advance licence scheme, import of raw materials etc. is allowed for export production. Imported material can only be used for export production. Imported material not used in export product cannot be disposed of otherwise except with the permission of the licensing authority concerned. In case of misuse of imported material action will lie under the Imports and Exports (Control) Act and the Order issued thereunder, in addition to the forfeiture of bank guarantee.

Draft model law on consumer protection

101. DR. B. L. SHAILESH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether an All India seminar of voluntary consumer organisations was held in New Delhi during January last to adopt a draft model law on consumer protection;

(b) if so, the broad outlines of this model draft; and

(c) Government's reaction thereto ?

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

(b) The draft model law on consumer protection to be adopted by the States provides for setting up a Consumer Protection Council, Directorate of Consumers, Affairs and Consumer Dispute Redressal

Forum. The objectives of the proposed measure is to protect and promote consumer interest and provide for a forum for speedy and inexpensive redressal of grievances of consumers. The Consumer Protection Council shall promote and protect the rights of the consumer such as right to safety, right to be informed, right to choose, right to be heard and right to seek redressal against unscrupulous exploitation of consumers by some manufacturers/traders. The Council will undertake programmes for providing information and education to consumers and development of consumer protection movement. The Directorate of Consumer Affairs will be an executive arm to receive consumers' complaints and to act on them. The Consumer Dispute Redressal Forum will be a quasi-judicial machinery for speedy and inexpensive settlement of consumer disputes.

(c) Government is very keen to protect the interests of consumers and to raise the level of consciousness about their rights.

Foreign Exchange earnings from export of frog legs

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

(a) whether his attention has been drawn to the news-item captioned 'Row over export of frog legs' appearing in 'Business Standard' Calcutta of 18 January, 1986;

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

(c) the action being taken by his Ministry to ensure that the row between the environmentalist and commercial interests did not cause unemployment among frog-trappers, but also did not lead to a fall in foreign exchange earnings ?

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

(b) Under the present regulations, exports of frog legs require the prescribed Certificate under the Convention of International Treaty on Endangered Species (CITES). Such certificates are being issued by the authorities

under the Department of Environment, Forests and Wildlife. It has been ascertained that in respect of 8 firms exporting froglegs from Calcutta, the authorities issuing such certificates refused to issue them as according to them, these firms had violated certain provisions of the Wildlife (Protection), Act, 1972. As a result of this, export consignments of froglegs from Calcutta have been held up.

(c) Detailed discussions are being held with the Department of Environment, Forests and Wildlife to see if the consignments could be cleared for export.

Availability of imported sugar in West Bengal

103. SHRI SANAT KUMAR MANDAL :
Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that as a result of a feud between the Food Corporation of India and a section of the sugar trade in West Bengal, the market has almost been left dry of imported sugar supplies leading to a sharp rise in prices; and

(b) if so, the steps Government propose to take to resolve the feud and ensure adequate availability of sugar in the market ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b). No, Sir. Since adequate quantity of imported sugar with the Food Corporation of India was not available due to operational difficulties, there had been some delay in the release of imported sugar at Calcutta against the tenders accepted by the Corporation during November and December, 1985. This, however, did not result in drying up of sugar supplies, as bulk of the open market demand is met from indigenous sugar which is sold by the factories against their monthly free sale quota to the licensed wholesale sugar dealers in various States. Against the sales on tender basis, Food Corporation of India had supplied 19142 tonnes of imported sugar during the months of December, 1985, January, 1986 and February, 1986 (upto

17.2.1986) and the free sale imported sugar made available to the State Government for distribution through controlled channels during the said period was 10434 tonnes. Therefore, adequate supplies of sugar in open market were maintained in West Bengal including Calcutta.

The price of S-30 grade of sugar in Calcutta in October, 1985 had ranged from Rs. 620/- to Rs. 685/- per quintal. As against this, the wholesale price range in November, 1985 was Rs. 620/- to Rs. 665/- per quintal; in December, 1985 Rs. 630/- to Rs. 660/- per quintal and in January, 1986 Rs. 610/- to Rs. 640/- per quintal. Thus, the open market prices of sugar in Calcutta were maintained at reasonable levels during the said months.

Steps have been taken to further augment the availability of imported sugar in West Bengal which include speeding up of despatches of stocks from other ports. Of the 4 ships nominated by the State Trading Corporation for discharge of imported sugar at Calcutta/Haldia, 2 ships have already completed discharge at the said ports. These steps are expected to ensure adequate supply of imported sugar at Calcutta.

Measures for Development of strong consumer movement

104. SHRI SANAT KUMAR MANDAL :
SHRI V. SOBHANADREES-WARA RAO :

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

(a) whether his Ministry have initiated any time-bound measures for development of a strong consumer movement in the country by reviewing the consumer protection laws to provide better protection to the consumers; and

(b) if so the broad outlines of the proposed measures ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) Yes. Sir.

(b) Important consumer protection laws such as prevention of Food Adulteration Act, Monopolies and Restrictive Trade Practices Act, Essential Commodities Act, etc., have been reviewed and appropriate amendments have been proposed for better protection to consumer. The Central Government held an All India Seminar on Consumer Protection at New Delhi on 20 and 21 January, 1986 in which various administrative, legal and monitoring measures were discussed. The State Governments have been advised to enforce important consumer protection laws such as Prevention of Food Adulteration Act, Standards of Weights and Measures Act, 1976, Packaged Commodity Rules, 1977, Essential Commodities Act, etc. to protect the interests of the consumers. The whole exercise is to raise the level of consciousness of the consumers about their rights.

[Translation]

Preparation of Arthik (Financial) Register for each village

105. SHRI JAGANNATH PRASAD : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have advised the State Governments to start work for preparation of an Arthik (Financial) Register in respect of each village;

(b) if so, whether this work has been started; and

(c) if not, the reasons with complete details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) This Ministry has not advised the State Governments to start work for preparation of Arthik (Financial) Register in respect of each village;

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

[English]

Charter of demands from All India 'NABARD' Employees Association

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

(a) whether Government have received charter of demands from the All India National Bank for Agriculture and Rural Development Employees' Association in September, 1984 urging revision of pay and other service conditions for workmen/employees of National Bank for Agriculture and Rural Development;

(b) whether bipartite negotiation between the Management and Association has been completed;

(c) if so, the result thereof;

(d) whether Government have agreed to remove disparity and anomaly in pay scales between the officers working in National Bank for Agriculture and Rural Development and those working in Reserve Bank of India and other apex financial institutions like Industrial Development Bank of India, Unit Trust of India, etc; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to information made available by the NABARD Management the All India NABARD Employees Association served a charter of demands dated 25th September, 1984 to the NABARD Management in October, 1984 urging revision of pay and other service conditions for the workmen employees of NABARD.

(b) and (c). Two rounds of negotiations are reported to have been held with the representatives of the All India NABARD Employees Association in July and September, 1985 when the management conveyed their offer for revising the pay scales and allowances of the workmen. Before the third round of negotiation could be commenced from 6th December, 1985, the Association, it is reported, unilaterally termed the negotiations as a failure and started agitation from 9th November, 1985.

(d) and (e). The Government have received a reference from NABARD management for revision of pay scale and service conditions of its officers, which is under consideration.

Diversion of sugarcane from one State to another State to increase sugar production

107. SHRI' BALASAHEB VIKHE PATIL : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether the Government are aware that crushing capacity of some of the sugarcane growing States is not enough to commensurate with their sugarcane production;

(b) if so, whether Government are considering to divert sugarcane from one State to another State in order to increase the production of sugar during the current crushing season;

(c) if so, the details thereof; and

(d) when a decision is likely to be taken in this regard ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No report from any State Government has been received that the sugar factories in their State will not be able to crush sugarcane reserved for them.

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

Raids carried out against tax evading companies

108. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) the number of raids carried out by his Ministry against the tax evaders under MRTP and other companies during the recent months;

(b) the details of the irregularities detected by the tax officials; and

(c) the action taken or proposed to be taken by Government against such tax evaders ?

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

Tax payers in arrears

109. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) the action taken by Government in recent times against those tax payers who were in arrears of huge amount and who had been in the habit of not paying arrears for years together; and

(b) the achievement by Government in regard to recovery of arrears and action taken or proposed to be taken against such payers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Appropriate steps, according to law, were taken by the Department against such assesses/habitual tax defaulters. These steps included levy of interest under section 220 of the Income-tax Act, 1961, imposition of penalty as envisaged under section 221 of the Act, attachment and sale of movable and immovable properties, action under section 179 of the Act against the directors of the defaulting companies, etc. etc.

As a result of the aforesaid measures, the demand outstanding in cases where demands exceed Rs. 10 lakhs were reduced from Rs. 1106.68 crores as on 31-3-1985 to Rs. 795.60 crores as on 30-9-1985, thus giving a percentage reduction of 28.10 percent. Further, in all the tax cases, out of the Income-tax demand which stood at Rs. 2535.16 crores as on 31-3-1985 (as adjusted upto December, 1985) a sum of Rs. 977.06 crores were collected/reduced upto December, 1985.

Supply of foodgrains at subsidised rates through public distribution system

110. SHRI GADADHAR SAHA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that foodgrains like wheat and rice are sold at subsidised rate;

(b) if so, the total yearly subsidy paid for these items of foodgrains supplied through Public Distribution System;

(c) whether it is also a fact that prices of these items of foodgrains have been raised and these are sold at higher prices through Public Distribution System throughout the country;

(d) if so, the total amount of money earned after price-rise;

(e) the procurement price of wheat per quintal now paid to peasants by Government and price of wheat per quintal to consumers through Public Distribution System; and

(f) the reasons for rise in prices of wheat rice and kerosene oil supplied through Public Distribution System ?

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

(b) The expenditure on the total subsidy on foodgrains supplied from the Central Pool stocks through the Public Distribution System including the carrying cost of stocks, is estimated at Rs. 1650 crores for 1985-86.

(c) and (e). The Central issue prices of rice and wheat have been raised with effect from 1.2.1986. The Central Government issues foodgrains at uniform price to the State Governments and Union Territory Administrations for sale through their Public Distribution System.

The procurement price of wheat is Rs. 157/- per quintal and is proposed to be raised to Rs. 162/- per quintal from 1.4.1986. The Central issue price of wheat meant for supply through the Public Distribution System is Rs. 190/- per quintal.

The retail prices of foodgrains at fair price shops are determined by the concerned

State Governments and Union Territory Administrations.

(d) The quantum of extra money realised after revision of the Central issue prices will depend on the actual offtake of foodgrains under the Public Distribution System.

(f) The issue prices of wheat and rice were revised as a consequence of increases in the support price of wheat and paddy. Keeping in view the rapid growth in the consumption of energy, the Government of India, in a attempt to induce more efficient and economic use of energy, have increased the basic price of a few petroleum products, including kerosene oil.

Role and performance of Mayurakshi Gramin Bank

111. SHRI GADADHAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) the role and performance of Mayurakshi Gramin Bank in Birbhum District in implementation of rural development schemes;

(b) the advance and investment of branches of this bank in the District Branch-wise for implementation of various development schemes in agriculture and rural Development during the last three years, year-wise;

(c) whether the performance of this bank is satisfactory in this respect; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Mayurakshi Gramin Bank covering district Birbhum in West Bengal was set up on 16.8.1976 under the sponsorship of United Comercial Bank (now called UCO Bank). It has a network of 61 branches. The performance of Maurakshi Gramin Bank during the last three years is indicated below :

Period ending	Deposits (Rs. in lakhs)	Advances (Rs. in lakhs)	CD : Ratio
December, 1982	333.00	451.00	135
December, 1983	419.27	641.00	153
December, 1984	524.00	764.00	146
June, 1985	601.00	673.77	112

The existing data reporting system does not provide branch-wise information.

(c) and (d). NABARD has reported that due to heavy losses and mounting overdues the performance of the bank is not regarded as satisfactory.

Export of spices from Kerala

112. SHRI K. KUNJAMBU : Will the Minister of COMMERCE be pleased to state:

(a) the share of Kerala in the export earnings during the year 1985;

(b) whether it is a fact that the earning on account of export of spices from Kerala have declined during this year; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). State-wise statistics of India's exports not compiled.

Export Earnings

113. SHRI K. KUNJAMBU :
SHRI SAIFUDDIN

CHOWDHARY :

DR. C. S. RAJHANS :

SHRI SHARAD DIGHE :

SHRI BASUDEB ACHARIA :

SHRI AJOY BISWAS :

Will the Minister of COMMERCE be pleased to state :

(a) whether the export earnings have declined during the past six months as compared to the corresponding period last year;

(b) if so, the details thereof; and

(c) the steps being taken to boost export?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) According to provisional data so far available there is a marginal decline.

(b) India's export amounted to Rs. 5017.63 crores during the first six months of the current financial year. i. e. April-September, 1985; it is 0.7 per cent lower than the corresponding provisional figure of Rs. 5054.26 crores during April-September, 1984.

(c) Increasing our exports, diversifying our productive base, modernising our productive apparatus are some of the steps taken by the Government. Modification and periodic revision of our Industrial and fiscal policies are also the additional steps taken from time to time.

Amendment to Import Policy

114. SHRI S. M. GURADDI : Will the Minister of COMMERCE be pleased to state:

(a) whether his Ministry has recently amended the Import Policy to suit the needs of the registered exporters; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Yes, Sir. Revised Import-Export Pass Book Scheme and certain concessions for registered exporters have been recently announced by the Government by Public Notices No. 60-ITC (PN)/85-88 dated 1.1.1986 and No. 70-ITC (PN)/85-88 dated 11.2.1986 respectively, which have been published in Gazette of India and copies of which are available in Parliament library.

Growing rate of unemployment

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

(a) whether it is a fact that during the pre-budget discussion with him, the leaders of trade unions spoke alarmingly about the growing rate of unemployment;

(b) whether they generally felt that introduction of computerisation and adoption of intensive technology would generate unemployment; and

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

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

(b) Views were expressed by the representatives of Trade Unions regarding the introduction of computerisation and adoption of new technology. While some were opposed, others stressed the need for the adoption of a balanced approach in regard to these.

(c) The observations would be kept in view in the strategy and the overall economic policy for development.

[*Translation*]

Raids on trading and commercial establishments in Jhansi

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

(a) whether his attention has been drawn to the news item appearing in 'Nav Bharat Times' of 3rd February, 1986 wherein it has been stated that income-tax authorities unearthed case to the tune of lakhs of rupees and jewellery, etc. in raids on various trading and commercial establishments in Jhansi on 2 February, 1986;

(b) if so, the names of the persons and trade establishments on whom raids were conducted; and

(c) the details of the total assets unearthed ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) : (a) to (c). Yes, Sir, Income-tax Department conducted searches on 30th and 31st January, 1986 at Jhansi. The main persons searched are Shri Sita Ram Aggarwal, Shri Radhey Shyam, Shri R. K. Nachola and M/s. Bhagwan Das & Brothers. The searches resulted in seizure of cash of Rs. 3.77 lakhs, jewellery worth Rs. 24.59 lakhs and other assets worth Rs. 19.50 lakhs approximately.

Increase in prices of foodgrains

117. SHRI RAJ KUMAR RAI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether the prices of foodgrains at the time when the farmers sell their foodgrains to the traders are very low while the prices of foodgrains are doubled after some days when the consumers or farmers purchase it from the trader;

(b) if so, the percentage of this increase as per Government figures; and

(c) the measures taken by Government to check this tendency ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The Government of India have no such information. However, Government extends price support to foodgrains to prevent distress sale by the farmers.

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

[*English*]

Financing of working capital needs of small scale industrial units by Commercial Banks

118. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the role of commercial banks in financing working capi-

tal needs of small scale industry is extremely unsatisfactory;

(b) whether the commercial banks are agreeable to abide by the guidelines of Union Government and Reserve Bank of India in financing the working capital needs of small scale industry in Orissa; and

(c) if so, the steps taken by Government to pursue or direct the commercial banks units in Orissa to extend their cooperation in the betterment of small scale industries ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per the data on scheduled Commercial banks advances to small scale industrial units in Orissa furnished by Reserve Bank of India the amount outstanding as at the end of December, 1980 increased from Rs. 29.42 crores in 34257 accounts to Rs. 81.24 crores in 65412 accounts as at the end of June, 1984 indicating the progressive rising trend in commercial bank credit to small scale industrial units in Orissa.

(b) Commercial banks conform to the guidelines issued by Reserve Bank of India from time to time in regard to sanction of working capital requirements of small scale industrial units in Orissa. During the periodical inspection of commercial banks by the Reserve Bank, it is checked that guidelines issued by the Reserve Bank of India are strictly adhered to.

(c) The salient features of Reserve Bank of India's guidelines in brief, are as under :

(i) Reserve Bank of India has advised the banks that all loan applications of credit limit upto Rs. 25,000/- should be disposed of within a fortnight and those above Rs. 25,000/- within 8 to 9 weeks. The existing delegation of powers vested in Branch Managers of 16 local banks operating in Orissa are satisfactory.

(ii) Training programmes/workshops/seminars are organised by RBI/banks/National Institute of Bank Management to bring about attitudi-

nal changes and motivating the ground staff at branch level to assist the borrowers in the priority sector (including SSI Sector).

(iii) RBI has advised banks that they should adhere to the recommendations of Bhide Committee in regard to coordination between banks and State Financial Corporations and where joint appraisal of the project is not feasible, simultaneous or concurrent appraisal for assessing the term loan and working capital requirements should be undertaken, the assessment of working capital being taken up by the banks themselves.

(iv) RBI has constituted two State Level Bankers' Committee (SLBC) and State Level Inter Institutional Committee (SLIC) covering all States Union Territories where Inter Institutional Coordination problems can be resolved.

(v) To familiarise the sponsoring agencies viz. District Industries Centres (DICs) and Orissa State Financial Corporation (OSFC) with the requirements of the banks and narrow down the gaps on the respective perceptions of the financial and other requirements of projects, Reserve Bank of India organised a workshop in September, 1984 which was participated by all DIC Officers in Orissa, major Commercial Banks, Orissa State Financial Corporation (OSCF) and Industrial Development Bank of India (IDBI).

Attract tourists in Seventh Plan

120. SHRIMATI JAYANTI PATNAIK : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the steps taken to develop-sea-shore in Orissa to increase the flow of tourists;

(b) whether Government have any proposal to develop Orissa sea-shores in Seventh Five Year Plan to attract more tourists;

(c) whether any specific programme has been prepared for the above purpose; and

(d) the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) to (c). The coastline between Puri and Konark in Orissa has been identified as one of the major beach destinations for comprehensive development under the Seventh Five Year Plan.

As a first step, the Government have decided to relax the ban relating to civil works along the sea-shore. Instead of the earlier restriction of 500 metres, civil works would now be allowed beyond 200 metres of the high tide line subject to certain safeguards.

(d) On receipt of proposals from the State Government, the Central Department of Tourism has already sanctioned the following schemes for Puri-Konark area :

- (i) Toilet block near Sun Temple at Konark
- (ii) Yatrika at Puri
- (iii) Yatri Niwas at Konark
- (iv) 3-star joint venture hotel between India Tourism Development Corporation and Orissa Tourism Development Corporation.

Shortage of small coins and one rupee notes

121. **SHRI SRIBALLAV PANIGRAHI :**
SHRI N. TONBI SINGH :
DR. CHANDRA SHEKHAR
TRIPATHI :
SHRI R. M. BHOYE :
SHRI CHIRANJI LAL SHARMA :
SHRI V. S. VIJAYARAGHAVAN :
SHRI RAM PYARE PANIKA :
PROF. K. K. TEWARY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there is still an acute shortage of small coins

and one-rupee notes in almost all the States in the country;

(b) whether Government are also aware that the demand for small coins is increasing day by day in the country; and

(c) if so, the steps Government have taken/propose to take to ease the situation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Complaints have been received about shortage of small coins and one-rupee notes from various parts of the country. Although shortage of coins still persists in some parts, there has been improvement in the situation, consequent on increased production and supply.

(b) Yes, Sir.

(c) To meet the increased demand, the Government have taken propose to take the following steps :

- (i) The existing Mints are being worked to their full capacity by increasing the number of working hours in all the three Mints coupled with the operation of an incentive scheme for obtaining higher production.
- (ii) As part of modernisation of the Mints and with a view to increasing the production capacity of the Mints, 22 new coining presses have been installed, partly as replacement and partly as additions. Orders for 14 more coining presses are being placed on H.M.T.
- (iii) In order to supplement the supply from the three Mints, coins in the denominations of Re. 1/-, 50 P and 25 P are being imported; as on 8.2.1986, 1083.26 million pieces of coins have arrived from abroad and they are being distributed.

(iv) A new Mint is being established at NOIDA, U. P., with a capacity for an annual production of 2000 million pieces of coins. This is

expected to go into production in 1988-89.

Guidelines for distribution of controlled cloth

122. SHRI N. TOMBI SINGH : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are considering a review of the present policy guiding the distribution of controlled items of cloth;

(b) if so, the details thereof;

(c) if not, the general guidelines in the present policy;

(d) whether there are demands for modification of the same; and

(e) if so, the details of the demands and from whom these have been received ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : a) to e). Distribution of controlled cloth is primarily the responsibility of State Governments. However, Government is considering to review the present policy regarding the distribution of controlled cloth with a view to ensuring that such cloth reaches the weaker sections of society. At present the controlled cloth is being allocated to various States Union Territories on the basis of composite criteria giving 2/3rd weightage for the total population and 1/3rd for the population below the poverty line. There are no specific quarters from which the demands for modification of the existing system of distribution of controlled cloth have been received.

Upgrading of status of FCI office at Imphal in Manipur

123. SHRI N. TOMBI SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the progress made in upgrading the status of the Food Corporation of India district level office at the Manipur State capital Imphal to a Regional Office;

(b) the reasons for the delay in this matter; and

(c) from whom demands have been received in this connection ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The District Office at Imphal serves the requirements of the State of Manipur fully. As such it is not necessary to upgrade the status to that of a Regional Office.

(b) Does not arise.

(c) The requests in this regard were received from the State Government as also from the Staff Union of Food Corporation of India.

Directive for purchase of Computers

124. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Ministry of Finance issued a directive to Government—run institutions to consult the Department of Electronics before deciding on the purchase of a computer; and

(b) if so, the details thereof ?

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

(b) In the Allocation of Business Rules, 1961, the Department of Electronics has been given complete responsibility for coordination of requirements relating to electronics processing equipment (computers) and all matters concerning computer based information, technology and processing including hardware and software, standardisation of procedures.

In pursuance of the above, the Ministry of Finance have issued instructions to all the Departments that in the matter of purchase of computers, the policy guidelines laid down by Department of Electronics should be followed. It is further stated that with the setting up of the National Informatics Centre

in 1975 by the Government of India as a central facility with a network of computers serving all the Departments of the Government, the Department of Electronics which is the administrative Department, requires all the Departments of the Government and Government-run institutions to first check up with the National Informatics Centre whether it can provide the computerisation services before going in for purchase of their own computer systems.

Distribution of loan application forms to unemployed youths by United Bank of India branch in Behala (Calcutta)

125. SHRIMATI GEETA MUKHERJEE : Will the Minister of FINANCE be pleased to state :

(a) whether the United Bank of India Branch in Behala (Calcutta) distributed Loan application forms to unemployed youths in the first week or so of January, 1986;

(b) if so, the number of forms distributed;

(c) how the forms were distributed to these unemployed youths;

(d) whether any announcement was made or Members of Lok Sabha and Assembly were informed to collect the forms and distribute them to unemployed youths;

(e) whether this bank distributed such application forms in other branches also in Calcutta; and

(f) if not, the reasons therefor ?

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

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

(e) Distribution of application forms to the eligible proponents is a routine function of the Bank and as such application forms are distributed to the eligible persons from other branches also in Calcutta.

(f) Does not arise.

Trade and economic cooperation between India and Pakistan

126. SHRI P. M. SAYEED : Will the Minister of FINANCE be pleased to state :

(a) the outcome of discussions by the Indian delegation led by him in January, 1986 to Pakistan regarding extension of trade and economic cooperation between the two countries;

(b) whether the talks covered both private and public sector trade; and

(c) the specific issues about which decisions have been taken by mutual agreement by the representatives of India and Pakistan ?

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : (a) to (c). Wide ranging discussions, on matters relating to economic cooperation between India and Pakistan, and the means by which this cooperation could be further strengthened, were held by Indian Finance Minister with the Pakistani Finance Minister during his visit to Pakistan in January, 1986. Trade matters covering both, private and public sector trade, were also discussed. While recognising the existence of considerable scope for expansion of mutual trade it was decided that :—

(i) existing trade between public sector agencies should at least double during the current year;

(ii) a joint business committee of the Federations of Chamber of Commerce and Industry of India and Pakistan be set up so as to promote industrial collaboration and trade between the two countries;

(iii) A meeting of the representatives of the two Governments be held to formulate specific guidelines to govern the setting up of Joint Ventures in the two countries.

Besides the above the Government of Pakistan agreed to permit its private sector trade to directly trade with India in 42 commodities, trade in which, hitherto was restricted to their public sector agencies.

Loans advanced by banks and financial institutions for construction of buildings

127. SHRI P. M. SAYEED : Will the Minister of FINANCE be pleased to state :

(a) the amount that has been advanced by the scheduled banks and other Government financial institutions to various parties for the purpose of construction of buildings during 1984 and 1985;

(b) whether all the parties are paying back their loan instalments regularly;

(c) if not, the number and particulars of such defaulters; and

(d) the action taken in the case of defaulters to effect recoveries of the outstanding amounts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Presumably, the Hon'ble Member is seeking information in respect of banks and institutional loans to building contractors. Under the existing housing finance policy guidelines, banks are not permitted to extent assistance to such contractors for working capital purpose. Industrial Development Bank of India (IDBI), and Industrial Finance Corporation of India (IFCI) also do not extend any assistance for construction of buildings.

(b) to (d) Questions do not arise.

Viability of retail shops of National Textile Corporation

128. SHRI MURLIDHAR MANE : SHRI GURUDAS KAMAT :

Will the Minister of TEXTILES be pleased to state :

(a) whether a proposals to close the unviable retail shops of National Textile Corporation is under consideration of Government;

(b) if so, the efforts made by Government during the last three years to make these outlets viable;

(c) the total number of such retail outlets Statewise; and

(d) whether Government propose to provide alternate employment to the workers so affected in case Government decide to close down the retail outlets ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) There is at present no general proposal to close down unviable retail shops of NTC. Cases for closure of individual retail shops are examined from time to time.

(b) Some of the important steps taken/ being taken to make the retail outlets viable are as under :—

(i) to provide a wider range of fabrics and better inventory control;

(ii) to have closer supervision on decentralised management basis;

(iii) incentive schemes to sales staff in the showrooms have been reviewed; and revised;

iv) House keeping/display of NTC products in the showrooms has been improved;

v) training programmes for sales staff have been undertaken; and

(vi) publicity and sales promotion support have been stepped up.

(c) The State-wise distribution of the retail outlets are as under :—

State/Union Territory	No. of Showrooms
Assam	6
Andhra Pradesh	28
Bihar	26
Delhi	14
Gujarat	11

Haryana	8
Himachal Pradesh	1
Jammu & Kashmir	4
Karnataka	24
Kerala	17
Madhya Pradesh	10
Maharashtra	23
Meghalaya	—
Orissa	—
Punjab	8
Rajasthan	12
Tamil Nadu & Pondicherry	82
Uttar Pradesh	67
West Bengal	74
 Total	 413

(d) The question of providing alternate employment to all workers has not arisen since there no general proposal to close down unviable retail shops.

In recent cases of closure of individual shops the employees rendered surplus were absorbed in alternate jobs in the subsidiaries/mills concerned.

Raids conducted in Gujarat

129. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that raids were conducted in various parts of Gujarat, on the premises and offices of various industrialists, trade and commercemen, and officials during the last three months;

(b) if so, the names and status of each of them;

(c) the outcome of such raids; and

(d) the details of incriminating documents and other articles found and seized ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). The

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

Austerity in Government departments

130. DR. G. VIJAYA RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) the details of the steps taken by Government to enforce austerity in Government departments; and

(b) the savings likely to be made thereby ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Measures are taken on a continuous basis to curb in-essential and non-productive expenditure. In recent times, Government issued orders banning creation of posts/filling up of vacancies, except in the most exceptional circumstances. Efforts are made through work measurement studies conducted by the Staff Inspection Unit of the Ministry of Finance/Internal Work Study Units in various Ministries/Departments to identify and locate surplus staff and prevent creation of avoidable posts. Measures have also been taken to curb office expenses like those on telephones, furniture and equipment, staff cars, consumption of petrol and performance of air journeys by non-entitled officers. Proposals of the administrative Ministries for incurring expenditure above Rs. 3 crores on schemes/projects are scrutinised through the mechanism of Expenditure Finance Committee/Public Investment Board charged by Secretary (Expenditure) to ensure that only essential and viable schemes are approved for execution.

Working Group has also been set-up under the Chairmanship of Cabinet Secretary to review all on-going activities and organisations and to discontinue those which have lost their utility.

Instructions have also been issued to various Ministries/Departments to take effective steps to curb non-essential expenditure and effect a minimum of 5 percent reduction in the total non-Plan provision made in the budget estimates for 1985-86.

The reductions will be reflected in the Revised Estimates for the current year to be presented along with the budget for 1986-87. It is expected that as a result of various measures far taken, a saving of Rs. 800 crores over the expenditure already voted by Parliament will be effected.

Representation Reg. upgradation of cities

131. SHRI DHARAM PAL SINGH MALIK : Will the Minister of FINANCE be pleased to state :

- (a) whether representations have been received from various State Governments for upgradation of cities;
- (b) whether any Committee has been appointed to look into the matter;
- (c) the criteria adopted for upgradation of the cities in the country; and
- (d) the names of the cities recommended for upgradation in Haryana by the Committee ?

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

(c) Cities/towns are classified/reclassified for payment of House Rent and Compensation (city) Allowance to the Central Government employees on the basis of their population as reflected in the decennial census figures. The criteria followed in this regard is as follows :

Class	Population
A	More than 16 lakhs
B-1	Above 8 lakhs but not exceeding 16 lakhs
B-2	Above 4 lakhs but not exceeding 8 lakhs
*C	Above 50,000 but not exceeding 4 lakhs

*No Compensation (city) allowance is Admissible in 'C' Class cities.

- (d) Does not arise.

Cheating of Punjab National Bank by Rajinder Sethia

132. SHRI DHARAM PAL SINGH MALIK :

SHRI M. RAGHUMA REDDY :
SHRI SUBHASH YADAV :
SHRI MANIK REDDY :
SHRI SARFARAZ AHMAD :

Will the Minister of FINANCE be pleased to state :

- (a) whether any action has since been taken by Government against Shri Rajinder Sethia, a London-based Indian businessman, for cheating Punjab National Bank to the tune to more than Rs. 10 crores;
- (b) if not, the reasons for delay; and
- (c) the stage at which the matter stands presently?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The Central Bureau of Investigation has reported that it had registered a case under Sections 120 B, 420, 467, 468 and 471 IPC against Shri Rajinder Singh Sethia and one other and had filed charge-sheet against them on 29th May, 1985 in the Court of Chief Metropolitan Magistrate, Delhi. The case is now at the stage of framing of charges.

Raids conducted on office and residential premises of management of Orkey Silk and Reliance Industries, Bombay

133. SHRI DHARM PAL SINGH MALIK :
SHRI SUBHASH YADAV :

Will the Minister of FINANCE be pleased to state :

- (a) whether office and residential premises of the Management of the Orkey Silk and Reliance Industries, Bombay were recently raided by the Income Tax Department;

(b) if so, the nature of incriminating documents seized;

(c) whether any action has been taken against the management of the Company; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The main search was conducted by Officers of Directorate of Revenue Intelligence (DIR) on 1.11.1985 and 2.11.1985 in the office and residential premises of the management of the Orkay Silk Mills (Pvt.) Ltd., Bombay. Income Tax Department in the searches.

No search has been conducted recently by the Income Tax Department in the case of Reliance Industries, Bombay.

(b) During the search operations documents like bills of entry, invoice etc. have been seized by D.R.I. Authorities.

(c) and (d). A criminal complaint has been filed by the D.R.I. in the Court of Chief Metropolitan Magistrate, Bombay against M/s. Orkay Silk Mills Ltd. and its Directors.

Indo-pak trade talks

134. SHRI ANAND SINGH :

SHRI T. BASHEER :

SHRI SOMNATH RATH :

SHRI SHARAD DIGHE :

SHRI MAHENDRA SINGH :

PROF. CHANDRA BHANU

DEVI :

SHRI BHATTAM SRIRAMA-

MURTY :

SHRI C. MADHAV REDDI :

SHRI LAKSHMAN MALICK :

Will the Minister of FINANCE be pleased to state :

(a) whether Indo-Pak Trade talks were held in Islamabad in the first-second week of January this year; and

(b) if so, the details of the trade and economic cooperation agreement, if any,

reached between the two countries, as a result thereof ?

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

(b) Joint minutes were signed incorporating the following :-

(i) existing trade between the public sector agencies of the two countries should at least double during the current year;

(ii) a joint business committee of the Federations of Chambers of Commerce and Industry of India and Pakistan be set up so as to promote industrial collaboration and trade between the two countries;

(iii) A meeting of the representative of the two Governments be held to formulate specific guidelines to govern the setting up of Joint Ventures in the two countries.

Besides the above the Government of Pakistan agreed to permit its private sector trade to directly trade with India in 42 commodities, trade in which, hitherto, was restricted to their public sector agencies.

Narcotics haul made on Gujarat Maharashtra border

135. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether the biggest ever narcotics haul of the country and of the world worth about 100 million rupees in the international market was made by the Directorate of Revenue Intelligence in a tiny village on Gujarat Maharashtra border on January, 8/9, 1986;

(b) if so, the details of the haul and the persons apprehended in connection therewith; and

(c) whether any smugglers gang has been unearthed as a result thereof and if so, the modus operandi thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) : (a) to (c) Reports received by the Government indicate that on

8/9-1-1986, in pursuance of an information, officers of the Directorate of Revenue Intelligence, Bombay Zonal Unit, searched a farmhouse near Talasari village, on the national highway No. 8, Thane District, Maharashtra State. As a result, large quantities of hashish, heroin and mandrax tablets were found concealed under bales of hay. On examination 4565 kgs. of hashish, 602.5 kgs. of heroin and 4 kgs. of Mandrax tablets were recovered and seized under the Customs Act, 1962 and the Narcotic Drugs and Psychotropic Substances Act, 1985. From the markings on the packages of the heroin and some slabs of hashish it appears that the narcotics are of foreign origin. In the follow-up action, certain premises at Vapi and Bombay were searched. In this connection 5 persons were detained for interrogation. The main person behind this racket who was wanted in connection with COFEPOSA detention order issued against him in 1983 and was absconding has also surrendered and has been detained.

D.V. Kapoor committee's recommendation regarding identification of "Thrust Industries"

136. SHRI ANAND SINGH : Will the Minister of COMMERCE be pleased to state:

(a) whether Government have undertaken a detailed exercise to draw up production and export plans of individual "thrust-industries" identified by the D.V. Kapoor Committee;

(b) if so, the recommendations of the Committee in this regard and the details of the exercises undertaken by Government; and

(c) whether any new policy initiatives in area of production and export marketing have been or are likely to be announced by Government and if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Yes Sir, (b) and (c). The Committee has recommended a two pronged strategy for achieving a quantum jump in engineering exports, namely :-

(i) continuation and strengthening of the existing broad system of incentives for exports;

(ii) providing the 'thrust industries' a special policy environment keeping in view the considerations of optimum scales of production, technological upgradation, modernisation and competition with a view to make these industries internationally competitive. Detailed exercises for drawing up production and export plans for individual 'thrust industries' are being undertaken by Commerce and Industry Ministries in consultation with other ministries. The Government has also taken a series of measures for liberalisation of industrial licensing policies and introduction of new technology with a view to increase the international competitiveness of domestic industry. Decision has also been taken to extend the present cash compensatory scheme upto 31.3.86 and provide for compensation to industry for the cascading effect of domestic taxes. Additionally, alloys and other types of steels have been included in the International Price Reimbursement Scheme to provide steel materials at international price for export production. The Import-Export Passbook scheme has been introduced with effect from 1.1.86 for manufacturer-exporters with a view to provide easy access to duty free imports for export production.

Demand for increase in Commission to FPS owners in Delhi

137. SHRI ANAND SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether the fair price shop owners in Dehli have been pressing for increase in the commission payable to them;

(b) if so, their precise demands;

(c) Government's reaction thereto; and

(d) the steps taken to ensure that the FPS owners do not indulge in various trade practices to the detriment of the consumers ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b). The fair price shop

owners have been representing to Delhi Administration for increase in the commission payable to them. Their precise demand was that the commission be increased in view of the price rise and increase in the rent of commercial premises.

(c) Delhi Administration has increased the commission on wheat and rice by Rs. 4 per quintal with effect from 1.2.1986 raising the per quintal commission to Rs. 10.00.

(d) For efficient functioning of Public Distribution System and to prevent diversion and other malpractices, the Delhi State Civil Supplies Corporation is delivering wheat, rice and sugar at the doorstep of the fair price shops. Regular raids are conducted by the Enforcement Branch of Delhi Administration suo moto or on receipt of complaints. Redressal of consumers' grievances is being given special attention. A programme of regular inspections has been laid down for all field officials.

[*Translation*]

Sale of handloom cloth at controlled price

138. DR. CHANDRA SHEKHAR TRIPATHI : Will the Minister of TEXTILES be pleased to state :

(a) whether Government propose to take any steps for sale of handloom cloth at controlled price; and

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

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Government of India have been implementing a scheme for production and sale of handloom cloth at controlled prices known as 'Janta Cloth Scheme', since October, 1976.

[*English*]

Rise in issue prices of wheat, rice from public distribution system

139. DR. T. KALPANA DEVI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the reasons for the steep rise in the issue prices of wheat and rice from the public distribution system;

(b) whether Government are aware that this would hit hard the poor sections of the people who depend solely on the public distribution system and would also push up the prices in the open market; and

(c) whether it is a fact that the burden of increase announced in the procurement prices of these commodities is intended to be passed on to the consumers ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (c). The issue prices of wheat and rice have been revised as a consequence of the increases in the support prices of paddy and wheat.

(b) The Central issue prices of wheat and rice supplied through the public distribution system carry a heavy subsidy. The retail prices of wheat and rice are fixed by the State Governments generally after adding reasonable incidental costs to the Central issue prices. The increase in the Central issue prices of foodgrains may have a marginal effect on the open market prices.

Problems in powerloom sector due to new textile policy

140. DR. T. KALPANA DEVI : Will the Minister of TEXTILES be pleased to state :

(a) whether representations have been received by Government from All-India Powerlooms Federation and other organisations of the Powerlooms regarding their problems arising out of the new textile policy;

(b) if so, the details thereof and the demands of the powerlooms; and

(c) the action taken by Government to remove the difficulties of the powerlooms, like provision of better credit facilities, supply of adequate quantities of yarn at reasonable prices, relief in excise duty etc. ?

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

(b) and (c). The representations, *inter-alia* seek relaxation in the reservation of certain fabrics for exclusive production in the hand-looms sector, reservation of certain varieties for exclusive production in the decentralised powerloom sector, a comprehensive notification for registration of powerlooms, multi-fibre flexibility, enumeration of powerlooms, restoration of excise differential in favour of powerlooms vis-a-vis the organised mill sector and formation of corporations to promote marketing and export of powerloom cloth.

Government do not propose to disturb the policy of providing protection to hand-looms by reserving articles for their exclusive production in the handloom sector. Fibre flexibility has already been announced in the Textile policy. A press note has been issued regarding the procedure to be followed for regularisation of unauthorised powerlooms and issue of permits for installation of new powerlooms. Establishments of power operated looms are eligible for financial assistance programmes as are applicable to industrial units of their size in terms of investment, employment, etc. Further, the concerned State Governments have been asked to undertake organisation of powerloom cooperatives so as to facilitate better flow of institutional credit. Supply of adequate quantities of yarn at reasonable prices to powerlooms is dependent on the overall availability of yarn. The production of yarn is quite adequate at present and local shortages, if any, can be speedily rectified by contacting the mills, including certain NTC mills.

The existing policy provides that the healthy development of the powerloom sector should take place in the context of parity between powerlooms in the organised mill sector and in the unorganised powerloom sector.

Export of tea

141. PROF. RAMKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) the actual quantity of tea (with value in foreign exchange) exported by the country by the end of 1985 as against the target and how does the export figures compare with that of 1984 end;

(b) to what extent Indian's share in tea export has reduced during the last five years with the competition from China, Sri Lanka, Kenya and Indonesia;

(c) whether in view of the experience gained, Government have considered the question of reviewing the existing policy on quota system to maintain its market share, if so, the details thereof; and

(d) whether Government have explored the possibility of exports of Indian tea in the markets of Kuwait, Quater and West Asian countries like Saudi Arabia and Iraq ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Exports of tea during the past two years have been as under :

Exports

Year	Qty. (M. kgs.)	Value (Rs. Crores)
1984	217.0	740.45
1985 (Estimated)	222.4	711.90

Target of exports for 1985 was 220 M. kgs.)

(b) Table below indicates share of major producing countries in world tea exports during 1980 to 1984 :

(Share in world exports of tea-percentage)

	1980	1981	1982	1983	1984
India	26.0	28.2	23.2	23.97	23.4
Sri Lanka	21.4	21.4	22.1	18.1	22.0
China	12.5	10.8	12.9	14.3	13.8
Kenya	8.7	8.8	9.7	11.5	9.8
Indonesia	7.9	8.3	7.8	7.9	9.8

(c) There are, at present no restrictions on export of tea.

(d) As a part of the strategy for promotion of Indian teas in value added forms, a pilot project for uninational-cum-brand promotion campaign in ARE, has been sanctioned. Besides, Tea Board also undertakes promotional campaign in West Asian countries through its offices at Kuwait and Cairo.

Re-endorsement of licences of industrial units for highest production achieved

142. SHRI K. RAMAMURTHY : Will the Minister of COMMERCE be pleased to state :

(a) the particulars of industrial units, which after having achieved 80 per cent of their licensed capacity during any of the previous five years preceding March 31, 1985, have sought re-endorsement of their licences for the highest production achieved;

(b) the particulars of exporters who have come under the import-export pass book

scheme that has been introduced with effect from January 1, 1986;

(c) whether the exporters have started the import of duty-free raw materials or export production under this scheme; and

(d) if so, the details of imports that have been made under this scheme ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) A list of Companies who have sought re-endorsement is enclosed in the attached statements-I and II.

(b) Applications from some registered exporters for issue of Import-Export Pass Books licence have been received by the Regional Port Licensing Authorities and the same are being processed by them. No Import-Export Pass-Book licence has been issued so far.

(c) and (d). The question Does not arise in view of position explained in (b) above.

Statement-1

(MRTTP/FERA Units)

Name of the Company	Licence No. & Date	Items of Manufacture	Location	Date of application
1. Hindustan Electro-Graphites Ltd.		Graphite Electrodes and Anodes	Mandideep, Distt. Raisen Madhya Pradesh	13.1.86
2. J. K. Synthetics Ltd.	L/23/5/4/66/Ch I dt. 8.12.1966	Nylon Tyre Cord.	Jaykay nagar Kota Rajasthan	29.1.86
3.* J. K. Synthetics Ltd.	L/23/5/63 Tex (D)/64 dt. 9.3.1964	Acrylic Fibre	Kota Rajasthan	29.1.86
4. Escorts Ltd.	CIL : 54(83)/945(78)-IL dt. 10.2.1983	Motorcycles & Scooters	Gurgaon Haryana	1.2.86
5. Garware Plastics and Polyester Ltd.	CIL : 263(79) dt. 21.11.1979.	Polyester Film	Aurangabad Maharashtra	7.2.86

Remarks : These applications are under process.

(Non-MRTP/Non-FERA Units)

*Particulars of Industrial Units applied for Re-enforcement of Capacities in response to Deptt. of Industrial Development
Press Note No. 1 (1986 Series)—10/52/85-LP dated 15-1-86.*

Sl. No.	Name & Address of the Indl. Undertakings	IL/RC No.	Item of Manufacture	Licenced Capacity	Best production achieved during any of the last 5 years preceding March, 31, 1985	Re-endorsement of Capacity Sought
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1.	M/s. Haryana Coated Papers Ltd. New Delhi.	IL No. L/24 (4)/NU/52/ 72-Paper dt. 31-7-72	Art & Chromo Papers 72-Paper	1800 M. T.	1984-85=5504 M.T.	5504 + 1/3 = 7339 say 7400 M.T.
2.	M/s. Indo National Ltd. Madras.	IL No. L/5 (ii) 23/71. LPE dt. 10-12-71	Dry Battery Cells.	120 Millions per annum	1984-85=152—61 Millions	152.61 + 1/3 = 203 Millions per annum
3.	M/s. Ahura Welding Electrade mfg. Ltd. Coimbatore.	IL No. L/1A/ 7/LFI/(B)/63 dt. 11-1-1963	Welding Electrade	60 Million Running feet or 18.3 Millions Running Meters	1984-85=41.86 Million Running Meters	41.86 + 1/3 = 55.81 Million Running Meters.

1	2	3	4	5	6	7
4. M/s Firth (India) Steel Co. Ltd., Nagpur.	IL No. 76(74) dt. 5/6-3-1974	Alloy Steel	6000 Tonnes P. A.	Not	Submitted	
5. M/s. Gujchem Distillers India Ltd. Ahmedabad.	COB IL No. 334 (84) dt. 31-10-84	2-4-D-Sodium Salt	127 M.T.	1983-84 = 196 M.T.	196 + 65 = 261 M.T.	
6. Gujchem Distillers India Ltd., Ahmedabad.	COB IL No. 72(85) dt. 21-2-85	Acetic Acid	4000 Tonnes	1982-83 = 5228 T	5228 + 1743 = 6971 M.T.	
		Acetal-dehyde	3200 Tonnes	1982-83 = 4266 T	4266 + 1422 = 5688 M.T.	
7. M/s. Shree Padma Metals Pvt. Ltd., Bombay.	COB IL No. 41(85) dt. 14-2-85	Zinc Dust	3020 M.T.	1980-81 = 3038 M.T.	3038 + 1012 = 4050 M.T.	
8. M/s. Permanent Magnets Ltd., Bombay.	IL No. 1/5 (8)-12/LEFI/ 63 dt. 2-7-63	Hard Ferrite Magnets	400 Tonnes per annum	1984-85 = 674.4 Tonnes	743.6 Tonnes	

Remarks : These applications are being processed.

Effects of new textiles policy on textiles mills sector

143. SHRI K. RAMAMURTHY : Will the Minister of TEXTILES be pleased to state :

(a) whether the number of textile mills closed surged to 80 in December, 1985 from around 68 in May, 1985 according to returns from the office of the Textiles Commissioner;

(b) whether the above is due to the slump in demand of cloth which is the consequence of textiles policy announced in June 1985; and

(c) the action taken on the crucial provisions of the policy relating to modernisation, closure of non-viable mills and compensatory payments to retrenched workers ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) In December, 1985, 78 cotton textile mills were closed as compared to 68 cotton textile mills closed in May, 1985.

(b) No, Sir.

(c) As envisaged in the New Textile Policy a Nodal Agency for the evolution and management of rehabilitation packages in respect of potentially viable sick textile mills has already been set up. Action has also been initiated for the setting up of a Modernisation Fund and Rehabilitation Fund, as stipulated in the New Policy.

New experimental scheme for rural buyers under IRDP

144. SHRI K. RAMAMURTHY :
SHRI N. DENNIS :

Will the Minister of FINANCE be pleased to state :

(a) the details of the new experimental scheme proposed to be launched by his Ministry under the Integrated Rural Development Programme (IRDP) for the benefit of rural buyers, which will enable them to

acquire the product of their choice with the help of loan from banks;

(b) whether this scheme is being implemented throughout the country; and

(c) whether any monitoring is proposed to be done about its proper implementation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The salient features of the new experimental scheme regarding purchase of assets by IRDP beneficiaries are as follows :

(i) When the asset is of a standard type or marketed by reputed suppliers, the beneficiary would have the freedom to select the product of his choice. The banks can either open a savings bank account in the name of the borrower or may give him the amount in cash. The borrower would subsequently furnish to the bank a receipt of the item purchased.

(ii) Under ISB (Industry, Service and Business) sector when a number of sundry items are bought, disbursement upto Rs. 3000 may be made in cash. This can be done either in one lump sum or in stages depending upon the items to be purchased. This will give the beneficiary requisite freedom to negotiate and settle the price for the asset of his choice. In such cases cash, memos, invoices, vouchers, etc. would not be necessary and only utilisation certificate would suffice.

(iii) Regarding the programmes in animal husbandry, the purchase Committee would be dispensed with and the beneficiary be allowed to select an animal of his choice and make payment to the supplier against cash receipt. The acquisition of animal would be verified by the field staff of bank.

(b) The Scheme will be implemented during 1986-87 in a few selected development blocks of the country.

(c) Government and the lending agencies would be monitoring the implementation of this programme.

Export earnings of SEEPZ

145. SHRI AMAL DATTA : Will the Minister of COMMERCE be pleased to state :

(a) whether the export of SEEPZ has declined, export figures thereof for the last three years and the current year;

(b) if so, the reasons for the decline;

(c) whether any remedial action is being taken in the matter; and

(d) the next export earnings of SEEPZ after deducting the value of the import contract of the exported products during the last three years and the current year ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) The exports from SEEPZ since 1982-83 have been as follows :

Year	Exports Figures in crores Rs.
1982-83	Rs. 54.38
1983-84	Rs. 88.62
1984-85	Rs. 95.83
1985-86	Rs. 68.98

(upto end of
January, 1986.)

(b) and (c). The decline in exports during 1985-86 is mainly on account of world wide recession in electronic industry. The exports are expected to pick up as soon as the recessionary trends recede.

(d) The export earnings calculated on the basis of the value of imports of all capital goods (which have a life of five years) and raw material deducted from the value of exports are shown below :

Year	Exports
1982-83	Rs. 5.62 crores
1983-84	Rs. 4.26 crores
1984-85	Rs. 25.40 crores
1985-86	Rs. 23.00 crores

(upto 31.1.1986)

Scheme for self-employment for unemployed educated youths

146. SHRI AMAL DATTA : Will the Minister of FINANCE be pleased to state :

(a) whether the announcements of scheme for self-employment for unemployed educated youths have been made in each of the year 1984-85 and 1985-86 long after the commencement of the financial year and the invitation of applications, screening and recommendation by the District Industrial Centre have been made only towards the end of these two financial years;

(b) if so, the dates on which the scheme was announced and reasons for delay in commencement of the scheme;

(c) whether disbursement of the loans against sanctioned application is taking a long time and even 50 per cent of the youths who have been sanctioned loan have not obtained full or substantial disbursement of the loan up till now; and

(d) the details of applications sanctioning disbursement in each of the two years with a State-wise break-up thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The announcements for the continuance of the scheme for Self-Employment for educated unemployed youths for the years 1984-85 and 1985-86 were made by the Government in September, 1984 and July, 1985 respectively. These instructions were issued to the State Government who in turn allotted targets among the Districts in their respective states and thus the actual scheme was started in October-November, 1984 for the year 1984-85 and August-September, 1985 for the

year 1985-86 respectively. Reserve Bank of India issued instructions to the banks in September, 1984 and August, 1985 respectively. The Ministry of Industry has advised the State Governments/Union Territory Administrations that bunching of applications should be avoided in the closing months of the financial year. They have also requested the Governments to issue necessary instructions to all the District Industries Centres in their respective States/Union Territories to hold the meetings of the Task Force regularly soon after the last date of receiving the applications is over and also not to recommend more than 10 per cent of the applications over and above the target fixed for the bank branches for sanction under the Scheme.

(c) and (d). During 1984-85 the banks sanctioned 2.29 lakh cases involving an amount of Rs. 429.53 crores. The complete information regarding disbursements have not been received from all the State Governments. However, information regarding disbursement of Rs. 189.78 crores in 1.20 lakhs cases has been received and the operative period of the Scheme has been extended for the year 1985-86 also with the identical target of 2.5 lakh ventures.

Results of the raids conducted by income tax authorities and CBI

147. SHRI T. BASHEER :
SHRI U. H. PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Income Tax Authorities and CBI have conducted large scale raids in various parts of the country recently; and

(b) if so, the 'State-wise' details regarding this and the results thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Income Tax Department has conducted 1777 searches during the last three months i.e. November 1985 to January 1986 and seized *prima facie* unaccounted assets worth Rs. 16.64 crores approximately apart from several incriminating books of accounts and

documents. 'State-wise, break-up is given in the attached statement.

Information in respect of raids conducted by CBI is being collected and shall be laid on the Table of the House.

Statement

State-wise break-up of searches conducted during the period 1.11.85 to 31.1.86

Sl. No.	Name of State	No. of searches	Approx. value of assets seized (Rs. in lakhs)
1.	Maharashtra	455	543.65
2.	Bihar	34	25.23
3.	Delhi	75	71.36
4.	Uttar Pradesh	225	184.55
5.	Gujarat	102	96.55
6.	M. P.	87	103.86
7.	Punjab	43	9.93
8.	Haryana	18	3.25
9.	Rajasthan	38	8.14
10.	West Bengal	179	222.50
11.	Arunachal, Assam, Manipur, Meghalaya, Mizoram & Nagaland.	8	25.17
12.	Orissa	8	0.80
13.	Andhra Pradesh	119	84.23
14.	Karnataka	76	132.76
15.	Kerala	148	49.53
16	Tamil Nadu	162	102.45

Total : 1777 1663.96

Companies raided to eradicate black money

148. SHRI BANWARI LAL PUROHIT :
 SHRI SANTOSH MOHAN DEV :
 PROF. K. K. TEWARY :
 SHRI V. S. KRISHNA IYER :

Will the Minister of FINANCE be pleased to state :

(a) whether to eradicate the menace of black money in the country, Government have raided several companies during the last three months;

(b) if so, details of the companies on which raids were conducted and also details of incriminating documents seized;

(c) the action contemplated by Government against the offenders; and

(d) further steps Government propose to contemplate to check the increasing black money in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Yes, Sir. During the last 3 months i.e. November 85 to January 86 Income-tax Department conducted 1777 searches and seized prima-facie unaccounted assets worth Rs. 16.64 crores approximately apart from several incriminating account books and documents. Keeping in view the large number of searches it is not practicable to give the details of companies searched and incriminating documents seized.

Necessary action under various provisions of Direct Taxes Acts has been initiated in respect of all the persons searched.

(d) All necessary steps including administrative, legislative and institutional are being taken from time to time to curb the black money.

Violation of FERA by United Breweries group of companies

149. SHRI BANWARI LAL PUROHIT :
 SHRI NARESH CHANDRA CHATURVEDI :

Will the Minister of FINANCE be pleased to state :

(a) whether the enforcement wing of the Income Tax Department has arrested the Chairman of the United Breweries group of companies recently for violation of the Foreign Exchange Regulation Act;

(b) if so, details of the violations committed by the company;

(c) the details of the incriminating document seized during the raids; and

(d) the action contemplated by Government against the firm/company ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Directorate of Enforcement (FERA) arrested Shri Vijay Mallya, Chairman of the United Breweries Group of Companies, on 5.1.1986.

(b) to (d). As a result of searches, conducted on 9.7.1985, certain documents found to be useful for, or relevant to investigation or proceeding under Foreign Exchange Regulation Act, 1973, were seized. On the basis of investigations made, so far, one Show Cause Notice has been issued to M/s. United Breweries and others including Vijay Mallya for allegedly giving a guarantee of credit facilities of U. S. \$. 3 million to a non-resident firm, in contravention of Sec. 26(6) of the Foreign Exchange Regulation Act, 1973. Further investigations in the matter are still in progress. Appropriate action under the law, as warranted by the result of investigations, will be taken.

Study in U. S. and West Germany regarding demand for health foods

150. SHRI BANWARI LAL PUROHIT : Will the Minister of COMMERCE be pleased to state :

(a) whether his Ministry has been asked to conduct a special study in U.S. and West Germany on the demand for health foods in those countries;

(b) if so, when such study will be conducted; and

(c) the purpose of conducting such a study ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). During October-November 1985, the Indian Institute of Foreign Trade conducted a study in West Germany, Netherlands and USA.

(c) The study aimed at defining and delineating the market segment of the diverse health food market for export of such products from India.

Representation from Indian Woollen Mills Federation reimport of wool tops

151. SHRI BANWARI LAL PUROHIT: Will the Minister of TEXTILES be pleased to state :

(a) whether the Indian Woollen Mills' Federation (IWMF) has urged Government to check the import of wool tops by the country's exporters of woollen items and prevent the collapse of the industry;

(b) if so, the details thereof;

(c) whether any decision has been taken by Government on the representation of the IWMF; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES SHRI KHURSHID ALAM KHAN) : (a) to (d). Government had received the representations from IWMF and Wool Combers Workers' union in 1984 asking for banning the import of wool tops. Government banned the import of wool tops w.e.f. 10th August 1984. There has been no change in policy since then.

Long term policy relating to Cash Compensatory Support

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

(a) whether Government have decided to adopt a long term policy relating to Cash Compensatory Support (CCS); and

(b) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Policy relating to Cash Compensatory Support is already being implemented on a long term basis. Effective from 1st April, 1986, a new scheme of cash compensatory support will come into operation and will remain in force for a period of 3 years. The salient features of the new CCS scheme are :

(i) In respect of industrial products, re-imbursement of un-refunded indirect taxes will continue to be the main element for determining the CCS rates. However, the cascaded structure of taxation will also be taken into account.

(ii) Compensation for product market development will be given only in a highly selective manner on the basis of a phased out programme.

(iii) For agricultural items, such as fruits and vegetables which are perishable in nature, a special element of compensation will be provided for the high cost of transportation within India.

(iv) For Handicrafts items, the value-added by labour will be one of the main factors to be considered for determining the CCS rates.

(v) The restriction regarding grant of CCS not being allowed to exceed 25 per cent of the value-added i.e. f. o. b realisation less REP entitlement (Under the Import Policy for registered Exporters) will continue.

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

Investments in India by non-resident Indians

153. SHRI YASHWANTRAO GADAKH PATIL : Will the Minister of FINANCE be pleased to state :

(a) whether an open house meeting was held by the Finance Minister with the Non-resident Indians investors in New Delhi in December 1985 regarding investments in India;

(b) if so, the main conclusions of the meeting and;

(c) the follow-up action taken ?

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

(b) and (c). At the meeting a number of procedural and other issues were raised by NRIs, such as granting general permission for portfolio purchases for a period longer than the current limit of three years, simplification in RBI procedure for crediting NRE A/cs, increasing the entitlement from the present 25 per cent of the foreign exchange brought by returning Indians under the Return in Indian Foreign Exchange Entitlement Scheme, permission to remit abroad the premium of Life Insurance Policy, single window clearance for industrial applicants etc.

These suggestions have been considered in consultation with Reserve Bank of India and other concerned Departments/Ministries and action taken as necessary.

Bank dacoities

154. SHRI CHINTAMANI JENA : SHRI CHIRANJI LAL SHARMA : SHRI UTTAM RATHOD :

Will the Minister of FINANCE be pleased to state :

(a) the number of bank dacoities occurred during the months of November and December, 1985 and January, 1986 and the amount looted in each case;

(b) the number of persons arrested so far and the number of cases solved and the amount recovered; and

(c) the steps being taken by the banks to foil the dacoity attempts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The information as reported by RBI regarding bank robberies dacoities that occurred in the country during the months of November and December, 1985 and January, 1986, the amount involved in each case, the number of persons arrested, the number of cases solved and the amount recovered is given in the attached statement.

(c) The report of the High Power Working Group, which was set up by the Government to critically review security arrangements in banks and to make suggestions for improvement therein, was sent to all public sector banks and State Governments for implementing the recommendations made by the Group. Banks have been implementing the measures recommended by the Working Group in a phased manner for providing greater security for branches.

Statement

Sl. No.	Name of the Bank	Date of Occurrence	Amount involved (Rs.)	Amount recovered (Rs.)	No. of persons arrested	Cases solved
1.	Allahabad Bank	1.11.85	2,85,791	Nil	Nil	Nil
2.	Bank of India.	4.11.85	40,652	Nil	Nil	Nil
3.	United Bank of India.	7.11.85	1,00,108	Nil	Nil	Nil
4.	Central Bank of India.	7.11.85	25,151	Nil	Nil	Nil
5.	Indian Overseas Bank.	11.11.85	4,45,354	Nil	Nil	Nil
6.	UCO Bank.	25.11.85	1,39,518	Nil	Nil	Nil
7.	Dena Bank.	28.11.85	75,184	67,465	1	Nil
8.	Bank of Madura.	29.11.85	4,46,250	Nil	Nil	Nil
9.	Indian Overseas Bank.	6.12.85	1,52,170	Nil	Nil	Nil
10.	Canara Bank.	17.12.85	16,811	Nil	Nil	Nil
11.	State Bank of India	18.12.85	7,25,000	Nil	Nil	Nil
12.	Oriental Bank of Commerce	20.12.85	10,000	Nil	Nil	Nil
13.	State Bank of Patiala	20.12.85	2,90,000	2,90,000	Nil	Nil
14.	State Bank of India	26.12.85	1,40,000	Nil	Nil	Nil
15.	Punjab National Bank.	6.1.86	3,12,582	Nil	Nil	Nil
16.	Syndicate Bank.	7.1.86	2,79,851	Nil	Nil	Nil
17.	New Bank of India	8.1.86	4,00,000	Nil	Nil	Nil
18.	State Bank of India.	23.1.86	1,12,403	Nil	Nil	Nil
19.	State Bank of India.	29.1.86	13,00,000	Nil	Nil	Nil
20.	Punjab National Bank.	30.1.86	36,181	Nil	Nil	Nil

Marketing of Indian tea as Georgian tea by USSR in West Europe

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

(a) the quantity of tea exported to USSR annually and during the last three years, year-wise;

(b) whether it is a fact that Soviet Union is marketing Indian tea as Georgian tea in West Europe;

(c) if so, the steps Government have taken in this respect; and

(d) the steps Government are considering to take to popularise Indian tea in foreign countries ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Exports of tea to USSR during the last three years have been as under :

Year	Qty. (M. kgs.)
1982-83	57.9
1983-84	60.3
1984-85	83.7

(shipment licences issued)

(b) Tea Board has no such information. This however, appears extremely unlikely because Georgian teas fetch very low prices and Indian teas bought by USSR are generally at the higher end of the price range.

(c) Does not arise.

(d) In order to popularise Indian tea abroad, the Government provides assistance for Brand Promotion and warehousing abroad as well as cash compensatory support on value added teas. Tea Board also undertakes promotional campaign through its offices abroad.

Supply of subsidized grains under Integrated Tribal Development Programme

156. SHRI K. PRADHANI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have recently formulated a new scheme for supply of subsidized grains under the Integrated Tribal Development Programme;

(b) if so, the broad outlines thereof;

(c) the quantity of wheat expected to be utilised annually under the new scheme, State-wise;

(d) the off-take expected during the current year; and

(e) whether rice will also be made available under this scheme, if so, quantity thereof and if not, the reasons therefor ?

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

(b) Under this scheme, foodgrains are distributed to the people living in the tribal areas at specially subsidized rates of Rs. 1.50 per kg. for wheat and Rs. 1.85 per kg. for common rice. The scheme covers all Integrated Tribal Development Projects areas as well as tribal majority States/Union Territories of Nagaland, Meghalaya, Arunachal Pradesh, Mizoram, Lakshadweep and Dadra & Nagar Haveli.

(c) to (e). Both wheat and rice are supplied under the scheme. It is not possible to indicate firm estimates of annual requirement under the scheme, State-wise. However, during the current year, as on 31.1.1986, when the scheme has been in operation for a short period, a quantity of 72518 tonnes of rice have been issued by the Food Corporation of India.

Measures to unearth black money

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

(a) whether his attention has been drawn to the news items captioned "Bid to stall tax raids-Businessmen launch operation" appearing in the 'Indian Express', New Delhi of 10th January, 1986;

(b) if so, the counter measures being taken or taken by Government to unearth black-money from the business houses and professionals like doctors, architects, advocates Income-tax practitioners, Chartered accountants and others who do not issue any receipts for their fees/remuneration;

(c) the particulars of Business Houses and others from whom unaccounted money to the tune of Rs. 1 crore and above had been seized during the month of December 1985 and till date; and

(d) the action being taken to stop such malpractices by these tax dodgers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE SHRI JANARDHANA POOJARY : (a) and b. Yes, Sir. Government will not yield to any pressures from any quarters. On receipt of specific information, all possible measures including survey and searches are undertaken and shall continue to be undertaken to unearth black money from the business houses, professionals and others who do not issue any receipts for their fees/remuneration.

(c) The details of cases where *prima facie* unaccounted money to the tune of Rs. 1 crore and above had been seized from December 1985 till date are as under :

Sl. No.	Name of the case	Total assets seized (Rs. in lakhs)
1.	Bajaj Group	Rs. 118.33
2.	Sh. Bansilal N. Zaveri	Rs. 125.78
3.	M/s. Nagarjuna Fertilisers Chemicals Ltd. Group	Rs. 237.67

(d) All necessary steps including administrative, legislative and institutional are being

taken from time to time to stop malpractices by tax dodgers.

Stagnancy in shrimp catches

158. SHRI SOMNATH RATH : Will the Minister of COMMERCE be pleased to state :

(a) whether the Marine Products Exports Development Authority is aware of the stagnant shrimp catches all over the country;

(b) if so, the reasons for his Ministry permitting large trawlers to be imported under the 100 per cent export schemes;

(c) whether any compensation will be given to small fishermen under this decision when catches have not grown noticeably; and

(d) if not, the steps MPEDA are taking to ensure over fishing of shrimp ?

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

(b) to (d). According to the report of a Technical Committee constituted by the Ministry of Agriculture for assessing the potential of shrimp resources in the country and the present level of exploitation, the exploitable resources has not been fully harvested in the deep sea areas and there is scope for introduction of more vessels under various schemes including 100 per cent Export-oriented Units scheme to exploit multi-species fishery resources off the Indian Coasts. There is no proposal for giving any compensation to small fishermen in the areas where the catches have not grown noticeably.

Raids to detect tax evasion

159. SHRI SOMNATH RATH : SHRI HARISH RAWAT : SHRI C. MADHAV REDDI :

Will the Minister of FINANCE be pleased to lay on the Table a statement showing :

(a) the number of raids conducted on different firms, private companies and individuals for tax evasion and under FERA from 1st April, 1985 till date;

(b) the amount of tax evasion detected; and

(c) the number of cases filed and the amount realised.

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

Export of cardamom to prevent fall in prices

160. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether the Cardamom Board has given a suggestion that 500 tonnes of low grade cardamom should be exported to the Scandinavian countries with a view to preventing the price of cardamom from falling further;

(b) if so, whether any decision has been taken in this regard; and

(c) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). The Board has sent a proposal for exports on the basis of a Government subsidy to offset the substantial losses likely to be incurred in the operation. In view of the success achieved in exporting nearly all our exportable production by January, 1986 such operations are not considered necessary. Besides after careful consideration Government have already provided Cash Compensatory Support of 10 per cent on the exports of Cardamom. Chairman Cardamom Boards has also been advised to step up promotional activities both for internal as well as international markets.

Export of Cardamom to Gulf countries

161. PROF. P. J. KURIEN : Will the

Minister of COMMERCE be pleased to state :

(a) whether Government have received any request that the Cardamom Trading Corporation should be asked to export cardamom to the Gulf-countries; and

(b) if so, whether Government have considered this request and taken final decision thereon ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). The Cardamom Trading Corporation Limited is a Commercial Organisation set up with the primary objective of domestic and international trade in cardamom and its products. The decisions regarding its commercial operations have to be taken by its management based on commercial considerations.

Increase in revenue receipts from income tax

162. PROF. P. J. KURIEN : Will the Minister of FINANCE be pleased to state :

(a) whether the revenue receipts from income tax have substantially gone up as a result of the concession in tax announced in the annual budget for 1985-86;

(b) if so, the details of the increase with the State-wise break-up; and

(c) the details of the measures taken to realise the tax as well as the arrears ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No information is available to show that the increase is directly relatable to the concession.

(b) Does not arise.

(c) The Income-tax Act, 1961 provides for several steps for enforcing collection and recovery of 'Tax in arrears' such as levy of penalty, attachment of monies due to the defaulters; distress and sale of movable property, committing the defaulter to civil

imprisonment etc. Depending upon the facts and circumstances of each case suitable steps are taken from time to time.

Impact of recent price hike on Wholesale Price Index and Consumer Price Index

163. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) the total impact on the Wholesale Price Index and Consumer Price Index respectively of the recent hikes in the administered prices of coal, wheat, rice, fertilisers and petroleum products announced by Government;

(b) the total revenue in a whole year as a result of these hikes in prices; and

(c) whether Government have any proposals to provide relief to the common people from the rise in prices and inflative ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The direct impact of the recent revisions during January and February, 1986 in administered prices of coal, fertilisers, petroleum products and the issue prices of rice and wheat is estimated at 0.7 per cent on the wholesale price index. The latest wholesale price index, available upto 1st February, 1986, shows a slight fall in that week. The Index, however, did not include changes in respect of prices of petroleum products, rice and wheat. The consumer price index for industrial workers (1960-100) is available only upto December, 1985.

(b) The revision in the prices of petroleum products is estimated to yield an additional Rs. 530 crores for the public sector oil undertakings. The increase in the other administered prices will go towards reducing subsidies or lowering costs of the relevant public sector undertakings.

(c) While all price increases have an impact on consumers, the Government is keeping a close watch on the overall price

situation. The public distribution system for essential commodities is being expended and schemes whereby the poorer sections receive foodgrains at highly subsidised prices are being continued. Plan investment will also result in a number of schemes for the urban and rural poor.

Exports of Madhubani Paintings

164. DR. G. S. RAJHANS : Will the Minister of TEXTILES be pleased to state :

(a) whether any fresh efforts have been made to boost the export of Madhubani paintings; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b) Yes, Sir. Handicrafts and Handloom Export Corporation of India undertook special project for development of Madhubani Paintings with a view to provide relief to the artists in drought prone areas during 1984-85. The Madhubani Paintings so developed were sent to France and U.S.A. to renew the public interest in this field. Some paintings were also sent to Smithsonian Institute, Washington, U.S.A., as a part of Festival of India and met with public appreciation.

RBI study on causes of Bihar's economic backwardness

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

(a) whether the Reserve Bank of India proposes to conduct a study on the causes of Bihar's economic backwardness; and

(b) if so, when such a study will be conducted and the time by which the study team will submit its report to Government ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India (RBI) jointly with the National Bank for Agriculture and Rural Development had set up a Committee in

November, 1983 under the Chairmanship of Dr. S. S. Sen to look into the problems of agricultural development in the Eastern Region, including Bihar. The Committee has submitted its report on 31.12.1984.

RBI has also reported that at the meeting of the State Level Bankers' Committee held on 1.2.86, presided over by Governor, RBI the problem of low credit-deposit ratio and general economic backwardness in Bihar was discussed. RBI has further reported that a Committee consisting of State Government Secretaries and senior bankers has been constituted to monitor the stepping up of the credit deposit ratio in Bihar. Such monitoring would be an ongoing process.

[*Translation*]

Minting of coins

166. PROF. NIRMALA KUMARI
SHAKTAWAT :
SHRI YASHWANTRAO GADAKH
PATIL :
SHRI SATYENDRA NARAYAN
SINHA :

Will the Minister of FINANCE be pleased to state:

(a) the number of coins minted in the country alongwith the number of coins imported from other countries during the year 1985-86:

(b) whether the cost of minting of coins in Foreign countries was less as compared with that in India.

(c) whether the storage of coins in the country will be completely removed during 1986-87; and

(d) whether Government propose to enact any effective law to check the melting of coins to obtain metal in view of their shortage?

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

	<i>Million Pieces</i>
(i) Coins Minted in India during 1.4.85 to 8.2.86	1760.47
(ii) Coins imported during the same period in the denominations of Re. 1/-, 50 P and 25 P.	1083.26
(b) Yer, Sir.	
(c) With increased production and supply indigenous coins as well as imports arranged, Government expect that the shortage situation will ease considerably.	

(d) There is no such proposal. The Small Coins (Offences) Act 1971 (No. 52 of 1971) provides for punishment for melting or destruction of small coins as well as hoarding of small coins for the purpose of melting or destruction. This is considered adequate to take care of the situation.

Development of tourist centres in Himalayan Regions

167. SHRI MANIK REDDY : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether it is a fact that 80 tourist centres are being developed in the Himalayan Regions;

(b) if so, the details thereof; and

(c) whether Government plans to improve airport hassles, untidy hotels and poor information systems as also poor transportation and reservation system to attract more tourists from within and outside the country ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) This is not a fact.

(b) Does not arise.

(c) Yes, Sir.

Export of coir goods from Kerala

168. SHRI V. S. VIJAYARAGHAVAN: Will the Minister of TEXTILES be pleased to state :

(a) whether the export of coir goods from Kerala has declined over the years;

(b) if so, the main reasons for the decline;

(c) whether any special efforts have been made by Government to explore new markets for these goods; and

(d) if so, the details thereof and the achievement so far ?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN): (a) and (b) There has been no decline in exports of coir goods from Kerala in value terms. But in quantitative terms, there has been a declining trend due mainly to shortage of raw material, shift in demand patterns and emergence of cheaper substitutes.

(c) and (d) Various steps undertaken to explore new markets include sending trade delegations, conducting market studies and market research, releasing of advertisements in foreign trade magazines, distribution of publicity material and participation in fairs abroad.

Development of Guruvayoor as tourist centre in Kerala

169. SHRI V. S. VIJAYARAGHAVAN: Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether there is any proposal to develop Guruvayoor in Kerala as a major tourist centre; and

(b) if so, the details thereof ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT): (a) and (b). Guruvayoor is a well-known pilgrim centre in Kerala State. The Department of Tourism has included Guruvayoor in the list of important tourist centres in the country.

The State Department of Tourism has a proposal to construct a Yatrika at Guruvayoor with Central assistance in the 7th Five Year Plan.

Foodgrain stocks

170. SHRI CHINTAMANI PANIGRAHI: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether stocks of foodgrains with Government have reached 34 million tonnes; and

(b) what was the procurement of rice and wheat from different states in 1984-85 and in 1985-86, respectively ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA): (a) No, Sir. The total stock of foodgrains with the public agencies as on 1.1.1986 was estimated at 24.18 million tonnes.

(b) A statement showing State-wise procurement of rice and wheat in 1984- 5 and 1985-86 (as on 17.2.1986) is attached.

Statement

Statement showing procurement of rice (including paddy in terms of rice) and wheat in 1984-85 and 1985-86 (as on 17.2.86)

(In thousand tonnes)

State	RICE		WHEAT	
	1984-85 (P) Marketing Season.	1985-86* Marketing Season.	1984-85 Marketing Season.	1985-86* Marketing Season.
Andhra Pradesh	1783	814	—	—
Assam	20	22	—	—
Bihar	31	3	43	4
Gujarat	30	5	1	—
Haryana	977	971	1774	1960
Jammu & Kashmir	55	43	7	5
Karnataka	101	61	—	—
Kerala	Neg	—	—	—
Madhya Pradesh	357	354	90	14
Maharashtra	1	Neg	—	—
Orissa	105	84	—	—
Punjab	4277	4137	5012	6147
Rajasthan	46	25	217	37
Tamil Nadu	807	408	—	—
Uttar Pradesh	1116	674	2152	2174
West Bengal	96	33	Neg	2
A & N Islands	Neg	—	—	—
Arunachal Pradesh	3	1	—	—
Chandigarh	5	7	—	—
Delhi	—	—	3	Neg
Pondicherry	12	4	—	—
ALL-INDIA	9822	7645	9300	10345

(Neg) Below 500 tonnes.

(*) Position as on 17.2.1986.

(P) Provisional, subject to revision.

**Sukhamoy Chakravarti Committee
Report on monetary system**

171. SHRI CHINTAMANI PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) whether the Sukhamoy Chakravarti Committee Report has recommended that Government should stop leaning on the Reserve Bank of India to print notes as and when required; and

(b) if so, whether Government have taken any decision in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Committee has, inter alia, recommended that the aim of government's domestic borrowings should be to regulate the residual reliance on the Reserve Bank for funds in such a way that the resultant growth in reserve money and money supply do not lead to inflation with adverse feedback effects on the level of government expenditure and deficits themselves.

(b) The views of the Committee are in line with those of the Government and will be taken into account while formulating policy.

Establishment of an Islamic Common Market

173. SHRI MAHENDRA SINGH : Will the Minister of COMMERCE be pleased to state :

(a) whether Government's attention has been drawn to be reported talks between various Islamic countries for the establishment of an Islamic Common Market;

(b) if so, Government's assessment about the likely establishment of such a common market, and the impact thereof on India's foreign trade; and

(c) whether in view of the existence of European Market and the likely establishment of an Islamic Common Market. Government are also considering the question of participating in such a common market, if so, the details in the regard ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). There are some newspaper reports regarding the idea of establishing an Islamic Common Market. The impact of such an organisation coming into being can be assessed only in future depending upon how such an organisation evolves.

Wheat export deal with Pakistan

174. SHRI MAHENDRA SINGH : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether a wheat export deal has been under negotiation with Pakistan;

(b) if so, the outcome thereof so far; and

(c) the quantity of wheat proposed to be exported to Pakistan this year and in the ensuing year ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) No wheat export deal is under negotiation with Pakistan at present.

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

Setting up of a free port-cum-resort in Andamans

175. SHRI BASUDEB ACHARIA : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the Union Government have almost finalised the plans for setting up a free port-cum-resort in the Andamans;

(b) if so, details thereof;

(c) the details of measures planned to ensure protection of ecology and ethnic culture of the islanders;

(d) whether any attempts to know the wishes of the islanders on this matter were made;

(e) if so, the details thereof;

(f) whether any discussion had taken place on the subject in the forums like

National Development Council, Planning Commission or in Parliament; and

economic development, has been a feature of our foreign trade for several years.

(g) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No Sir,

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

(d). No Sir.

(e). Does not arise.

(f) and (g). The matter was discussed in the Planning Commission during the finalisation of Seventh Plan Programmes. No final decision was taken.

Trade imbalance due to liberalisation of import policy

176. SHRI AMAR ROYPRADHAN : Will the Minister of COMMERCE be pleased to state :

a) whether it is a fact that there is a trade imbalance due to the liberalisation of import policy;

(b) if so, the details thereof, and

(c) the steps Government propose to take in this regard ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). No, Sir. Imbalance in trade, an aspect of

(c) Increasing our exports, diversifying our productive base, modernising our productive apparatus are some of the steps taken by the Government. Modification and periodic revision of our industrial and fiscal policies are also the additional steps taken from time to time.

Violation of FERA by big industrial houses

177. SHRI AMAR ROYPRADHAN : SHRI V. S. KRISHANA IYER :

Will the Minister of FINANCE be pleased to state :

a) the details of the big industrial houses which have violated the provisions of the Foreign Exchange Regulation Act in the past three years and till date; and

(b) the action Government propose to take in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : a) and (b). A Statement giving the names of big industrial houses who have been found to have violated the provisions of Foreign Exchange Regulation Act and penalty dues imposed on them in the course of adjudication proceedings by the Directorate of Enforcement (F.E.R.A.) during the last three years i.e. from 1983 to 1985, is enclosed.

Statement

S. No.	Name of the Company	Action taken (Penalty imposed)	Remarks
1	2	3	4
1983			
1.	Hindustan Lever Ltd. Calcutta.	2,500	—
2.	M/s. Dunlop India Ltd. and its Directors.	1,000	—
3.	M/s. Hindustan Lace Mfg., Corp. Ltd., Calcutta.	750	—

1	2	3	4
4.	i) M/s. Mahindra & Mahindra Ltd., Bombay ii) Shri S. Biswas, Works Manager Mahindra & Mahindra Cap. Calcutta	2,500 & 500 J	—
5.	M/s. Tata Iron & Steel Co. Calcutta	500	—
6.	i) M/s. Johnson & Johnson. ii) Shri Vithial S. Palikar (M.D.) Shri Sdashiv N. Lele, Bombay.	7 200 J	—
7.	M/s. Apollo Trade Ltd., Bombay and its Directors Shri B.D. Singhvi Bombay.	2,000 3,500 on Shri B.D. Singhvi.	—
8.	M/s. Anglo Indian Ltd. Jute Mill, Calcutta.	26,000	—
9.	M/s. American Refregeration Co. Calcutta.	4,500	—
10.	M/s. K.D. Woolen Mills P. Ltd., Chandigarh	20,000	—
11.	M/s. Union Carbide Ind. Ltd. I, Middleton St. Calcutta.	5,000 & 10,000	—
1984			
12.	M/s. G. Ambalal (E&P) P. Ltd. Calcutta.	52,500	—
13.	M/s. General Exports (India) Madras-1.	32,000	—
14.	M/s. Ballarpur Paper & Straw Mills, New Delhi.	2,000	—
15.	M/s. Ritz Ltd., Bombay Shri Sriram Kapur.	3,000	—
16.	M/s. Andhra Oils & Fertilisers Co., Vijayawada.	500	—
17.	Shri M. Prahada Rao, Mg. Partners of M/s. Andhra Oils & Fertilisers Co.	200	—
18.	M/s. Rajasthan Fertilisers & Corpn. Ltd.	10 lakhs Appeal has been filed in F.E.R.A. Board	—
19.	M/s. Jindal Steel Roles Corpn. and its partners, Calcutta.	6,000	—
20.	Shri B.N. Jindal Partner M/s. Jindal Steel Tube Corpn. Ltd. Calcutta.	7,500	—
21.	i) M/s. Karnataka Investments Traders Ltd., Bombay. ii) V.P. Agarwal.	11,10,000 1,00,000	—

1

2

3

4

	iii) Syed Murad Tazel Islam.	10,10,000	—
22.	M/s. Karnataka Investment & Traders Ltd., Bombay & others.	1,00,000 and one lakh on Shri V.P. Agarwal.	—
23.	M/s. Bhai Industrial Promoters Ltd. and others.	10,000 on Co. & 2,000 each on five Directors.	—
24.	i) M/s. Lohia Jute Pres. P. Ltd., Cal. ii) Sh. K.K. Lohia, Director of Lohia Jute Pres. Cal.	10,000 5,000	— —
25.	M/s. Socieda de Fomento, Goa & Directors.	62,35,000	Appeal has been filed in F.E.R.A. Board.
26.	M/s. Hoechest Dyes & Chemicals.	1,000	—
27.	M/s. Hoechst Dyes & Chemicals. Ltd. Bombay.	1,000	—
28.	M/s. Bata India Ltd., Calcutta.	4,000	—
29.	i) M/s. M.D. Oswal Hosiery (Regd.) Delhi. ii) Shri Mohinder Kumar iii) Shri Vinod Kumar partner of M/s. M.D. Oswal Housing, Model Town, Delhi	25,000 on firms & 5,000 each on its 2 partners.	—
30.	M/s. Angelo Bros. Ltd.	5,00,000 3,00,000	— —
31.	M/s. Rayala Corp. (P.) Ltd. Shri M.R. Pratap, Madras.	1,00,000 30,000 25,000 50,000 25,000 & 12,500	—

[Translation]

Irregularities committed by Regional Rural Banks

178. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the irregularities committed by the Regional Rural Banks in Bihar, Uttar Pradesh, Delhi, Haryana and other States;

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

(c) the names of those branches of the Regional Rural Banks in Bihar where irregularities have been detected during the period from 1st January to 31st December 1985 and the details of the action taken against the officials concerned; and

(d) the total number of such cases which have been handed over to the Central Bureau of Investigation and also of those which are likely to be handed over to them by April next ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The present data reporting system from Regional Rural Banks does not generate data in the manner asked for. Specific instances/complaints whenever received are got looked into for taking suitable remedial action.

(c) and (d). Information is being collected and to the extent available will be laid on the Table of the House.

Smuggling in foodgrains

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

(a) whether his attention has been drawn to the news-item captioned "Daring misdeeds of foodgrains smugglers" appearing in 'Jan-satta' of 1 February, 1986;

(b) if so, the action taken by Government against food grain smugglers in Bihar, U. P. and other States during the period 1 January, 1985 to 31 January, 1986; and

(c) the action taken or proposed to be taken at high level by Government keeping in view the irregularities and malpractices mentioned in the above news item ?

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

(b) and (c). Except for the statutory rationing areas in West Bengal, the country is treated as one zone for movement of wheat, levy free rice and other grains. There is thus no bar against the movement of foodgrains from one place to another.

If there is any violation of local laws, the State Governments would be concerned with the matter.

[English]

Sharing of losses incurred by Public Distribution System by Central and State Governments

180. SHRI K. P. UNNIKRISHNAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government of Kerala have suggested that losses incurred by the Public Distribution System be brought as subsidies under the Plan scheme and shared by the Union and State Government;

(b) if so, the response of the Union Government to the above suggestions; and

(c) the steps taken thereon ?

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

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

Allocation of Palmolein to Kerala

181. SHRI K. P. UNNIKRISHNAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the present monthly allocation of palmolein to Kerala;

(b) whether Government of Kerala have sought increase in its allocation of monthly quota of palmolein; and

(c) whether Government have increased the quota or allocation ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The allocation of Palmolein to State Government of Kerala for February, 1986 is 2000 MTs.

(b) No, Sir.

(c) Does not arise.

Hundred per cent export oriented units functioning in Delhi

182. SHRI AJIT KUMAR SAHA : Will the Minister of COMMERCE be pleased to state :

(a) the number of hundred per cent export-oriented units sanctioned for Delhi and the number of those which are operational; and

(b) the total amount of foreign exchange earned by these units during the last three years ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) Thirty-three proposals have been approved under 100 per cent Export Oriented Scheme for setting up units in Delhi. Three of these are in production and export.

(b) These units became operational during 1984-85. According to returns received up to quarter ending 31-12-1985, the exports effected upto 31-12-85 are of the value of Rs. 40.83 lakhs.

Performance of West Bengal Mallah Bhum Gramin Banks

183. SHRI AJIT KUMAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) the performance of West Bengal Mallah Bhum Gramin Banks regarding the opening of branches, disbursement of loans and local employment; and

(b) the criteria adopted regarding the composition of directors in the Mallah Bhum Gramin Banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The performance of Mallahbhum Gramin Bank as on 30th June, 1985 is indicated below :

No. of Branches	141
Deposits (Rs. in lakhs)	1878
Outstanding advances (Rs. in lakhs)	1150

Staff in Position

Officers	330
Clerical Staff	302

(b) The board of directors of each Regional Rural Bank including Mallahbhum Gramin Bank has been constituted in accordance with the provisions contained in section 9 of the Regional Rural Banks Act 1976.

Credit deposited by nationalised Banks of Bankura District

184. SHRI AJIT KUMAR SAHA : Will the Minister of FINANCE be pleased to state :

(a) the credit deposited in the nationalised banks in Bankura District (West Bengal) in the last three years; and

(b) the loans disbursed under different heads during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Aggregate Deposits, Gross Bank Credit and C. D. Ratio of all scheduled commercial banks as at the end of December 1982, 1983 and 1984 in

Bankura District (West Bengal) is given below :

(Amount in Rs. crores)			
	Deposits	Credit	C.D Ratio (%)
1982	41.33	10.66	25.79
1983	48.59	13.61	21.01
1984	58.80	18.38	31.26

(b) Detailed Sector-wise data on outstanding advances of Scheduled Commercial Banks in Bankura District is available for December 1982 only and is set out below :

Sector	(Amount in Rs. crores)	
	1982	
Aggregate Credit		8.92*
of which		
(a) Agriculture		4.50
(b) Small Scale Industry		0.69
(c) Transport Operators		0.68
(d) Services		0.31
(e) Retail Trade		1.16

*Sectoral break-up is for advances according to utilisation and not according to sanction.

Introduction of special scheme for small entrepreneurs by 'NABARD'

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

(a) whether it is a fact that National Bank for Agriculture and Rural Development has introduced a special scheme for small entrepreneurs who propose to set up cottage, tiny and village industries in rural areas and who are unable to provide the necessary funds out of their own resources; and

(b) if so, the details thereof ?

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

(a) and (b). The National Bank for Agriculture and Rural Development has constituted a Soft Lending Assistance Fund. Margin money from this Fund would be provided to those individuals who have traits and talents of entrepreneurship and ability to run the industries but have no resources of their own to meet the margin money requirements. The quantum of assistance will be the difference between the level prescribed for promoter's contribution and what the promoter can contribute. The lending bank will get cent per cent refinance from NABARD for this purpose. The loan is repayable within a maximum period of 10 years after the repayment of term loan.

[Translation]

Smuggling of gold

186. PROF. CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that contraband gold in more quantity has been seized from smugglers in 1985 in comparison to the previous years; and

(b) if so, the steps being taken by Government to check smuggling of gold ?

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

The quantity of gold seized under the Customs Act, 1962, during the years 1983, 1984 and 1985 is given below :

Year	Quantity (in kgs.)
1983	233
1984	551
1985	2560 (provisional)

(b) The drive against smuggling has been intensified. The preventive and intelligence machinery of the Customs Department remain vigilant with respect to the areas vulnerable to smuggling and commodities, including gold, sensitive to smuggling. The scheme of rewards to informers and Govern-

ment servants has been liberalised. In addition, appropriate anti-smuggling measures, both short-term and long-term, are taken in close coordination with the concerned Central and State Government authorities. The trends in smuggling and seizures made are kept under constant review for taking appropriate remedial measures.

[*English*]

Demand for more edible oil by Government of Orissa

187. SHRI BRAJAMOHAN MOHANTY : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the quantity of imported edible oils supplied to different States for public distribution system during the years 1983-84, 1984-85 and 1985-86;

(b) whether Government of Orissa have made any demand for quantity of edible oil for public distribution system; and

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

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) A statement is attached showing the quantity of imported edible oils supplied to different States for Public Distribution System during the years 1983-84, 1984-85 and 1985-86 as available at present are given.

(b) and (c). A request for allocation of more edible oil for Orissa was made in October, 1985. The allocation of imported edible oils under Public Distribution System is meant to supplement the availability of indigenous edible oils in the open market and not for meeting the total demand of a State Government. In view of the availability of indigenous edible oils (including Mustard oil) and softening trend in the prices, it was not considered necessary to increase the allocation of imported edible oils to Orissa.

Statement

Oil Year (Nov.-Oct.)	(Quantity in lakh tonnes)	
	Quantity Allocated to States/U. Ts.	Quantity Lifted by the States/ U. Ts.
1983-84	9.56	6.26
1984-85	7.27	6.54
1985-86	1.76	1.32
(Nov. 85 to Feb. 86)		(upto 8.2.86)

India's share in IDA and World Bank

188. DR. B. L. SHAILESH :

SHRI BHATTAM SRI-

RAMAMURTY :

SHRI K. PRADHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether expected increase in India's share of the concessional funds from the International Development Agency and World Bank failed to materialise as the two day meeting of the 34 donor nations concluded in Paris on the 29 January, 1986;

(b) if so, its immediate impact on India's economy and the projects proposed to be assisted by this expected IDA aid; and

(c) efforts being made presently by India to quell the fears of losing its rightful share limit in the World Bank's soft loan window ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c). The two-day meeting of the donor nations for the 8th Replenishment of IDA which was held in Paris on 27-28th January, 1986 was primarily intended for discussing the lending criteria and a range for the size of IDA-8. No decision on the size of IDA-8 or India's share in it is reported to have been taken in that meeting. IDA-8 is expected to come into effect from 1st July, 1987 and the negotiations for the 8th Replenishment have been initiated by the donor countries only recently.

[Translation]

Fall in export of tea

189. SHRI DILEEP SINGH BHURIA :
Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the tea industry is facing great difficulties due to fall in its export last year and also due to very low yield per hectare as compared to Kenya; and

(b) if so, the steps taken in the matter ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) Does not arise.

Export of Indian tea at lower rates to the Soviet Union and Poland

190. SHRI DILEEP SINGH BHURIA :
Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Indian gets lower price for tea which is exported to Soviet Union and Poland under the bilateral agreement concluded with these countries;

(b) whether it is proposed to scrap this bilateral system to promote the export of tea and to make this export profitable so that higher price for tea may be obtained on the basis of good quality of tea in the open world market;

(c) whether it is proposed to bring down the production cost of tea by producing cheaper packing material in place of plywood;

(d) if so, whether the Union Government have taken any action in regard; and

(e) if so, the details thereof ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir. The purchases are made in public auctions in competition with domestic and other foreign buyers. The prices paid by the USSR for Indian teas are generally better.

(b) There is no such proposal, under consideration.

(c) to (e). The Tea Board has entrusted to Indian Institute of Packaging, a study on development of alternative packing material in place of plywood chests.

Financial assistance from World Bank

191. SHRI DILEEP SINGH BHURIA :
Will the Minister of FINANCE be pleased to state :

(a) the financial assistance received so far from World Bank and allied financial agencies for different schemes in the country during the current financial year so far;

(b) whether this amount is far less than the amount proposed; and

(c) if so, how the targets fixed for the Sixth Five Year Plan will be achieved in the absence of this assistance ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The amount of World Bank group assistance indicated in the Aid India Consortium for the Bank fiscal year 1986 (1st July, 1985 to 30th June, 1986) is US \$ 2500 million. A list of projects for which World Bank group loans/credits have been approved for India during the financial year 1985-86 is given in the attached statement.

(b) No, Sir.

(c) Does not arise.

Statement*Amount in US\$ million*

Sl. No.	Name of the project	Amount of loan/credit		
		IBRD	IDA	IFC
1.	National Highways	200	—	—
2.	Chandrapur Thermal Power	300	—	—
3.	Rihand Power Transmission	250	—	—
4.	Kerala Power Project	176	—	—
5.	ICICI Export Development	250	—	—
6.	National Social Forestry	—	165	—
7.	Population Project-IV	—	51	—
8.	Kerala Water Supply	—	41	—
9.	West Bengal Minor Irrigation	—	99	—
10.	Maharashtra Irrigation-III	—	160	—
11.	National Agricultural Research-III	—	72	—
12.	Larsen & Toubro Ltd.	—	—	13.45
13.	Gujarat Rural Housing Finance and Development Corporation	—	—	0.20 (Equity)
14.	Bajaj Tempo Ltd.	—	—	15.62
15.	Escorts Ltd.	—	—	6.00

Frauds in Nationalised Bank

192. SHRI K. D. SULTANPURI : Will the Minister of FINANCE be pleased to state :

(a) the number of fraud cases detected in various nationalised banks in the country during 1985;

(b) the amount involved in these fraud cases;

(c) whether connivance of bank personnel was also found in these fraud cases; and

(d) the number of bank personnel found guilty in these cases and action taken against them during 1985 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Irrespective of the date of actual occurrence of the fraud, during 1985, RBI received reports from 28 public sector banks of the commission of 2157 frauds in the country, involving Rs. 53.48 crores (Approx).

(c) and (d). Reserve Bank of India has reported that some of the frauds in advances portfolio of the banks have taken place due to negligence/connivance of bank employees. The number of delinquent employees against whom action is taken/being taken for their involvement in cases of frauds, as reported by public sector banks to RBI, for the quarter ended 31st March, 30th June and 30th September, 1985 is as under :

	31.3.85	30.6.85	30.9.85
Number of public sector banks who have furnished the following information :	23	23	17
(a) No. of employees convicted on charges of fraud	13	6	4
(b) No. of employees given major/minor penalties	95	165	71
(c) No. of employees against whom prosecution is pending in the Courts	289	289	235
(d) No. of employees against whom departmental proceedings are pending	726	724	477

Recovery of foreign exchange on the basis of cash assistance

193. SHRI MOOL CHAND DAGA :
Will the Minister of COMMERCE be pleased to state :

(a) whether it is the duty of the Reserve Bank of India or the Chief Controller of Imports and Exports to recover and to keep an eye on the recovery of foreign exchange on the basis of cash assistance;

(b) whether it is a fact that the statement compiled by Reserve Bank of India contained 1800 cases of non-recovery of foreign exchange amounting to Rs. 10 crores in 1980;

(c) if so, the action taken so far in those cases;

(d) the amount of foreign exchange recovered so far, the amount that could not be recovered and the persons responsible therefor; and

(e) the action taken by Government against the persons who had taken the cash assistance but have not paid the foreign exchange ?

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

the prime duty to recover and keep an eye on the recovery of foreign exchange is that of the Reserve Bank of India.

(b) to (e). Information is being collected and will be laid on the Table of the House.

Allocation of goods supplied essentially by F.P.S. and directly by Union Government to State Government

194. SHRI MOOL CHAND DAGA :
Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the names of goods which are to be supplied essentially by fair price shops under civil supply and the names of goods which are made available by Union Government to the State Governments at their request; and

(b) the names of other goods besides cotton, rice, wheat and edible oil which have been supplied by Union Government to the Government of Rajasthan during the last two years indicating the quantity, the prices thereof and the basis on which they were made available and the prices on which these goods are supplied to the consumers ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The Central Government has

taken the responsibility to supply seven key essential commodities namely, wheat, rice, sugar, imported edible oil, kerosene, soft coke and controlled cloth to be distributed under the scheme of public distribution system. However, the State Governments are free to include in their public distribution system other commodities for which they can arrange supply on their own.

(b) The quantities of the seven essential commodities supplied by the Central Govern-

ment to Rajasthan during the last two years along with their Central issue price are given in the Statement enclosed.

The prices at which these goods are supplied to the consumers are decided by the State Government taking into account the cost of transportation, administration, margin to be paid to fair price shop owners and other incidentals.

Statement

Statement of quantities supplied of wheat, rice, sugar, kerosene, edible oils, controlled cloth and soft coke alongwith the issue prices by the Central Government to Rajasthan

WHEAT

Year	Qty. allocated (in 000 tonnes)	Central Issue price (Rs.)
1984 (Jan.-Dec.)	336.00	172.00 per quintal
1985 (Jan.-Dec.)	380.00	172.00 per quintal

RICE

(Qty. in 000 tonnes)

1984 (Jan.-Dec.)	12.00	Common	208.00	with effect
		Fine	220.00	from
		Super fine	235.00	16.1.1984
1985 (Jan.-Dec.)	16.00	Common	217.00	with effect
		Fine	229.00	from
		Super fine	244.00	10.10.1985

SUGAR

(Qty. in tonnes)

Retail price (per kg.)

1984 (Jan.-Dec.)	192515	4.00	with effect
			from
			1.2.1984
1985 (Jan.-Dec.)	202639	4.40	with effect
			from
			1.4.1985
		4.80	with effect
			from
			1.12.1985

EDIBLE OILS

(in MTs)

Central Issue Price

1983-84 (Nov.-Oct.)	11920	8500 per MT in Tins 7000 per MT in bulk (w. e. f. 17.2.1982)
1984-85 (Nov.-Oct.)	8380	9500 per MT in Tins 8000 per MT in bulk (w. e. f. 24.5.1984)

SOFT COKE

(in tonnes)

Pithead Price

1983-84	6300	175 per MT
1984-85	20400	—do—

KEROSENE

(in tonnes)

*Basic ceiling**selling price*(Ex-Bombay Rs.
per KL)

1984	172458	1644.93 (w. e. f. 1.4.1983)
1985	182647	1891.93 (w. e. f. 17.3.1985) 1821.93 (w. e. f. 26.3.1985)

CONTROLLED CLOTH

(Actual despatches in
*standard bales)

1983-84	7770.00
1984-85	4875.75

*one standard bale is equal to 1500 sq. mts.

The present consumer price of Dhoti ranges between Rs. 2.20 to Rs. 3.85 per metre, that of saree between Rs. 2.90 to Rs. 5.85 per metre and that of long cloth Rs. 2.90 to Rs. 5.70 per metre.

Raids by Income tax, Customs and Excise department

195. SHRI MOOL CHAND DAGA : SHRI PRIYA RANJAN DAS MUNSI :

Will the Minister of FINANCE be pleased to state :

(a) the number of raids conducted by Income Tax/Customs and Excise Departments during the last two years;

(b) the number of people against whom action was taken for their involvement in economic offences and the total amount of black money recovered;

(c) the number of cases of evasion of customs and excise duty and under FERA detected during the same period; and

(d) the total amount Government have been able to recover indicating the number of persons put behind the bars ?

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

[*English*]

Strengthening of Public Distribution System in rural areas

197. SHRI B. V. DESAI : SHRI SRIHARI RAO :

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

(a) whether the Prime Minister had suggested that the Public Distribution System be strengthened in the rural areas;

(b) whether he has pointed out that burgeoning food stocks have failed to provide food security to the vast mass of the poor, particularly in the rural areas; and

(c) to what extent Government have implemented the scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) and (b). The Prime Minister has been emphasising that the public distribution system should be strengthened, specially in the rural areas. In this context, Central Government has advised all the States/Union Territories to open additional fair price shops in the rural areas and organise mobile fair price shops in far-flung and inaccessible areas to provide easy physical access to consumers; supply of ration card to every family; make adequate provision and improvement of infrastructural facilities such as storage and transportation; develop proper monitoring system at State, district and block levels; set up consumers' advisory committees upto fair price shop level; draw up schedule for training of employees engaged in Public Distribution System work; tightening of inspection and enforcement measures; and for developing a system of effective coordination among various agencies engaged in the task of public distribution system.

(c) The Central Government have announced a scheme on 19th November, 1985 to provide wheat and rice at highly subsidised rates to the people living in Integrated Tribal Development project areas. The entire States and Union Territories of Meghalaya, Mizoram, Arunachal Pradesh, Nagaland, Lakshadweep and Dadra & Nagar Haveli are also covered under the scheme. The scheme is under implementation.

[*Translation*]

Evaluation of work of officers of Nationalised Banks

198. SHRIMATI KISHORI SINHA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have instructed nationalised banks to undertake evaluation of work of their officers who have passed the age of 50 years and compulsorily retire those who are found wanting;

(b) whether any other measures have also been taken to curb staff dereliction of duty and poor service to customers in bank

(c) whether these steps would also have an impact on the incidence of frauds in banks;

(d) whether bank officers organisations have reacted strongly to these steps; and

(e) if so, the Government's response to these reactions?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). The Government have advised the Chief Executives of Public Sector Banks to review the cases of Officers who have completed 30 years of service or 55 years of age under Regulation 19(1) of the Officers Service Regulations so that officers of doubtful integrity and below average performance can be retired. This measure is aimed at improving management of bank at different levels. Banks have also been asked to ensure discipline and punctuality among the officers and staff. For quick redressal of customer complaints, customer service centres have been established at major centres. Banks have also created internal machinery for redressal of customer grievances. Bank executives at various levels are having greater contact with customers to assess the quality of the working of their branches.

(c) and (d). Yes, Madam.

(e) The mis-givings of the Bank Officers were cleared by the Indian Banks' Association and the Government in meetings with the Officers Organisation.

[English]

Issuance of new series of National Deposit Scheme in long term fiscal policy

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

(a) whether it is a fact that the noted economists have welcomed the proposal in the long term Fiscal Policy of issuing new series of National Deposit Scheme but felt

that the interest rate of 10 per cent envisaged in the scheme was inadequate;

(b) if so, the details regarding the comments received in favour of and against this scheme; and

(c) the reaction of Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Different views have been expressed by the Economists and others in regard to the proposed National Deposit Scheme (NDS) in the Long Term Fiscal Policy. Some have suggested an increase in the rate of interest; others have favoured the extension of the benefit of Section 80-L on interest income. Some have inter alia suggested raising the proportion of deposit eligible for deduction, while still others have asked for stipulation of a period for deposit.

(c) These views will be kept in view while taking final decision on the scheme.

Allocation of imported edible oils to States and Union Territories through P. D. S.

200. SHRI JAGANNATH PATTNAIK : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether it is a fact that the Union Government have made an allocation of imported edible oils to the States and Union Territories for issue through public distribution system, under the scheme of small packs during January, 1986; and

(b) if so, the details regarding the quantities of imported edible oils allocated State-wise ?

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

(b) A statement is attached.

Statement

The allocation of Imported Edible Oils made to States/Union Territories under Public Distribution System and under the Scheme of Small Packs for the month of January, 1986.

(Quantity in M. tonnes)

Sl. No.	Name of the States/ U.Ts.	Allocation made under P. D. S	Allocation made under Small packs
1	2	3	4
1.	Andhra Pradesh	5,000	600
2.	Assam	200	Nil
3.	Bihar	400	50
4.	Gujarat	7,500	50
5.	Haryana	400	15
6.	Himachal Pradesh	700	Nil
7.	Jammu & Kashmir	325	Nil
8.	Karnataka	2,000	300
9.	Kerala	3,000	500
10.	Madhya Pradesh	1,000	25
11.	Maharashtra	7,700	3,500
12.	Manipur	400	Nil
13.	Meghalaya	275	Nil
14.	Nagaland	160	Nil
15.	Orissa	700	50
16.	Punjab	1,000	50
17.	Rajasthan	250	50
18.	Sikkim	150	Nil
19.	Tamil Nadu	3,000	1,000
20.	Tripura	160	Nil

1	2	3	4
21.	Uttar Pradesh	700	100
22.	West Bengal	6,000	300
23.	Andaman & Nicobar Islands	15	Nil
24.	Arunachal Pradesh	30	Nil
25.	Chandigarh Administration	50	10
26.	Dadra & Nagar Haveli	35	Nil
27.	Delhi	1,000	450
28.	Goa, Daman & Diu	300	50
29.	Lakshadweep	15	Nil
30.	Mizoram	190	Nil
31.	Pondicherry	240	Nil
		Total	43,495
			6,900

Proposal for attracting more tourists from abroad

201. SHRI AKHTAR HASAN : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether certain proposals are under the active consideration of Government to attract more tourists from abroad;

(b) if so, the details of these proposals; and

(c) the steps taken to provide necessary facilities of accommodation and transport at the tourist spots ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) and (b). The

Publicity and promotion of India as a tourist destination is an ongoing programme/scheme of the Department of Tourism. In order to generate greater traffic from abroad a constant effort is made by the Department by planning new and favourable schemes to be implemented by the Government of India Tourist Offices abroad. Some of the new proposals which are under active consideration of the Department are :

- (1) India on the House-a scheme which is expected to attract at least 2,500 additional tourists of India.
- (2) Launching of publicity and promotional scheme to promote traffic from Europe during lean period;
- (3) Evolving of media publicity campaign with a slogan 'In India the Festival Never Ends'.
- (4) Undertaking of aggressive advertising through Press, TV and other electronic media.
- (5) Promotion of International conferences and conventions.
- (6) Preparation of new tourist publicity material.
- (7) Participation in promotional fairs and exhibitions.
- (8) Joint promotion with national & International airlines.
- (9) Stepping up of Hospitality and media relations etc. etc.

(c) During the Seventh Five Year Plan it is proposed to inter-alia continue the programme for development of tourist infrastructure with a view to expanding the tourist attractions of India including development of beach resorts, mountain resorts, winter sports, water sports, wildlife tourism, mountaineering and trekking, improvement and preservation of national heritage areas, development of Buddhist tourism, provision of economy class accommodation, improvement in the quality and availability of surface transport facilities etc.

Exemption on import of Dental equipment

202. SHRI V. S. KRISHANA IYER : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that a number of dental equipments are not manufactured within the country and are required to be imported; and

(b) whether Government propose giving exemption for the import of these dental equipments to help the dentists to acquire the same and start clinics in cities and rural areas ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) and (b). Yes, Sir. The import policy for dental equipments, dental instruments and appliances not having strong indigenous angle, are allowed to be imported under OGL by all persons without the requirement of specific import licence vide list 6 of Appendix 6 to Import and Export Policy, 1985-88 (volume-I). Besides, registered medical practitioners are permitted to import any dental instruments, apparatus and appliances for their own use within prescribed value limit.

Indo-Soviet trade with rupee payment system

203. SHRI SHARAD DIGHE : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that Government have decided to continue with the rupee payment system in Indo-Soviet trade till the end of the century; and

(b) if so, the details of the present Indo-Soviet trade turnover ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) A Trade Agreement allowing the Rupee Payment System between India and the USSR to continue for the five year period from 1st January,

1986 to 31st December, 1990 has been signed. The Agreement also provides for automatic renewal for subsequent periods of five years at a time, unless either party gives a written notice to the other atleast six months in advance of the date of expiry of the Agreement of its intention to modify it.

(b) The total trade turnover between India and the USSR for 1984-85 was about Rs. 3458 crores, (provisional) with imports from the Soviet Union amounting to Rs. 1803 crores and exports from India amounting to Rs. 1655 crores.

Sick textile mills

204. SHRI V. TULSIRAM : Will the Minister of TEXTILES be pleased to state :

(a) whether it is a fact that Government have totally refused to take over any more sick textile mills by the National Textile Corporation; and

(b) if so, the steps proposed by Government to prevent the textile mills going as sick or to run in loss particularly by providing them financial assistance and purchasing their products ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) and (b). Under the Textile Policy Statement of June, 1985, the takeover by the Government or nationalisation of sick units does not provide a solution to the problems of sickness and the Government would not, as a rule, intervene in such cases. The new Policy contains comprehensive measures for tackling the sickness in the Textile Industry. The measures needed for revival of a sick unit have to be based on a detailed and objective study of the causes that lead to sickness and identification of the steps necessary to revive the sick units. In the case of potentially viable units, a Rehabilitation Package would be worked out. As envisaged in the new Policy a Nodal Agency has been set up for evolving and managing such packages.

Export of staple cotton

205. SHRI V. TULSIRAM : Will the Minister of TEXTILES be pleased to state :

(a) whether Government are considering to export long and extra long staple cotton to various foreign countries;

(b) if so, the names of the States from where such cotton will be exported;

(c) the quantity and quality of long and extra long-staple cotton to be exported from Andhra Pradesh; and

(d) the extent to which such an export of cotton from Andhra Pradesh will be beneficial to the economy of the State and the farmers there ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) Government of India have released so far ten lakh bales of long and extra-long staple cotton for export during the current cotton season.

(b) The export of cotton would, in general, cover all the cotton growing States where the requisite varieties of cotton are grown.

(c) and (d). A quantity of 20,000 bales of long and extra-long staple cotton has been released for export in favour of Andhra Pradesh State Cooperative Marketing Federation. Besides, the Cotton Corporation of India and the private trade have been allocated certain quantities of cotton, who can also export cotton grown in Andhra Pradesh. The varieties of cotton exported from Andhra Pradesh are DGH-32, Varalaxmi, MCU-5 and Suvin. This measure will help in stabilisation of cotton prices.

Districts of Kerala covered by Personal Accident Insurance Social Security Scheme

206. PROF. K. V. THOMAS : Will the Minister of FINANCE be pleased to state :

(a) the number of families in the country which are covered by the Personal Accident Insurance Social Security Scheme; and

(b) the names of the districts in Kerala which are covered by this scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The number of families covered under the Personal Accident Social Security Scheme in 91 districts in the country where it has already been implemented, is estimated at 1.14 crores.

(b) Three districts in Kerala viz. Idukki, Trichur and Trivandrum have been covered by the Scheme.

Ban on creation of new posts

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

(a) whether it is a fact that the order of Government imposing a ban on creation of new posts and on the filling of the existing vacant posts which was imposed a few years back, has been extended; and

(b) if so, when the order is likely to be withdrawn ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Instructions issued in January, 1984 advising Ministries/Departments of the Government of India not to create any new posts or fill up existing vacancies except in the most exceptional circumstances, were part of a package of anti-inflationary measures. The circumstances in which these economy instructions were issued have not changed since then to necessitate any relaxation thereof.

Decision to stop further import edible oil

208. SHRI SATYENDRA NARAYAN SINHA : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether Government have taken any decision to stop further raise import edible oils;

(b) if so, whether this will further raise prices of domestic edible oils;

(c) whether Government have assessed the likely demand and supply of edible oils in the next five years; and

(d) if so, details thereof ?

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

(b) Does not arise.

(c) and (d). Yes, Sir. Having regard to the production projections of oilseeds of the Ministry of Agriculture by the end of the 7th Five Year Plan, the sub-group on edible oils constituted in the Department of Civil Supplies has made an assessment about the per capita consumption of edible oils. According to the sub-group, the consumption of edible oils by the end of the 7th Plan is estimated to be about 7.5 kg. per head per annum. The actual supply of indigenous edible oils will depend on factors like availability of inputs, behaviour of monsoon etc.

Exploring markets abroad for surplus wheat

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

(a) whether Government have explored export markets for substantial surplus wheat;

(b) if so, the details thereof and the countries where surplus wheat and other food crops could be exported; and

(c) the steps Government propose to take to encourage exporters to compete at the current market prices ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) to (c). At present international prices of wheat are ruling low and there is stiff competition in the international market. However every effort is being made to explore markets for our surplus wheat.

Trade deficit and its effect on foreign exchange reserves

210. PROF. RAMKRISHANA MORE : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that the country is likely to suffer trade deficit to the tune of Rs. 9,000 crores during 1985-86;

(b) if so, the reasons for such a heavy trade deficit;

(c) to what extent the country will have to draw down on their foreign exchange reserves;

(d) its likely effect on the already inflationary trends in the country;

(e) whether it is likely to result in rupee devaluation; and

(f) the measures taken by Government to retrieve the situation and to find new export markets to augment the resources for the Seventh Five Year Plan period ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) It is difficult to precisely state the trade deficit with which we will end the financial year 1985-86. However, according to rough estimates the deficit this year is likely to be more than last year.

(b) Apart from the international factors, the heavy trade deficit can be attributable to the stoppage of export of crude oil, on account of development of refining capacity for Bombay High crude within the country and increase in imports of industrial raw materials, fertilisers, machinery and transport equipment and essential items of consumption.

(c) to (e). Movement in foreign exchange reserves, price situation and value of rupee depend on many factors. It is therefore, difficult to indicate the extent to which the trade deficit would influence them.

(f) Increasing our exports, diversifying our productive base, modernising our productive apparatus are some of the steps taken

by the Government. Modification and periodic revision of our industrial and fiscal policies are also the additional steps taken from time to time.

Price Index of Essential Commodities

211. SHRI HUSSAIN DALWAI : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) the effective steps Government are proposing to take to check the prices of the essential commodities;

(b) in view of the upward trend of prices whether Government feel that the measures taken for curbing the price rise are too inadequate to get the desired results; and

(c) if so, further steps Government propose to take to check the steep rise of prices of essential commodities ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) The main thrust of the Government policy continues to be to increase the production of essential commodities, particularly the ones which are in short supply. The Public Distribution System is being streamlined and expanded. Some of the essential commodities are imported to supplement the domestic supply. The export of essential commodities is regulated. Action is being taken by the State Governments against blackmarketeers and profiteers under the Essential Commodities Act, 1955 and the prevention of Blackmarketing and Maintenance of Supplies of Essential Commodities Act, 1980.

(b) No, Sir.

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

Articles reserved for exclusive production by Handloom industry

212. SHRI MULLAPPALLY CHANDRAN : Will the Minister be pleased to state :

(a) whether the Advisory Committee contemplated under Section 4 of the Handlooms (Reservation of Article) for Production Act, 1985 has been constituted;

(b) if so, whether the said Committee has made any recommendations as articles to be reserved for exclusive production by Handloom; and

(c) if so, the details thereof ?

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

(b) and (c). The Committee has submitted its Report containing the recommendations regarding list of items to be reserved for exclusive production in the handloom sector. The Report is under the consideration of the Government.

Import-Export ratio of Indian trade

213 SHRI N. VENKATA RATNAM : Will the Minister of COMMERCE be pleased to state :

(a) the Import and Export ratio of Indian trade in 1985-86;

(b) the steps taken to minimise the gap between the exports and imports;

(c) the main goods that escalated the imports and the steps taken to reduce the imports; and

(d) the main goods of exports and the steps taken to encourage the export ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) According to the provisional data available, India's imports and exports during April-Sept., 1985 were Rs. 9141.63 crores and Rs. 5017.63 crores respectively, implying an Import-Export ratio of 9 : 5.

(b) to (d). According to the provisional data available, the principal items of India's exports which had shown increase during

April-Sept., 1985 as compared to April-Sept., 1984 include coffee; cashew kernels, vegetables and fruits (other than cashew Kernels); marine products; rice; iron ore; cotton fabrics; readymade garments; leather and leather manufactures (excl, footwear); Gem and Jewellery; carpets hand-made; and Machinery and Transport Equipment.

Based on the provisional data available, the principal items of India's imports which had shown increase during April-Sept., 1985 as compared to April-Sept., 1984 include petroleum, petroleum products and related products; vegetable oils, fixed (Edible oils; Organic and inorganic chemicals; fertilizers manufactured; pearls, precious and semi-precious stones; Iron and steel; non-ferrous metals; and Machinery and transport equipment

Increasing our exports, diversifying our productive base, modernising our productive apparatus are some of the steps taken by the Government. Modification and periodic revision of our industrial and fiscal policies are also the additional steps taken from time to time. Efforts are also being made to step up our indigenous production of importables during the Seventh Five Year Plan period, particularly in the sphere of bulk imports.

Foreign tourists visited India in 1985

214. SYED SHAHABUDDIN : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) the number of foreign tourists who visited India during 1985;

(b) their country-wise break-up;

(c) the average number of days spent in India by a foreign tourist; and

(d) the estimated earnings of foreign exchange on this account during the year ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : (a) The number of foreign tourists who visited India during 1985 was 12,59,384 including the nationals of Pakistan and Bangladesh.

(b) The information is given in the attached statement.

(c) The average duration of stay of foreign tourists in India is about 28 days.

(d) Not yet available from the Reserve Bank of India.

Statement	
<i>Tourist arrivals in India by country of nationality 1985</i>	
Country of Nationality	Provisional estimates
1	2

North America

Canada	24,940
U. S. A.	95,491
Total	120,431

Central and South America

Argentina	1,088
Brazil	1,674
Mexico	1,841
Others	4,185
Total	8,788

Western Europe

Austria	6,695
Belgium	6,193
Denmark	5,524
Finland	2,092
France	44,356
Federal Republic of Germany	42,850
Greece	1,925
Italy	22,094
Netherlands	13,391
Norway	2,678
Spain	7,951
Sweden	7,365
Switzerland	13,725
U. K.	119,678
Others	5,356
Total	301,873

	1	2
--	---	---

Eastern Europe

Czechoslovakia	921
U. S. S. R.	12,303
Yugoslavia	1,674
Others	12,553
Total	27,451

Africa

Kenya	6,277
Mauritius	2,845
Nigeria	11,968
South Africa	3,682
Tanzania	4,268
Egypt	1,758
Others	11,131
Total	41,929

West Asia

Lebanon	753
Persian Gulf Countries	55,989
Saudi Arabia	22,680
Others	15,400
Total	94,822

South Asia

Afghanistan	6,361
Sri Lanka	73,313
Iran	23,936
Others	17,240
Total	120,850

South East Asia

Indonesia	2,009
Malaysia	22,345
Philippines	3,348
Singapore	18,245
Thailand	6,360
Others	1,925
Total	54,232

East Asia

Japan	30,798
Hong Kong	1,172
Others	7,281
Total	39,251

1	2
Australasia	
Australia	21,425
New Zealand	4,184
Others	1,088
Total	26,697
Stateless	584
Total	836,908
Pakistan	150,126
Bangladesh	272,350
Total	422,476
Grand Total	1,259,384

Purchase of raw jute by Jute Corporation of India

215. SYED SHAHABUDDIN : Will the Minister of TEXTILES be pleased to state :

(a) the quantities of raw jute purchased by the Jute Corporation of India, State-wise during 1985 season and the average unit price paid therefor:

(b) the share of total raw jute production State-wise by the Jute Corporation of India;

(c) the average price charged by Jute Corporation of India for the raw supplied to jute mills; and

(d) whether the unit cost of a gunny bag has come down during 1985 ?

THE MINISTER OF STATE OF
THE MINISTRY OF TEXTILES (SHRI
KHURSHID ALAM KHAN) : (a) and
(b). A statement is attached.

(c). Average price for W-5 Grade jute of Assam origin charged by Jute Corporation of India for sale to National Jute Manufacturers Corporation under operation has worked out to Rs. 318/- per quintal.

(d). With the fall in raw jute price, the unit cost of gunny bag has come down from the second half of 1985.

Statement

(a) The total quantity of raw Jute purchased by the Jntc Corporation of India, State-wise, during the current jute season 1985-86 up to 14.2.86, is as under :-

In bales of 180 kgs. each

State :	Procurement by Jute Corporation of India.	
	Commercial operation	Price Support operation
Assam	25,783	3,06,566
Bihar	8,453	3,66,690
West Bengal	88,660	15,61,132
Tripura	1,355	1,28,645
Andhra Pradesh	—	63,973
Orissa	9,634	83,313
Meghalaya	556	16,666
Uttar Pradesh	—	6,129
Total :	1,34,441	25,33,114

While commercial purchases were made within a price band of Rs. 25/- per quintal above support level, price support purchases were made at statutory minimum price fixed by Government for 1985-86 season, basic price being Rs. 215/- per quintal for W-5 Grade Ex-Assam.

(b) State-wise estimated production of jute and mesta during 1985-86 and quantity procured by Jute Corporation of India upto 14.2.86 is as under :-

In lakh bales of 180 kgs. each.

State :	Estimated production	Quantity procured by JCI.
West Bengal	46.50	16.50
Bihar	13.00	3.75
Assam	10.55	3.32
Meghalaya	0.76	0.17
Tripura	0.95	1.30
Orissa	7.20	0.93
Andhra Pradesh	6.86	0.64
Uttar Pradesh	2.50	0.06
Others	1.15	—
Total	89.47	26.67

Note :- The above production estimate is based on figures compiled by Directorate of Jute Development.

Marine park in Konkan region of Maharashtra

216. PROF. MADHU DANDAVATE : Will the Minister of PARLIAMENTARY AFFAIRS AND TOURISM be pleased to state :

(a) whether Government propose to expedite the examination of the proposal to start the project of 'Marine Park' on the coast of Malwan in the Sidhudurg district of the backward Konkan region of Maharashtra to attract more tourists and earn foreign exchange;

(b) if so, when the work of construction of Marine Park at Malwan will be started and within how much period the work will be completed; and

(c) whether the project will receive priority in view of the fact that this project is in backward Konkan region ?

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H.K.L. BHAGAT) : (a) to (c). The Department of Tourism has not received any proposal from

the Government of Maharashtra for the project of Marine Park on the Malwan coast of Sidhudurg District. However, the Department of Science and Technology, Government of Maharashtra has submitted a scheme for central assistance to the Department of Environment, Forest and Wild Life. The Department of Environment has informed the State Government that the project could be funded under centrally sponsored scheme provided the area is declared as a National Park under the Wild Life Act.

Opening of bank branches in Orissa in Seventh Plan

217. SHRIMATI JAYANTI PATNAIK : Will the Minister of FINANCE be pleased to state :

(a) the target set for opening of branches of commercial banks in Orissa during the Seventh Five Year Plan period;

(b) whether the Sixth Five Year Plan target for opening bank branches has not been fulfilled; and

(c) if so, the steps taken to expedite the working procedure so that the target is achieved in regard to opening of the branches of various commercial banks in Orissa during the Seventh Plan period ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a). The branch licensing policy for the Seventh Plan period envisages having one bank office for a population of 17,000 in rural and semi-urban areas of each Development Block. The policy also aims at eliminating large spatial gaps wherever they exist and to ensure that distance of a bank branch from any village does not ordinarily exceed 10 Kms.

(b) and (c). The main thrust of the branch licensing policy for 1982 to 1985 was directed towards improving banking facilities in rural areas. More precisely, it was stipulated that by the end of March, 1985 there should be one bank office on an average population of 17,000 in the rural and semi-urban areas in each district on the

basis of 1981 census. In the State of Orissa it was calculated that about 350 new offices would be required to be opened and Reserve Bank of India had allotted 482 authorisations to banks in Orissa. Out of these authorisations the banks had actually opened 449 branches and as on 30th September, 1985 the average population per bank office in the rural and semi-urban areas of the State was 17,000.

Reserve Bank of India have already issued instructions to its Regional Offices to issue fresh licences to banks with validity period upto 30th June, 1986 for centres falling in deficient blocks so as to enable them to utilise the pending licences. Reserve Bank of India have also issued detailed guidelines under the branch licensing policy 1985 to 1990, to the State Government and to lead banks-within the State of Orissa to set up groups consisting of representatives of lead bank and other banks and State Government for the purpose of identification of potential growth centres and to have them finalised by the State Government.

Tea auction at Cochin

218. SHRI MULLAPPALLY RAMA-CHANDRAN : Will the Minister of COMMERCE be pleased to state :

(a) whether it has been brought to be notice of Government that the tea auction at Cochin port had faced a crisis in the month of December, 1985;

(b) if so, the reasons thereof; and

(c) the steps taken by Government to improve export of tea from India ?

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : (a) No, Sir.

(b) Does not arise.

(c) Measures to increase export of tea include assistance for brand promotion and warehousing abroad as well as cash compensatory support for value added teas. Tea Board also undertakes promotional campaign through its offices abroad.

Nationalisation of Commercial Banks

219. SHRI MULLAPPALLY RAMA-CHANDRAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have any proposal to nationalise more Commercial Banks in the near future;

(b) whether Government have received any representations from recognised employees unions in the Banking Sector in this regard; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). General suggestions for nationalisation of more commercial banks are received from time to time from different sources. There is, however, no such proposal under Government's consideration at present.

Share of informers in customs Haul

220. DR. CHINTA MOHAN : Will the Minister of FINANCE be pleased to state :

(a) the amount paid during the year 1985 to the staff of Customs and Central Excise and non-officials towards 20 per cent of value of goods seized;

(b) the maximum amount paid to one single staff member of Customs Department; and

(c) whether Government have under consideration similar financial rewards schemes for the Police, Railway staff and other services ?

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

Goods confiscated by Customs authorities

221. DR. CHINTA MOHAN : Will

the Minister of FINANCE be pleased to state :

- (a) whether goods worth Rs. 67 crores were confiscated during January-September, 1985;
- (b) if so, whether this figure was based on duty free or duty-paid basis;
- (c) whether only Rs 49 crores were realised from the above goods;
- (d) if so, reasons therefor; and
- (e) the real market value of goods confiscated at (a) above ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the period January-September, 1985, contraband goods worth approximately Rs. 63 crores were confiscated.

(b) The valuation of seized/confiscated goods is based on the price which the article may fetch when re-sold in the open market. The market value of goods so determined would include an element of customs duty also.

(c) to (e) The value of confiscated goods disposed of during the period from January-September, 1985 is Rs. 52 crores (approximately). Barring perishables, confiscated goods are brought for auction or sale after the appeal period is over or the appeals are disposed of. Therefore, the value of goods disposed of during January-September, 1985 is not relatable to the value of goods confiscated during that period. Further, due to the time gap between the period of seizure and the final disposal, the sale value might also be at a lower level due to storage, absence of warranty and after-sales service and technological obsolescence. In addition, for goods disposed of through National Consumers' Co-operative Federation, a discount of 14.5 per cent and in respect of the goods disposed of through other co-operative societies and authorised agencies, a discount of 10 per cent on the sale price fixed, are allowed.

Setting up of a Consumer's Commission to handle Consumer Affairs

222. DR. CHINTA MOHAN : Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state :

(a) whether at the recent Consumers Seminar held in Delhi on 20-21 December, 1985 all the voluntary agencies pleaded for creating a separate, nodal Ministry to handle all consumer affairs and to cover goods and services sold by private, public and Government sector alike as in overseas countries; and

(b) whether Government propose to consider setting up of a Consumers Commission headed by a non-official with Government representation thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRI A. K. PANJA) : (a) A seminar was held on 20-21 January, 1986 in New Delhi. Some of the participants suggested for a nodal Ministry of Consumers Affairs.

(b) The Government does not propose to set up a Consumers Commission but has taken steps to protect the interest of consumers from unfair trade practices, such as adulteration, short weight, etc. The State Governments, in charge of enforcement of important consumer protection laws have been advised to initiate measures for consumer protection.

Customs duty collections

223. SHRI D. N. REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that there are 126 land customs stations and 17 customs airports in the country;

(b) if so, station/airports wise number of entrants annually for the last three years;

(c) the amount of customs duty collected at each of these for past three years, year-wise; and

(d) the amount of estimated customs duty lost to Government due to connivance of entrants with the customs staff ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) There are 129 Land Customs Stations and 20 Customs Airports in the country.

(b) to (d). The information is being collected and would be placed on the Table of the House.

12.00 hrs.

RE : MOTION FOR ADJOURNMENT

[*English*]

SHRI BASUDEB ACHARIA (Bankura) : Mr. Speaker, Sir, we have given a notice for Adjournment Motion.

(*Interruptions*)

MR. SPEAKER : You have given notice for an adjournment motion regarding price rise. According to the rules laid down, you want a discussion.

(*Interruptions*)

SHRI BASUDEB ACHARIA : We want an adjournment motion and not a discussion.

PROF. MADHU DANDAVATE (Rajapur) : Adjournment motion has an element of censure and we want to censure the Government. Therefore we insist on an adjournment motion.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : I wish to submit that we cannot obviously agree to an adjournment motion. But we welcome a discussion and we are in your hands.

SOME HON. MEMBERS : No, no.
(*Interruptions*)

PROF. MADHU DANDAVATE : It is not left to the Minister !

MR. SPEAKER : I have to inform the House that I have received 40 notices of Adjournment Motion regarding steep rise in prices of petroleum products, fertilizers and other essential commodities from the following Members :

1. Prof. Madhu Dandavate
2. Shri A. J. V. B. Maheswara Rao
3. Shri D. N. Reddy
4. Shri K. Ramachandra Reddy
5. Shri Manik Reddy
6. Shri Katuri Narayana Swamy
7. Shri H A. Dora
8. Shri Ananda Gajapathi Raju
9. Shri Bhattam Sriramamurty
10. Shri C. Madhav Reddi
11. Shri M. Raghuma Reddy
12. Dr. T. Kalpana Devi
13. Shri Indrajit Gupta
Shrimati Geeta Mukherjee
Shri Narayan Choubey
Shri Ramashray Prasad Singh
14. Shri Srihari Rao
15. Shri Dinesh Goswami
16. Shri V. S. Krishna Iyer
17. Shri Basudeb Acharia
18. Sri Saifuddin Chowdhary
19. Shri Hannan Mollah
20. Shri D. B. Patil
21. Shri R. P. Das
22. Shri Somnath Chatterjee
23. Shrimati Bibha Ghosh Goswami
24. Dr. Sudhir Roy
25. Shri P. Appalanarasimham
26. Shri C. Sambu
27. Shri V. Tulsiram
28. Shri G. Vijaya Rama Rao
29. Shri E. Ayyappu Reddy
30. Shrimati N. P. Jhansi Lakshmi
31. Shri Gopala Krishna Thota
32. Shri G. M. Banatwalla
33. Shri Ebrahim Sulaiman Sait
34. Shri Suresh Kurup
35. Shri K. P. Unnikrishnan

36. Shri V. Kishore Chandra S. Deo
37. Shri Abdul Rashid Kabuli
38. Shri Chitta Mahata
39. Shri Amar Roypradhan
40. Shri Kali Prasad Pandey

The notice given by Prof. Madhu Dandavate is the first in point of time. It reads as under :

"The steep rise in prices of fertilizers and petroleum products announced on the eve of the Budget Session of Parliament thereby destroying the sanctity of the budgetary processes and causing grave hardship to the common man."

I give my consent to the moving of the motion. Prof. Madhu Dandavate may now ask for leave of the House.

PROF. MADHU DANDAVATE : I beg for leave of the House to move the Adjournment Motion on rise in prices.

MR. SPEAKER : Is the leave opposed ?

SHRI H. K. L. BHAGAT : This is an adjournment motion. I cannot support the motion but we can have a discussion.

MR. SPEAKER : Those in favour of leave being granted may rise in their places.

SEVERAL HON. MEMBERS : *rose*

MR. SPEAKER : They are more than 50. So, the leave is granted. Under rule 61, the Adjournment motion has to be taken up at 16.00 hours ..

SHRI BASUDEB ACHARIA : Why ?

MR. SPEAKER : You don't interrupt me all the time Acharia ji ! This is my class. It has to be taken up at 16.00 hours or at an earlier hour and 2½ hours are allotted for its discussion. If the House agrees, we may take up the motion immediately after the formal items of business are disposed of. We may try to complete the discussion within the allotted time. There are three alternatives before the House which I am giving now. Then I will put it to the House :

(1) to take up the discussion at 16.00 hours today as per rules by interrupting the Private Members' Business;

(2) to take up the discussion now immediately after the formal business and conclude it before 3.30 P. M.

(3) to take up the discussion today at 6 P. M. or at the next sitting of the House on Tuesday.

These are four options. Not only three but four options. Because once the Adjournment Motion is started, it has to finish. I cannot just break it half way.

(Interruptions)

PROF. MADHU DANDAVATE : Just now Sir, in the Business Advisory Committee, it was agreed that we will take it up immediately.

MR. SPEAKER : No problem. There is no opposition. They are ready. The treasury benches are ready. You are ready. And I am ready.

SHRI INDRAJIT GUPTA (Basirhat) : There is a fourth alternative that we can begin, and we must begin immediately, halt it at 3.30 and let the Private Members Business be disposed of. Then we can continue after 6 'o' clock.

MR. SPEAKER : No,...

(Interruptions)

PROF. MADHU DANDAVATE : It was agreed in the Business Advisory Committee.

MR. SPEAKER : It was agreed. But I have seen the rules, once the Adjournment Motion is taken up, it has to be completed, whenever you start it...

(Interruptions)

MR. SPEAKER : This option, I am putting to you because of that. This is upto the House. But once it starts, it should be completed...

(Interruptions)

PROF. MADHU DANDAVATE : Firstly there is no specific rule, which says that you cannot interrupt the Private Members Business. With the consent of the House, it can be done. It would be more convenient.

MR. SPEAKER : I have to have the consensus of the House.

(*Interruptions*)

PROF. MADHU DANDAVATE : You can inform the House that in the Business Advisory Committee, we have taken this decision unanimously, not consensus.

MR. SPEAKER : There is no denying this fact. But the rules says so.

PROF. MADHU DANDAVATE : Sir, you can inform them that the Business Advisory Committee was of this opinion. It was unanimous. The Parliamentary Affairs Minister was also a party to it.

SHRI SOMNATH CHATTERJEE (Balpur) : You can do it. There is Rule 389. Your power is there...

(*Interruptions*)

MR. SPEAKER : I am bound and you are also bound by the Rules. However, once the discussion on the motion "That the House do now adjourn" has commenced, it has to be concluded and decision arrived at without interrupting the debate irrespective of the fact whether official or non-official business is scheduled to be taken up in between.

PROF. MADHU DANDAVATE : Sir I have a suggestion. There is a precedent. The Private Members' Business can be shifted to another day. That has been done.

SOME HON. MEMBERS : No, no...

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : Sir, apparently the Government does not want a proper discussion on the Adjournment Motion.

MR. SPEAKER : Mr. Somnath, don't do anything which is rather unnecessarily

dragging other things. There is an unanimity of approach to the discussion. There is no denying this fact. I have seen the readiness on this side as well as on that side. It is only a question of modalities.

PROF. MADHU DANDAVATE : I want to point out to you that there is a precedent in this House that on some occasions, the Private Members Business has been shifted...

(*Interruptions*)

MR. SPEAKER : If the whole House agrees, I have no problem, even if you want to dispose of the Private Members Business. But I cannot agree to it even if a single Member does not want it.

PROF. MADHU DANDAVATE : It has been done in the past. Sir, Private Members Business in the past have been shifted...

(*Interruptions*)

MR. SPEAKER : You can also start it at 4 'o' clock and finish it.

PROF. MADHU DANDAVATE : We want the priority to be given to it. Sir, Private Members Business can be shifted to another day.

SHRI INDRAJIT GUPTA : If we begin at 4 o' clock; what happens to Private Members Business ?

MR. SPEAKER : When the discussion on the Adjournment Motion commences, the Private Members Business finishes. At 4 o' clock, the Adjournment Motion can be taken up according to the book. There is no problem.

SHRI SAIFUDDIN CHOWDHARY : Private Members Business can be taken up on Tuesday...

(*Interruptions*)

SHRI H. K. L. BHAGAT : As you put it to the House, this can be taken up at 4 o' clock or even earlier. We have no objection even if it is taken up after the formal business is over. But it appears to me that the Opposition seems to be con-

fused. We cannot help it. They are not able to decide. They have not done their in home work.

MR. SPEAKER : Can we then take it up at 4 o' clock ? Let us start it at Four.

PROF. MADHU DANDAVATE : It will go on till the Government is disposed of—I mean till the adjournment motion is disposed of.

SHRI VIJAY N. PATIL (Erandol) : On a point of order...

MR. SPEAKER : What is the point of order ?

SHRI VIJAY N. PATIL : Rule 58(v) on restrictions on right to move motion says that the motion shall not revive discussion on a matter which has been discussed in the same session. We have discussed it during Question Hour, under question No. 2.

MR. SPEAKER : Over-ruled.

PROF. K. K. TEWARY (Buxar) : I draw your attention to an extremely serious matter. The Pakistan Parliament has been discussing on an adjournment motion...

MR. SPEAKER : I will allow it. If I have time, I will do it. Please sit down now.

PROF. K. K. TEWARY : The Pakistani Minister while replying to the debate has said that their people cannot remain indifferent to what is happening in India. I wish the Opposition would show the same concern for the defence of this country, which they have shown to frivolous issues.

MR. SPEAKER : We will take it up. Don't worry.

PROF. K. K. TEWARY : They should show the same concern.

SHRI P. KOLANDAIVELU (Gobichettipalayam) : What about my Calling Attention with regard to the Sri Lanka problem ? In the B.A.C. at least today...

MR. SPEAKER : We will take it up. You were not there. We have decided we would be taking up every subject, one by one.

SHRI THAMPAN THOMAS (Mavelikara) : The Hon. Finance Minister has disclosed the budget estimates prior to the presentation of the Budget in the House ..

MR. SPEAKER : Sit down. I have already got something. I will give it tomorrow.

SHRI THAMPAN THOMAS : I have given a privilege motion on that.

MR. SPEAKER : Please sit down. I will give my ruling.

— — —

12.12 hrs.

PAPERS LAID ON THE TABLE

[English]

Food Corporation of India (Staff) (Ninety-Second Amendment) Regulations, 1986

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : I beg to lay on the Table a copy of the Food Corporation of India (Staff) (Ninety-Second Amendment) Regulations, 1986 (Hindi and English versions) published in Notification No. EP 8(1)/84 in Gazette of India dated the 31st January, 1986 together with a corrigendum thereto published in Notification No. 13(1)/86-B.C. in Gazette of India dated the 12th February, 1986, under sub-section (5) of section 45 the Food Corporation Act, 1964.

[Placed in Library. See No. L.T. 1962/86]

Annual Report and Review on the working of the North Eastern Handicrafts and Handlooms Development Corporation Limited, Shillong, for the year, 1984-85

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI

KHURSHID ALAM KHAN) : I beg to lay on the Table a copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956—

- (1) Review by the Government on the working of the North Eastern Handicrafts and Handlooms Development Corporation Limited, Shillong, for the year 1984-85.
- (2) Annual Report of the North Eastern Handicrafts and Handlooms Development Corporation Limited, Shillong, for the year 1984-85 along with Audited Accounts and comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. L.T. 1963/86]

Notifications under section 159 of the Customs Act, 1962, under section 296 of the Income Tax Act, 1966, under Control Excise Rules, 1944, under Central Excise and Salt Act 1944 and Life Insurance Corporation of India III and IV employees Revision of Terms and condition of service (Amendment) Rule, 1986

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : I beg to lay on the Table :

- (1) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :
 - (i) G.S.R. 909(E) published in Gazette of India dated the 19th December, 1985 together with an explanatory memorandum extending the validity of customs duty exemption under Notification No. 123- Customs dated the 11th April, 1985 on wireless apparatus, accessories and components imported by amateur radio operators upto 31st December, 1986 and also enhancing the value limit for import from

Rupees 10,000 to Rupees 15,000.

- (ii) G.S.R. 910(E) published in Gazette of India dated the 19th December, 1985 together with an explanatory memorandum extending the validity of Notification No. 21/84- Customs dated the 15th February, 1984 upto 31st December, 1986.
- (iii) G.S.R. 911(E) published in Gazette of India dated the 19th December, 1985 together with an explanatory memorandum making certain amendment to Notification No. 215- Customs dated the 2nd August, 1976 so as to withdraw the customs duty exemption on Mettler single pan balance.
- (iv) G.S.R. 927(E) published in Gazette of India dated the 23rd December, 1985 together with an explanatory memorandum regarding exemption to acetic acid from basic customs duty in excess of 30 per cent *ad valorem*.
- (v) G.S.R. 932(E) and 933(E) published in Gazette of India dated the 24th December, 1985 together with an explanatory memorandum regarding exemption to components of fuel efficient motor cars of engine capacity exceeding 1000 cubic centimetres when such components are imported by a manufacturer of fuel efficient motor cars of engine capacity exceeding 2000 cubic centimetres for providing warranty coverage or after sales service to their customers from basic customs duty in excess of 25 per cent *ad valorem* and auxiliary duty of customs in excess of 20 per cent *ad valorem*.

- (vi) G.S.R. 943(E) and 944(E) published in Gazette of India dated the 30th December, 1985 together with an explanatory memorandum regarding exemption to supplies made from the warehoused goods belonging to the Air-India International to the specific two 737 Aircrafts maintained and operated by the Indian Air Force for the use of the Government of India for certain special assignments from the whole of the basic, additional and auxiliary duties of customs leviable thereon.
- (vii) G.S.R. 943(E) published in Gazette of India dated the 31st December, 1985 together with an explanatory memorandum making certain amendment to Notification No. 34/82-Customs dated the 28th February, 1982.
- (viii) G.S.R. 949(E) published in Gazette of India dated the 31st December, 1985 together with an explanatory memorandum rescinding Notification No. 150/83-Customs dated the 19th May, 1983.
- (ix) G.S.R. 950(E) published in Gazette of India dated the 31st December, 1985 together with an explanatory memorandum making certain amendment to Notification No. 168/85-Customs dated the 24th May, 1985.
- (x) G.S.R. 951(E) and 955(E) published in Gazette of India dated the 31st December, 1985 together with an explanatory memorandum regarding exemption to Match splints (undipped) from the basic customs duty in excess of 25 per cent *ad valorem* and from the whole of the auxiliary duty of customs leviable thereon.
- (xi) G.S.R. 955(E) published in Gazette of India dated the 31st December, 1985 together with an explanatory memorandum extending the validity of Notification No. 13/85-Customs dated the 6th January, 1985 upto 31st December, 1986.
- (xii) G.S.R. 1(E) published in Gazette of India dated the 1st January, 1986 together with an explanatory memorandum regarding revised rates of exchange for conversion of certain foreign currencies into Indian currency or *vice-versa*.
- (xiii) G.S.R. 3(E) published in Gazette of India dated the 1st January, 1986 together with an explanatory memorandum regarding exemption to goods imported into India under the Import-Export Pass Book Scheme from the whole of basic and auxiliary duties of customs leviable thereon.
- (xiv) G.S.R. 4(E) published in Gazette of India dated the 1st January, 1986 together with an explanatory memorandum regarding exemption to all goods covered by Notification No. 2/86-Customs dated the 1st January, 1986 from the auxiliary duty of customs leviable thereon.
- (xv) G.S.R. 5(E) published in Gazette of India dated the 2nd January, 1986 together with an explanatory memorandum seeking to raise the basic customs duty on unalloyed Zinc and Lead unwrought from 55 per cent *ad valorem* to 85 per cent *ad valorem* and scrap of Lead from 60 per cent *ad valorem* to 85 per cent *ad valorem*.
- (xvi) G.S.R. 6(E) published in Gazette of India dated the

2nd January, 1986 with an explanatory memorandum seeking to reduce the auxiliary duty customs on Zinc Concentrates from 30 per cent *ad valorem* to 15 per cent *ad valorem*.

(xvii) G.S.R. 8(E) published in Gazette of India dated the 21st January, 1986 together with an explanatory memorandum regarding exemption to certain specified equipment for hotels when imported into India from the basic customs duty in excess of 15 per cent *ad valorem* and from the whole of additional duty of customs leviable thereon.

(xviii) G.S.R. 10(E) published in Gazette of India dated the 3rd January, 1986 together with an explanatory memorandum making certain amendment to Notification No. 36-Customs dated the 1st March, 1983 so as to increase the basic customs duty on silicones from 100 per cent *ad valorem* to 150 per cent *ad valorem*.

(xix) G.S.R. 23(E) published in Gazette of India dated the 15th January, 1986 together with an explanatory memorandum regarding exemption to sponge iron when imported by integrated steel plants from basic customs duty in excess of 10 per cent *ad valorem* and from the whole of the additional duty of customs leviable thereon.

(xx) G.S.R. 27(E) published in Gazette of India dated the 17th January, 1986 together with an explanatory memorandum regarding exemption to potassium penicillin G first crystals and potassium penicillin V first crystals from the whole of basic and additional duties of customs leviable thereon.

(xxi) G.S.R. 28(E) published in Gazette of India dated the 17th January, 1986 together with an explanatory memorandum making certain amendment to Notification No. 228-Customs dated the 16th August, 1983 so as to increase the basic customs duty on 6-APA from 70 per cent to 100 per cent *ad valorem*.

(xxii) G.S.R. 29(E) published in Gazette of India dated the 17th January, 1986 together with an explanatory memorandum making certain amendment to Notification Nos. 158-Customs, 164-Customs and 169-Customs dated the 24th May, 1985.

(xxiii) G.S.R. 30(E) published in Gazette of India dated the 17th January, 1986 together with an explanatory memorandum making certain amendment to Notification Nos. 45-Customs dated 1st March, 1979, 208-Customs dated the 22nd September, 1981 and 57-Customs dated the 17th March, 1985.

(xxiv) G.S.R. 31(E) published in Gazette of India dated the 17th January, 1986 together with an explanatory memorandum regarding exemption to Cephalexin tablets, capsules and syrups, Cloxacillin sodium capsules, syrups and injections and Cephaloridine injections from the whole of the additional duty of customs leviable thereon.

(xxv) G.S.R. 39(E) published in Gazette of India dated the 20th January, 1986 together with an explanatory memorandum rescinding Notification

No. 202/84-Customs dated the 19th July, 1984.

(xxvi) G.S.R. 49(E) published in Gazette of India dated the 20th January, 1986 together with an explanatory memorandum making certain amendment to Notification No. 161/85-Customs dated the 24th May, 1985.

(xxvii) G.S.R. 41(E) published in Gazette of India dated the 20th January, 1986 together with an explanatory memorandum making certain amendment to Notification No. 58/83-Customs dated the 1st March, 1983 so as to provide that customs duty on unaccompanied baggage will be charged at 200 per cent *ad valorem* (plus auxiliary duty at 40 per cent *ad valorem*) and the concessional rate of 180 per cent *ad valorem* (plus auxiliary duty at 40 per cent *ad valorem*) will not be applicable to un-accompanied baggage.

(xxviii) The Baggage (Conditions of Exemption) Amendment Rules, 1986 published in Notification No. G.S.R. 42(E) in Gazette of India dated the 20th January, 1986.

(xxix) The Baggage (Amendment) Rules, 1986 published in Notification No. G.S.R. 43(E) in Gazette of India dated the 20th January, 1986.

(xxx) G.S.R. 38(E) published in Gazette of India dated the 20th January, 1986 together with an explanatory memorandum containing Corrigendum to Notification No. G.S.R. 688(E) published in Gazette of India dated the 27th September, 1984.

(xxxi) G. S. R. 47(E) published in Gazette of India dated the 21st January, 1986 together with an explanatory memorandum regarding revised rate of exchange for conversion of Russian Rouble into Indian currency or *vice-versa*.

(xxxii) G.S.R. 49(E) and 50(E) published in Gazette of India dated the 23rd January, 1986 together with an explanatory memorandum regarding exemption to imported steel sheets and blankets used for the manufacture of body panels for the fuel-efficient motor car or fuel-efficient van, of engine capacity not exceeding 1000 cubic centimetres, from basic customs duty in excess of 25 per cent *ad valorem* and from the whole of the additional duty of customs and from the auxiliary duty of customs in excess of 20 per cent *ad valorem*.

(xxxiii) G.S.R. 53(E) published in Gazette of India dated the 24th January, 1986 together with an explanatory memorandum making certain amendment to Notification No. 11/86-Customs dated the 17th January, 1986 so as to restrict the benefit of exemption from basic and additional duties of customs to potassium pencillin G/V first crystals when imported for the manufacture of 6ADA or 7ADCA, or 7ACA only.

(xxxiv) G.S.R. 75(E) published in Gazette of India dated the 30th January, 1986 together with an explanatory memorandum extending the validity of Notification No. 19/85 Customs dated the 1st February, 1985 upto 31st March, 1987.

(xxxv) G.S.R. 77(E) published in Gazette of India dated the 30th January, 1986 together

with an explanatory memorandum extending the validity of Notification Nos. 268/84-Customs dated the 30th October, 1984, 74/85-Customs dated the 17th March, 1985 and 75/85-Customs dated the 17th March, 1985 upto 1st January, 1987.

(xxxvi) G.S.R. 100(E) published in Gazette of India dated the 7th February, 1986 together with an explanatory memorandum regarding revised rate of exchange for conversion of Russian Rouble into Indian currency or *vice-versa* in supersession of Notification No. 21-Customs dated the 21st January, 1986.

[Placed in Library. See No. L.T. 1964/86]

(2) A copy of the Narcotic Drugs and Psychotropic Substances (Execution of Bond by Convicts or Addicts) Rules, 1985 (Hindi and English versions) published in Notification No. S.O. 912(E) in Gazette of India dated the 26th December, 1985 under section 77 of the Narcotic Drugs and Psychotropic Substances Act, 1985.

[Placed in Library. See No. L.T. 1965/86]

(3) A copy each of the following Notifications (Hindi and English versions) under section 295 of the Income tax, 1961 :

- (i) The Income-tax (Eighth Amendment) Rules, 1985 published in Notification No. S.O. 901(E) Gazette of India dated the 18th December, 1985.
- (ii) The Income-tax (Ninth Amendment) Rules, 1985 published in Notification No. S.O. 937 (E) in Gazette of India dated the 31st December, 1985.
- (iii) The Income-tax (Amendment) Rules, 1986 published in Notification No. S.O. 1(E) in

Gazette of India dated the 3rd January, 1986.

[Placed in Library. See No. L.T. 1966/86]

(4) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944 :

- (i) G.S.R. 929(E) published in Gazette of India dated the 23rd December, 1985 together with an explanatory memorandum extending the validity of Notification No. 303/83-CE dated the 31st December, 1983 upto 31st December, 1986.
- (ii) G.S.R. 930(E) published in Gazette of India dated the 23rd December, 1985 together with an explanatory memorandum regarding exemption to synthetic rubber latex consumed within the factory in which it is manufactured for further manufacture of synthetic rubber from the whole of the duty of excise leviable there on.
- (iii) G.S.R. 931(E) published in Gazette of India dated the 23rd December, 1985 together with an explanatory memorandum making certain amendment to Notification No. 16/78-CE dated the 24th January, 1978 so as to restrict the partial exemption available to straw board to only such straw board which is manufactured by sun-drying process by factories which do not have any plant installed in the same premises for the manufacture of straw board by any process other than sun-drying process.
- (iv) G.S.R. 928(E) published in Gazette of India dated the 23rd December, 1985 together with an explanatory memorandum extending the validity of Notification No. 24/75-CE

dated the 1st March, 1975 up-to 31st March, 1986.

(v) G.S.R. 946(E) published in Gazette of India dated the 30th December, 1985 together with an explanatory memorandum extending the validity of Notification No. 34/83-CE dated the 1st March, 1983 up-to 30th June, 1986.

(iv) G.S.R. 24(E) published in Gazette of India dated the 15th January, 1986 together with an explanatory memorandum regarding exemption to silver oxide button cells from the whole of the duty of excise leviable thereon.

(vii) G.S.R. 45(E) published in Gazette of India dated the 20th January, 1986 together with an explanatory memorandum regarding exemption to excisable goods when brought into NOIDA Export Processing Zone from the factories of their manufacture of warehouses situated in the other parts of India for use by the industries located in the said zone for the production of goods intended solely for export from the whole of the duty of excise and the additional duty of excise leviable thereon.

[Placed in Library. See No. LT. 1967/86]

(5) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944 :

(i) The Central Excise (Eleventh Amendment) Rules, 1985 published in Notification No. G.S.R. 941(E) in Gazette of India dated the 27th December, 1985.

(ii) G.S.R. 44(E) published in Gazette of India dated the 20th January, 1986 together with an explanatory memorandum specifying the NOIDA Export Processing Zone at Ghaziabad (Uttar Pradesh) as 'Free Trade Zone'.

[Placed in Library. See No. L.T. 1968/86]

(6) A copy of the Life Insurance Corporation of India Class III and Class IV Employees (Revision of Terms and Conditions of Service) (Amendment) Rules, 1986 (Hindi and English versions) published in Notification No. G.S.R. 18(E) in Gazette of India dated the 7th January, 1986; under sub-section (3) of section 48 of the Life Insurance Corporation Act, 1956.

[Placed in Library. See No. L.T. 1969/86]

(7) A statement (Hindi and English versions) correcting the reply given on the 20th December, 1985 to Unstarred Question No. 4977 by Shri Bhattam Srirama murty about arrears regarding Mysore and Bangalore Palaces.

[Placed in Library. See No. L.T. 1970/86]

— — —

12.13 hrs.

ASSENT TO BILLS

[English]

SECRETARY-GENERAL : Sir, I lay on the Table the following fourteen Bills passed by the Houses of Parliament during the last session and assented to since a report was last made in the House on the 18th November, 1985 :

1. The Appropriation (No. 6) Bill, 1985
2. The University Grants Commission (Amendment) Bill, 1985.
3. The Appropriation (Railways) No. 5 Bill, 1985

4. The International Airports Authority (Amendment) Bill, 1985.
5. The Bonded Labour System (Abolition) Amendment Bill, 1985.
6. The Salaries and Allowances of Officers of Parliament (Amendment) Bill, 1985.
7. The President's Pension (Amendment) Bill, 1985.
8. The Central Excises and Salt (Amendment) Bill, 1985.
9. The Customs (Amendment) Bill, 1985.
10. The Agricultural and Processed Food Products Export Cess Bill, 1985.
11. The Central Excise Tariff Bill, 1985.
12. The Additional Duties of Excise (Textiles and Textile Articles) Amendment Bill, 1985.
13. The Additional Duties of Excise (Goods of Special Importance) Amendment Bill, 1985.
14. The Customs Tariff (Amendment) Bill, 1985.
15. The Payment of Bonus (Second Amendment) Bill, 1985.
16. The Aircraft (Amendment) Bill, 1985.
17. The Salary, Allowances and Pension of Members of Parliament (Amendment) Bill, 1985.
18. The Salaries and Allowances of Ministers (Amendment) Bill, 1985.
19. The Salary and Allowances of Leaders of Opposition in Parliament (Amendment) Bill, 1985.
20. The Banking Laws (Amendment) Bill, 1985.
21. The Inland Waterways Authority of India Bill, 1985.
22. The Futwah-Islampur Light Railway Line (Nationalisation) Bill, 1985.
23. The Sick Industrial Companies (Special Provisions) Bill, 1985.
24. The Agricultural and Processed Food Products Export Development Authority Bill, 1985.
25. The Delegated Legislation Provisions (Amendment) Bill, 1985.

2. Sir, I also lay on the Table copies, duly authenticated by the Secretary-General of Rajya Sabha, of the following sixteen Bills passed by the Houses of Parliament during the last session and assented to since a report was last made to the House on the 18th November, 1985 :

1. The Employment of Children (Amendment) Bill, 1985.
2. The Unit Trust of India (Amendment) Bill, 1985.
3. The National Airports Authority Bill, 1985.
4. The Citizenship (Amendment) Bill, 1985.
5. The Lighthouse (Amendment) Bill, 1985.

12.14 hrs.

ESTIMATES COMMITTEE

[English]

Twenty-Third and Twenty-Fourth Reports

SHRI CHINTAMANI PANIGRAHI (Bhubaneswar) : I beg to present the following Reports of the Estimates Committee :

- (i) Twenty-Third Report (Hindi and English versions) of the Estimates Committee on Action Taken by Government on the recommendations contained in their Seventy-Sixth Report (Seventh Lok Sabha) on the Ministry of Commerce-Chief Controller of Imports and Exports.

(ii) Twenty-Fourth Report (Hindi and English versions) of the Estimates Committee on Action Taken by Government on the recommendations contained in their Seventy-Fifth Report (Seventh Lok Sabha) on the Ministry of Transport (Department of Civil Aviation)—DGCA.

— — —

RAILWAY CONVENTION COMMITTEE

[English]

Third Report

SHRI SUBHASH YADAV (Khargone) : I beg to present the Third Report (Hindi and English versions) of the Railway Convention Committee on 'Rate of Dividend for the year 1986-87 and other Ancillary matters'.

— — —

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : Sir, with your permission, I rise to announce that Government Business in this House during the week commencing Monday, the 24th February, 1986 will consist of :

1. Discussion on the Motion of Thanks on the President's Address.
2. Discussion on the Resolution seeking disapproval of the Ravi and Beas Waters Tribunal Ordinance, 1986 and consideration and passing of the Ravi and Beas Waters Tribunal Bill, 1986.
3. Consideration of any item of Government Business carried over from today's Order Paper.

As members are already aware, the Railway Budget for 1986-87 would be presented on Wednesday, the 26th February, 1986, after disposal of Questions and the

General Budget for 1986-87, on Friday the 28th February, 1986, at 5.00 P.M.

[Translation]

SHRI PRATAP BHANU SHARMA (Vidisha) : Mr. Speaker, Sir, extensive damage was caused to the rabi crop due to severe hailstorm which lashed Madhya Pradesh recently. Crops worth crores of rupees of the farmers of the State have been damaged and as a result thereof, lakhs of people are facing an uncertain future. According to the preliminary reports, about 75 tehsils have been affected by the hailstorm and natural calamities whereas 12 districts are already in the grip of drought where immediate relief is needed. Therefore, I would request that keeping in view the natural calamities being faced by the farmers of Madhya Pradesh, the Central Government should provide grant to the State and this item may be included in the next week's agenda.

[English]

SHRI V. S. KRISHNA IYER (Bangalore South) : Sir, the following item may be included in the next week's agenda.

In Bangalore Doordarshan Kendra, PADMAVYYHA Programme similar to the programme of the JANAVANI of Delhi Doordarshan Kendra was started some months ago and they had interviewed some of the Karnataka Government Ministers under that programme. This programme was very popular in Karnataka especially in Bangalore City. Now suddenly the Bangalore Doordarshan Kendra authorities stopped interviewing of Karnataka Government Officers and other prominent personalities in different fields. The main idea of interviewing the Ministers is to bring a rapport between the viewers and the Ministers. This is one of the powerful media through which public can ventilate their grievances to the concerned Minister and get remedial measures.

Since this is a very useful programme which is in local language, i.e., Kannada, it is necessary to continue interviewing of Karnataka Government Ministers immediately by Bangalore Doordarshan Kendra through PADMAVYYHA Programme.

SHRI SRIBALLAV PANIGRAHI (Deogarh) : The following matter of urgent public importance may please be included in the next week's list of business of the House.

With only less than half of its requirement of power being generated in the State, Orissa is presently passing through an acute power crisis. Power cut for about ten to twelve hours a day in the domestic sector and to the extent of 76 per cent in the commercial and industrial sector has been resorted to. Such power cut affects all sections of the population, negatives the industrial advancement and jeopardises the economy of the poor and backward State. Thus there is an atmosphere of despair and discontentment prevailing all over the State.

In this context the Union Government should now come forward to help the State of Orissa without any loss of time by arranging necessary power supply from some other States to overcome the present crisis and by undertaking the construction of the Talcher Super Thermal Power Station and the Ib Valley Thermal Power Station during the 7th Plan period in a bid to permanently solve this problem of power shortage in Orissa.

[Translation]

SHRI M. L. JHIKRAM (Mandla) : Mr. Speaker, Sir, the following item may be included in the next week's agenda :—

I would like to suggest that Television Centres should be set up on priority basis in tribal and hill areas for the benefit of Adivasis, Harijans and backward classes. It is necessary to acquaint them with the new plan of the Government, their policy, implementation, social, educational and economic reforms etc. so that they may know what the Government are doing for them.

Government should not, therefore, impose the condition that the State government should invest Rs. 37.5 lakhs for opening a T. V. Centre. It is feared that this policy of the Government will deprive the hill areas of the television facility. The Government should accord priority to this demand.

SHRI KALI PRASAD PANDEY (Gopalganj) : The following matter may please be included in the next week's agenda :—

Mr. Speaker, Sir, I would like to draw the attention of the Government and of the House through you, to the crisis being faced by the rice mills of Kosi Division in Bihar. Out of 39 modern rice mills situated in this area, only 18 mills are working this year and the rest 21 mills are lying closed.

To meet the requirement of rice, the people have to depend by and large on the Central Government and other States. Government have to impose a levy on rice to meet this shortage and as a result thereof, mills are facing great hardship. Moreover, unnecessary expenditure is incurred on the procurement of levy rice. Due to closure of rice mills, the labourers and other persons connected with this industry are being rendered unemployed.

The State Government have imposed a levy of 25 quintals of rice on the mills of Kosi Division. This has aggravated the crisis further and if the government do not reconsider their decision, the situation may deteriorate further.

If the levy on the rice mills of Kosi Division is not withdrawn or if the quantum of levy is not reduced, there is an apprehension that the modern rice mills of the Kosi Division might be closed down. The wrong policies of the Government are responsible for it.

I, therefore, request the Government to take effective steps without further loss of time in this respect so that the modern rice mills of Kosi division are saved from being closed down and the employees working in the industry are not rendered unemployed.

SHRI C. JANGA REDDY (Hanamkonda) : Mr. Speaker, Sir, the following matter may be included in the next week's agenda :—

Due to heavy rains caused by the cyclone in the month of January in Andhra Pradesh, the standing paddy crop was soaked completely. However, the farmer saved it from being completely damaged and brought it in the

market after drying it in the sun. But there was no customer to buy it in the market. The soaked paddy has no use except to prepare it as boiled rice. Boiled rice is not eaten anywhere except in Tamil Nadu, Kerala and Karnataka. The Andhra Pradesh Government have imposed a restriction on its movement. So, the farmers are compelled to sell the paddy at the rate of Rs. 70 to Rs. 90 per quintal. The Food Corporation of India should have purchased the soaked rice from the farmers but they did not purchase it. It has caused great distress to the farmer. Just as the Food Corporation of India purchased soaked paddy in Haryana and Punjab, it should purchase paddy in Andhra Pradesh also. This is very necessary.

SHRI DILEEP SINGH BHURIA (Jhabua) : Mr. Speaker, Sir, the following matter may please be included in the next week's agenda :—

The owners of the Sajjan Textile Mill situated in Ratlam city of Madhya Pradesh have closed the mill for the last 15 days on account of their inability to run the mill further. The proprietor of the mill has left the city after closing the mill. The workers of the mill are sitting on *dharna* to protest against being thrown out of employment. Due to the closure of the mill, the future of 3,500 workers has become uncertain. I would request the Government to intervene in the matter and get the mill reopened without delay so that the workers are again put to their jobs.

MR. SPEAKER : Shri K. N. Pradhan.

[*English*]

—Pradhanji, are you not able to find it ? We will take it as read.

[*Translation*]

SHRI K. N. PRADHAN (Bhopal) : Since my matter pertains to Madhya Pradesh and as Shri Pratap Bhanu ji has already been allowed to raise the matter on the same issue, I was not allowed to raise it.

MR. SPEAKER : All right, we shall take up on Monday.

[*English*]

SHRI S. G. GHOLAP (Thane) : The following matter may be included in the next week's business.

It is a fact that passengers near Kalyan-Central Line Railway who have to go to Vasai and Palghar stations of Western Railway have to go via Dadar which is very expensive.

It is also a fact that Diva-Vasai Railway line linking Central Railway with Western Railway has been completed in 1981 with electrification and goods traffic already started.

Now it is the urgent need of the time that passenger trains should be started immediately from the said line providing some stations out of which Upper Dombivali should be the most important one.

SHRI ANOOPCHAND SHAH (Bombay North) : The following items may be included in next week's business :

Urban Land Ceiling Act, 1976 is now ten years old and the circumstances all over India have totally changed during this period of ten years. A number of problems like high cost of land, rise in prices of houses, creation of slums and deteriorating condition of public housing has come up because of the adverse effects of Urban Land Ceiling Act, 1976.

Suitable amendments should be made to the Urban Land Ceiling Act, 1976 to solve the housing problems of common man.

DR. V. VENKATESH (Kolar) : The following items may be included in the next week's business :

In spite of several memoranda submitted by the Government of Karnataka for the drought assistance, the Central Government is not serious enough to assist them. The entire State of Karnataka is affected with drought for four years in succession. Drinking water supply to urban cities including Bangalore city is the worst affected.

[Dr. V. Venkatesh]

Rural Karnataka is reeling under very miserable conditions. Rural unemployment, in addition to scarcity of drinking water in villages, has become very serious. Cattle wealth is decreasing day by day causing great loss to the farming community. Therefore, I urge upon the Government to consider this problem purely on humanitarian grounds and release immediately Rs. 100 crores on an emergent basis for relief. Fodder should be supplied free of cost to save the life of the cattle in Karnataka.

Kolar District is a chronically drought affected area. 80 per cent of the farmers are very much affected due to unemployment. This district is not bestowed even with a single river. People are very much affected economically. There is only one factory, Bharat Earth Movers Ltd. which has a very meagre labour force in the entire district. Therefore, there is an urgent necessity to expand units of this factory at Maller and Mulbagal which have broad gauge railway and national highway facilities and other necessary infrastructure required for production viewpoint.

SHRI H. K. L. BHAGAT : I have listened to the Hon. Members with rapt attention about inclusion of their points in the next week's business. As this is the job of the Business Advisory Committee to decide the next week's agenda, I shall bring to their notice these points.

12.28 hrs.

**STATEMENT RE : STATUTORY MINIMUM
PRICE FOR RAW JUTE FOR 1986-87**

[English]

MR. SPEAKER : Shri Buta Singh.

SHRI INDRAJIT GUPTA (Basirhat) :
Is he going to make a statement on the statutory minimum price or minimum support price?

MR. SPEAKER : You can judge it afterwards.

THE MINISTER OF AGRICULTURE
(S. BUTA SINGH): Sir, I would like to
make the following statement :

Government have fixed the statutory minimum price of raw jute for the 1986-87 season after taking into account all relevant factors including the latest changes in the administered prices of fertilisers and some petroleum products.

The statutory minimum price for W-5 grade of raw jute in Assam has been fixed at Rs. 225 per quintal. The corresponding prices for various grades at different centres will be fixed by the Jute Commissioner in the light of normal market differentials.

The Jute Corporation of India will undertake market support operations, as and when necessary.

SHRI INDRAJIT GUPTA : You are a farmer. I appeal to you that if there is a statutory minimum price, it means that anybody who pays less than that minimum is liable to penalty under the statute. First of all, there is no statute at present. So, what does he mean by saying that they will carry out purchase operations. That they are doing always. That is the support price and not the statutory price...*(Interruptions)*

MR. SPEAKER : I think for wheat and rice also it is the support price.

S. BUTA SINGH : For wheat and rice it is the procurement price. But here it is the statutory minimum price. With your permission I am repeating it third time that it is the statutory minimum price.

MR. SPEAKER : We shall find out from the dictionary the exact word.

(Interruptions)

S. BUTA SINGH : It will be administered under the statute which is applicable to the essential commodities.

SHRI SOMNATH CHATTERJEE
(Bolpur) : If that is so, then there has to be a proper notification under the Act.

How is it left to the officers to decide?

SHRI INDRAJIT GUPTA : How can the Jute Commissioner decide the statutory price ?

THE MINISTER OF LAW AND JUSTICE (SHRI A. K. SEN) : It is a Control Order under which prices can be fixed by issuing notices.

SHRI INDRAJIT GUPTA : By whom ? By the Jute Commissioner ?

SHRI A. K. SEN : If you want we shall give you these orders.

SHRI SOMNATH CHATTERJEE : There is no question of our wanting it. What sort of wrong information is being given to the House that so many questions are to be put to find out the...*(Interruptions)*. Why it is not a full statement ? It is meant for the people outside also. They must know what it is.

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : We never knew Mr. Somnath is that ignorant.

SHRI SOMNATH CHATTERJEE : Sometimes we enjoy flippancy but not always. But this is a flippancy in respect of...*(Interruptions)*. I am not trying to score a point. I am requesting the Minister that when he is announcing the statutory minimum price, why does he not mention the statute and also how it is to be implemented. What is the difficulty in it ?...*(Interruptions)*.

12.32 hrs.

RE : MUSLIM WOMEN (PROTECTION OF RIGHTS ON DIVORCE) BILL

[*English*]

MR. SPEAKER : Now I have to inform the House that the Government wants to introduce the Muslim Women (Protection of Rights on Divorce) Bill, 1986. According to Direction 19A and 19B, at least one week's prior notice is required. The same has not been compiled with. However, in this case if the whole House agrees, I have no objection in allowing them to move the motion...*(Interruptions)*.

SHRI BASUDEB ACHARIA (Bankura) : How can you allow, Sir ? It has not been...*(Interruptions)*.

MR. SPEAKER : Then I will not. If there is no consensus in the House...

(Interruptions)

SHRI K. P. UNNIKRISHNAN (Bada-gara) : A supplementary List of Business has been circulated this morning. You have not even bothered to include such an important item on that...*(Interruptions)*.

MR. SPEAKER : That is what I have said...

(Interruptions)

MR. SPEAKER : I have got no self authority. The House vests me the authority. If the House says, I will do it and if the House does not say, I will not do it...

(Interruptions)

SHRI BASUDEB ACHARIA : The Bill has not been circulated...*(Interruptions)*.

MR. SPEAKER : O. K. The leave is not granted...

(Interruptions)

SHRI K. P. UNNIKRISHNAN : I am on a point of order...*(Interruptions)*.

AN HON. MEMBER : Let the Bill be introduced...*(Interruptions)*.

SEVERAL HON. MEMBERS : No, no...*(Interruptions)*.

[*Translation*]

MR. SPEAKER : How can we proceed in this manner ?

[*English*]

I cannot break the rules. I have to put it before the House. The House is my master and the House is its own master...

(Interruptions)

MR. SPEAKER : I cannot overrule the House...

(*Interruptions*)

MR. SPEAKER : When all of you are speaking, I cannot listen anyone....

(*Interruptions*)

SHRI K. P. UNNIKRISHNAN : I am on a point of order...

SHRI INDRAJIT GUPTA : Any Member has a right to oppose it at the introductory stage.

MR. SPEAKER : He has a right.

SHRI INDRAJIT GUPTA : He cannot do it now because he has not seen the Bill.

MR. SPEAKER : That is why I said, without the Bill. (*Interruptions*). One minute. Please listen to me now.

(*Interruptions*)

SHRI G. M. BANATWALLA (Ponnani) : Sir, you use your authority.

(*Interruptions*)

MR. SPEAKER : Please listen to me.

SHRI ABDUL RASHID KABULI (Srinagar) : Even with one Member objecting to it, you will not do it.

MR. SPEAKER : Please listen to me.

SHRI K. P. UNNIKRISHNAN : Sir, you have to listen to me. I have a point of order.

MR. SPEAKER : I just wanted to say this. I am only saying this :

(*Interruptions*)

MR. SPEAKER : Please sit down. Listen to me. Because I just got it, so I put it before the House. I am not objecting to any introduction. If it was in proper form, I would have immediately allowed it and I am going to allow it if it comes in proper form. There is no denying of that fact. Now, it is only a question that I have to ask this thing.

(*Interruptions*)

SHRI K. P. UNNIKRISHNAN : I am on a point of order.

(*Interruptions*)

MR. SPEAKER : Order, order. One by one.

SHRI K. P. UNNIKRISHNAN : Sir, under Rule 74, I have a point of order. As I pointed out earlier.

(*Interruptions*)

You please listen I am on my legs. Speaker has allowed me to speak on my point of order.

(*Interruptions*)

MR. SPEAKER : Please don't do it.

(*Interruptions*)

SHRI K. P. UNNIKRISHNAN : I don't need anybody's certificate on my point of order.

(*Interruptions*)

MR. SPEAKER : He has a right to say. What is this ?

(*Interruptions*)

SHRI K. P. UNNIKRISHNAN : Let me complete the sentence. Sir, the List of Business is a valid document and it has to be circulated. In addition to the List of Business that we have for the day, you have also this morning, just an hour back, circulated a Supplementary List of Business.

AN HON. MEMBER : So what ?

SHRI K. P. UNNIKRISHNAN : You have not even included this item in the List of Business. I invite your attention to the Proviso to Rule 74. It says :—

'Provided further that no such motion shall be made until after copies of the Bill have been made available for the use of members, and that any member may object to any such motion being made unless copies of the Bill have been so made available

for two days before the day on which the motion is made and such objection shall prevail, unless the Speaker allows the motion to be made.'

So, this is the rule. It is mandatory I just want a clarification from you

(Interruptions)

MR. SPEAKER : We always do things in this way. Whenever there is a point of contention, we always have a consensus. Otherwise, I don't go. It is so simple, Mr. Unnikrishnan. You are right there that I had no notice before that. It was just handed over to me. That is why I put it to the House. If the House does not agree, then, I will have to do it according to the rules.

SHRI SOMNATH CHATTERJEE : I am on a point of order. ...*(Interruptions)*. Sir, I do not know what you are going to say. You have referred to Directions 19A and 19B. Kindly see Direction 19B. Even that is not complied with. Then you are accepting this.

MR. SPEAKER : No.

SHRI SOMNATH CHATTERJEE : Then say that.

MR. SPEAKER : Because I cannot.

(Interruptions)

PROF. SAIFUDDIN SOZ (Barmulla) : We have never opposed any Bill.

(Interruptions)

MR. SPEAKER : This is the consensus.

(Interruptions)

MR. SPEAKER : This is not the way to do it. I will do it accordingly.

[Translation]

In case it is not introduced today, it will be done some time later.

(Interruptions)

[English]

SHRI ABDUL RASHID KABULI : You suspend the rule.

MR. SPEAKER : I can't.

(Interruptions)

[Translation]

MR. SPEAKER : In case I agree, only you will be put to disadvantage.

(Interruptions)

MR. SPEAKER : I am talking about consensus. In case no consensus is arrived at, then we shall do it next time. It is a matter of two days only. ...*(Interruptions)*

[English]

SHRI DINESH GOSWAMI (Guwahati) : Sir, I am on a point of order.

(Interruptions)

MR. SPEAKER : He is on a point of order, Madam.

SHRI DINESH GOSWAMI : Sir, I am on a point of order. I am not opposing the introduction. You have got the power to waive Direction 19A or 19B. But you have now put it to the House whether we will like to exercise the power to waive Direction 19A or 19B. Kindly go through Direction 19B. It says :

"No Bill shall be included for introduction in the list of business..."

MR. SPEAKER : I go by the rules.

(Interruptions)

SHRI DINESH GOSWAMI : Let me complete.

"Provided further that in other cases, where the Minister desires that the Bill may be introduced earlier than two days after the circulation of copies or even without prior circulation, he shall give full reasons in a memorandum for the consideration of the Speaker..."

Now, if we are to accept our power under Direction 19B, then the reasons must

be before us. You are asking us to exercise the power which is in your control.

MR. SPEAKER : No, no. It is not under my control.

(*Interruptions*)

THE MINISTER OF LAW AND JUSTICE (SHRI A. K. SEN) : Mr. Speaker, Sir, at the outset I shall point out certain things and reply to the objections raised.

Under Rule 65, if you would be good enough to look at it on page 38 of the Rules of Procedure and Conduct of Business, no notice is required only for bills to be introduced by a Member other than a Minister. It says :

"Any Member, other than a Minister, desiring to move for leave to introduce a Bill, shall give notice of his intention, and shall, together with the notice, submit a copy of the Bill and an explanatory Statement of Objects and Reasons etc."

MR. SPEAKER : Mr. Sen, may I point out that this is pertaining to the Private Members ?

(*Interruptions*)

SHRI K. P. UNNIKRISHNAN : Please read Rule 74. This is regarding Private Member's Bills.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : Sir, this item pertains. (*Interruptions*). Then why are you allowing him to stand up ? On what item he is standing up ? Which is the item ?

SHRI K. P. UNNIKRISHNAN : Nothing other than Rule 74 can apply.

SHRI A. K. SEN : Rule 65 says about a bill introduced by any Member other than by a Minister. So, when a Minister introduces a Bill it ceases to be a Private Member's Bill and Rule 65 is attracting it and no notice is required excepting that by your Direction 19A and 19B.

SHRI K. P. UNNIKRISHNAN : No, it is Rule 74.

SHRI A. K. SEN : Rule 74 is after introduction. Please read it. It is after introduction.

SHRI K. P. UNNIKRISHNAN : No, no. It is the moment business comes, not after. (*Interruptions*). I am entitled to raise the point of order. We have great respect for the great legal luminary, but that does not mean that you can distort the rules.

SHRI A. K. SEN : No, no. I am not distorting. Now, you can make new rules.

Now I come to the Rules of Procedure. It is for the House to suspend the rules. Rule 65 says that a Bill can be introduced by a Member other than by a Minister after giving notice. A Bill introduced by a Minister does not require notice. Nevertheless we have been following the requirements laid down by yourself under Directions 19A and 19B. ** (*Interruptions*).

So far as 19A is concerned, it says that there shall be a notice of a motion for leave to introduce the bill, when a Minister introduces a Bill.

19B clearly says that :

"Provided further that in other cases, where the Minister desires that the Bill may be introduced earlier than two days after the circulation.. "

(*Interruptions*)

Why cannot it be even heard ? That shows his impatience.

Laws provide that the Minister can introduce a Bill with a notice of less than two days if...

(*Interruptions*)

MR. SPEAKER : I am listening.

SHRI A. K. SEN : All that I have to do is to give a Memorandum and place the reasons why I have asked for a shorter notice. My first submission is that Rules 65 completely covers the matter and, therefore, the power to give directions under Rule 389

is not attracted at all. Rule 389 says that if a matter is not covered by the rule, directions can be given. We are taking this plea.

I shall read 74 again. It only has to be read.

"After the Bill is introduced..."

(Interruptions)

I may not be as astute as the Hon. Member Mr. Unnikrishnan. But the English language is very clear. It says :

"Where a Bill is introduced..."

That is, after the Bill has been introduced. Therefore, I say you have to read it only.

May I now give the reasons why we have given a shorter notice ?

SHRI SURESH KURUP (Kottayam): If a Member wants to oppose the Bill at the time of introduction, then what is he going to do without circulating it ?

MR. SPEAKER : Let me hear. It is not binding on him.

SHRI K. P. UNNIKRISHNAN : You make a motion.

MR. SPEAKER . He has not yet defined.

SHRI A. K. SEN : Assuming your Direction 19B with regard to Bills introduced by a Minister, we have given an explanation, why we want the waiver..

(Interruptions)

SHRI INDRAJIT GUPTA : Where is the Memorandum ?

MR. SPEAKER : The Directions are very clear.

SHRI A. K. SEN : My submission will be that you exercise the powers under Rule 64, allow the publication of the whole introduction. 64 is clear.

"The Speaker may, on request being made to him, order the publication of any Bill (together with the Statement of Object and reasons, the memorandum regarding delegation of legislative power and the financial memorandum accompanying it) in the Gazette, although no motion has been made for leave to introduce the Bill."

(Interruptions)

PROF. SAIFUDDIN SOZ: I do not want to argue. I have understood the rules and the rules are much more known to your goodself. By a unanimous decision of the House, this Bill can be introduced. But there is a convention also, we have never opposed any Bill at the time of introduction.

SEVERAL HON. MEMBERS : No ..
(Interruptions).

MR. SPEAKER : Please take your seats. There is no such convention.

SHRI A. K. SEN : The memorandum has been circulated.

(Interruptions)

MR. SPEAKER : No, no. Overruled...

(Interruptions)

SHRI K. P. UNNIKRISHNAN : No memorandum has been circulated.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : In a number of cases the rule has been waived. I wonder why some friends are opening in this particular case when the matter is so important. ...
(Interruptions) Ten months have passed. I wonder why senior leaders like Prof. Madhu Dandavate and Shri Madhav Reddy are keeping quiet. I earnestly appeal to all those who are opposing to not to oppose it. Mr. Unnikrishnan says that he is not opposing but he is only raising a point of order. If he is not opposing it, he should not oppose it....
(Interruption.) At the introduction stage it is never opposed.

MR. SPEAKER : I over-rule it.

The Hon. Minister.

12.52 hrs.

SPICES BOARD BILL*

[English]

THE MINISTER OF COMMERCE
AND FOOD AND CIVIL SUPPLIES (SHRI
P. SHIV SHANKER) : I beg to move :

"That the Bill to provide for the
constitution of a Board for the
development of export of spices and
for the control of cardamom industry
including the control of cultivation of
cardamom and matters connected
therewith, be taken into consideration."

MOTION RE : SUSPENSION OF PROVISO
TO RULE 66

THE MINISTER OF COMMERCE
AND FOOD AND CIVIL SUPPLIES (SHRI
P. SHIV SHANKER) : I beg to move :

"That this House do suspend the
proviso to Rule 66 of the Rules of
Procedure and Conduct of Business
in Lok Sabha in its application to the
motions for taking into consideration
and passing of the Spices Cess Bill,
1985 inasmuch as it is dependent
upon the Spices Board Bill, 1985."

MR. SPEAKER : The question is :

"That this House do suspend the
proviso to Rule 66 of the Rules
of Procedure and Conduct of
Business in Lok Sabha in its
application to the motions for
taking into consideration and
passing of the Spices Cess Bill,
1985 inasmuch as it is dependent
upon the Spices Board Bill,
1985."

The motion was adopted

*Moved with the recommendation of the
President.

12.53 hrs.

SPICES BOARD BILL AND
SPICES CESS BILL*

[English]

THE MINISTER OF COMMERCE
AND FOOD AND CIVIL SUPPLIES (SHRI
P. SHIV SHANKER) : I beg to move :

"That the Bill to provide for imposition
of cess on all spices which are
exported for the purposes of carrying
out measures for the development
of export of spices be taken into
consideration."

It is proposed to establish a Board for
the development and promotion of exports
of spices. India has been a traditional
exporter of spices. Though exports of spices
from India have shown marginal increases
over the last few years, the proportionate
share of India in the total world trade has
declined.

The Spices Export Promotion Council at
present looks after the exports of spices while
the development of production and exports
of cardamom is being taken care of by the
Cardamom Board. Due to lack of a cohesive
organisation as well as financial constraints,
India has not been able to undertake
systematic development of products and
export of spices. As a result, there has been
limited product development and our spices
are being exported largely in bulk and un-
processed form. Concentrated effort to
promote exports in value added form and
consumer packages are required to be made.
Markets for spices as also the prices have
been fluctuating from year to year causing
fluctuations in the production pattern. The
uneven production pattern has, in turn, its
effect on exports. There is need for bringing
about stabilisation in the export business of
spices. Similarly, there is need to bring about
constant improvement in quality of our
products and in productivity to improve
competitiveness of Indian spices.

There are a number of institutions and
research bodies operating in the spices sector.
It has been considered necessary that the
activities of these organisations should be

*Moved with the recommendation of the
President.

coordinated through a Central body like the Spices Board.

In view of the problems affecting the spices trade and industry, it has been considered that the future export policy should concentrate on increasing production and productivity of spices, development of spice exports in value-added form and initiating production of new spices and spice products for the international market. For this purpose, it is proposed to set up a Spices Board replacing the Cardamom Board and the Spices Export Promotion Council. While absorbing the present assets and staff of these two organisations, the proposed Spices Board will be responsible for the entire range of functions of production, marketing, exports and export promotion with regard to cardamom and export promotion for all other spices. The new Board would have representatives of growers, Central and State Governments, research institutions, traders and exporters.

In order that the Spices Board has necessary resources to discharge its functions, a levy by way of a cess of a duty of customs on all the spices specified in the Schedule to the Spices Board Bill which are exported is proposed at a rate not exceeding five per cent *ad valorem*. The actual rate of cess on each scheduled product will, however, vary depending on the nature of the product.

The two Bill before the House seek to achieve the above objects.

With these words, Sir, I commend the Spices Board Bill and the Spices Cess Bill for the consideration of the House.

MR. SPEAKER : Now we adjourn for lunch to meet again at 2.00 P. M.

*The Lok Sabha then adjourned for
Lunch till Fourteen of the Clock*

*The Lok Sabha re-assembled after
lunch at six minutes past fourteen
of the clock*

14.06 hrs.

[SHRI VAKKOM PURUSHOTHAMAN in the Chair]

SPICES BOARD BILL AND SPICES CESS BILL

[English]

MR. CHAIRMAN : Motions moved :

"That the Bill to provide for the constitution of a Board for the development of export of spices and for the control of cardamom industry including the control of cultivation of cardamom and matters connected therewith, be taken into consideration."

"That the Bill to provide for imposition of cess on all spices which are exported for the proposes of carrying out measures for the development of export of spices be taken into consideration."

Shri Thampan Thomas.

SHRI THAMPAN THOMAS (Mavelikara) : Sir, this Bill seeking to consolidate the Cardamom Board and the Export Promotion Council may have wide repercussions on the Kerala economy as Kerala produces maximum spices and its economy is by and large based on the export of these items. Out of the total world production 75 per cent of cardamom is produced in Kerala. But unfortunately the present experience of cardamom cultivators is that the price has gone down without any proportion to the previous years. About three years back the price of cardamom was Rs. 450/- k.g. Now it has come down to Rs. 120/- per k.g. There was a stage between 1967 to 1969 when the price of cardamom had gone down but at that stage the Central Government came forward with a formula of fixing the floor price for cardamom and also made arrangements to procure cardamom and store it with the Warehousing Corporation with the result that the cultivators at that time could get a price which was at least necessary for production. After 1969 till date the production cost has increased very much. Between 1967-1969 the price was near about Rs. 80 to Rs. 90. Now the price is Rs. 120/-. It means that the cardamom cultivators are not getting the actual production price for what they do. There is no increase in the area under

[Shri Thampan Thomas]

cardamom cultivation, namely, the area which could have been brought under cardamom cultivation has not been utilised. This requires an earnest attempt on the part of the Government to promote cardamom cultivation.

Our country is facing competition now from Guetamala. Guetamala is competing in the international market with India and most of the countries which imported from India are now switching over to Guetamala. Even then they could cater only 25 per cent requirements and, as such, the major exporting country in respect of cardamom is still India. Therefore, an earnest attempt is to be made to increase the exports and also cultivation in India.

Of course, new areas in other States have been brought under cardamom cultivation. This has created certain other problems. The new areas are Sikkim, some parts of Karnataka, Orissa and Assam but the quality of cardamom produced there is not of the same quality as in Kerala. The best quality of cardamom which is known as 'Allepey Bold' once attracted people from Far East countries like Japan and also in the ancient times from Greece. So this cardamom which was available in Alleppy and which had the name 'Alleppy Board Cardamom' was the best available in the world. But now that quality has gone down. Here, I would like to submit that the quality control and also the performance of the Export Promotion Council and the export promotion agencies are far from satisfactory. It is quite unsatisfactory. Necessary promotional activities have not been taken up by the Export Promotion Council. Of course, the attempt of the Government to amalgamate both the Promotion Council as well as the Cardamom Board is in a way good. But at the same time I fear whether the importance of the cardamom will be reduced by the amalgamation of these two. Now, they are functioning separately, one for the promotion of the export and the other for the promotion of the cultivation. When these two are brought together, I fear the importance of cardamom will be lost. Of course, I am not against their amalgamation. But what I want is that necessary safeguards should be there to see that the cultivation is promoted.

Here, I would like to point out another important thing. Sir, in these areas, deforestation is taking place and because of that there is no sufficient shade available for the purpose of cardamom cultivation. This problem is faced now by the cultivators. Moreover, the land where cardamom is cultivated mostly belongs to the Forest Department and in these lands trees are felled for other purposes. But unfortunately, there has been a widespread deforestation in these areas. This has affected cardamom cultivation. Therefore, strict action should be taken against those who indulge in felling of trees indiscriminately in these areas. Sir, I may also suggest that the forest should be demarcated for this purpose, that is, for the purpose of cardamom cultivation. This is the peculiar situation in which Kerala State is placed. Kerala is in such a geographical situation. Therefore, my submission is that by all means this has to be promoted.

Sir, apart from presenting this position, I would also like to bring to the notice of the Hon. Minister and also the Government that the marketing side for this item is not sufficiently taken care of either by the Cardamom Board or by the Export Promotion Council. The cultivators get lesser price, the middlemen who are coming in their way, who are known as cardamom dealers are given all sorts of encouragement in the name of export. Whereas actually the cultivators who possess land less than 2 acres or 3 acres or 4 acres, are put to very great difficulties. The only people who get the real benefit through the Government proposals and Government's participation are the dealers. The dealers are really exploiting the cultivators. Therefore, I would like to suggest that the Government should take appropriate steps to improve agricultural cooperatives in this side also and also involve the cooperative societies for marketing these items and also for the purpose of export, cooperative sector should be utilised and the middlemen should be eliminated.

Apart from cardamom, there are other items which are considered as spices. There are two types of spices which come in the way. One type of spices is cardamom, cloves and nutmeg. These are the items which are grown on a long term basis. Sir, you have given definition for the spices. I think there

should be a sub-division for that which will distinguish very clearly about the long term agricultural activities involved for certain items of spices and short-term agricultural activities involved for certain other items of spices. Now, ginger is an yearly crop which is a spice. Turmeric is also a spice and it is an yearly crop. Therefore, what happens is that turmeric and ginger, when they are put in the category of spices, cannot be treated in the same way as cardamom, nutmeg and cloves which are also spices. There is also another type of spice, that is, pepper. Now, cultivation of pepper stands on a different footing. For cardamom, nutmeg and cloves, a different system of cultivation is necessary. For pepper and such other items another type of cultivation is necessary. Naturally, a different type of cultivation is required in the matter of turmeric and ginger. In this context, I would suggest that when you define these spices under this legislation, you should take care of distinguishing these things in a distinct manner so that proper encouragement is given to their cultivation.

The plight of the ginger cultivators is also very alarming. The ginger which was priced at Rs. 45 per kg is now priced at Rs. 9 per kg. The poor man who cultivates the lands gets the land assigned either from a landlord or the Government. His income has come down considerably. The price now offered to him is Rs. 9 instead of Rs. 45 per kg. earlier.

Further, turmeric, ginger and such other items are required by other countries and, therefore, we will have to see that such cultivation is encouraged and promoted.

In this context, I would also like to point out that in the matter of export of these items it had happened that things were mixed from other States. Kerala has the best varieties of these items. But unfortunately, when the export is made from Cochin, that being the port, products of inferior quality produced in other parts are mixed up and then exported. Consequently, we are bound to get a bad name. Naturally, sometimes these things may be returned also by the importing countries. This has to be avoided by quality control. There should be proper check and control for this purpose. This was with regard to the cultivation and export.

Now, about the authority that you are going to have. It appears that there would be 34 or so Members in the Board. What is the representation given to the trade unions, cooperatives and non-official leadership? Earlier in the Cardamom Board, the trade unions were very well represented. The Central Trade Unions were to nominate their representatives to the Board. But now it is the Government and the bureaucrats mostly in the Board. There are only two Members from Lok Sabha and two Members from Rajya Sabha. I propose that there should be proper representation for non-official leadership by inclusion of representatives of cooperatives, trade unions and such other organizations, so that they could ventilate the grievances of cultivators and others. Necessary steps should, therefore, be taken to include these persons in the Board.

With these words I conclude, and, of course, as I said, I welcome these Bills, because these are meant to consolidate the working of the Cardamom Board and the Spices Export Promotion Council, but at the same time necessary precautions may be taken as suggested by me.

PROF. P. J. KURIEN (Idukki) : Mr. Chairman, Sir. I rise to welcome this Bill. The Bill is to consolidate the working of Cardamom Board and Spices Export Promotion Council.

As I said, I welcome this Bill since in addition to the marketing, the Spices Board will take care of the production and development sides of spices.

In this context, I would like to inform the Hon. Minister that for the last so many years, we had been neglecting the development of spices. At the time of independence our export of spices was quite considerable. However, during the last 37 years, there has been no increase in the export of spices. Due to the unit value rate increase in prices we have been able to earn more, but quantity-wise our exports have not increased. Let us take for example pepper. At the time of independence, we were the major exporters of pepper in the world. Of the total world export our contribution was nearly eighty per cent. Now our contribution is only twenty per cent.

SHRI P. SHIV SHANKER : It is only fifteen per cent.

PROF. P. J. KURIEN : All right, I stand corrected. So, what does it mean? This only means that we do not pay sufficient attention to the production of pepper. You invest a lot of money for other commodities which are exported. Of course, they do yield results. But if you invest even one per cent of that money on pepper, our export would have increased three or four times and our foreign exchange would have increased because of this one spice alone.

SHRI P. SHIV SHANKER : Your constituency is a pepper constituency.

PROF. P. J. KURIEN : No, Sir. We have both pepper and cardamom. But I would like to give some pepper!

SHRI P. SHIV SHANKER : You kindly give a little pep!

PROF. P. J. KURIEN : So, we have neglected this spice though we are giving a lot of importance to export oriented industries and export earning commodities. I do not understand why pepper is neglected. I hope the new Commerce Minister, with his dynamism will specially look into this aspect and concentrate on the production of pepper. But I am sorry to see in this new Bill which is presented here, that the production aspect and the development aspect of pepper are not taken care of. On the lines of cardamom and rubber, the production aspect of pepper should also be brought under the purview of your Ministry and I request that the Ministry of Commerce should take care of this also.

SHRI P. SHIV SHANKER : It is there.

PROF. P. J. KURIEN : No Sir. It is not there. Production and development aspect is with some other Ministry. Pepper being an export-earning commodity, I want that its production and development aspect should be under your Ministry. This is my one suggestion and I request that the necessary amendment may be brought forward and administrative orders be issued to this effect.

I would also like to inform you that our production of pepper per acre is only 325 kilos on an average. Whereas in Brazil it is 4,000 kilos and even in Malaysia it is more than 4,000 kilos, we are producing only about 300 kilos per acre. It is not necessary for going in for extensive cultivation of pepper. Instead, we should only devise schemes for increasing the productivity. This is what I want to underline and I request you to take steps to increase the production of pepper.

Now I come to cardamom. A major portion of cardamom produced in this country is from my constituency. We produce 4,500 tonnes of small grade cardamom and nearly 1,000 tonnes of big size cardamom which comes from the North East. Out of the 4500 tonnes of small grade cardamom produced, 2,500 tonnes come from my constituency. But what is the position of cardamom today? Unfortunately, the price has been crippled to such an extent that the farmers are not able to sell their produce at any price and they have to part with it at throw away prices. There are not even proper buyers for cardamom. Last year the price of cardamom was Rs. 250 per kilo. This year it is less than Rs. 125. The year before last year the price of cardamom was more than Rs. 400. I am not saying that we should get Rs. 400 because I know that the production was very much low that year and hence that price has increased to Rs. 400. We do not want that price. But last year, the production was reasonable, 4,500 tonnes of cardamom was produced last year, out of which 2,500 tonnes was exported and the price was also reasonable at Rs. 250 per kilo. But this year the price is less than Rs. 125 per kilo. The Cardamom Board, i. e. your own institution has worked out the cost of cardamom at Rs. 150 per kilo. Of course, I personally do not agree with that figure also. Cardamom growers are marginal and small farmers and they are not able to use techniques and devices which would reduce the cost of investment. For them, the actual cost of production comes to Rs. 200 per kilo. But even if the Cardamom Board's estimate of Rs. 150/- as cost of production, is accepted, the price now available is less than Rs. 125/-. The Cardamom people are forced to throw away their produce.

Therefore my complaint is that, although there are number of concrete proposals for

assisting these farmers nothing concrete has been done from your Ministry. The prices have declined due to international pressures because Guatemala is our competitor in the Cardamom exports.

Guatemala has also produced cardamom and their production is also very high. So they are dumping Cardamom into the international market. That is one reason for reduction in the price of Cardamom. What we have to do at this juncture, is that we have to go to the assistance of the farmers.

One point I have to mention here is, that we have a Cardamom Trading Corporation whose head office is at Bangalore. This Cardamom Trading Corporation, was set up by the Central Government for procuring and exporting Cardamom. This year, we have exported nearly 2500 tonnes of Cardamom. Out of this, how much Cardamom Trading Corporation has exported? I am sorry to say that this organisation of the Central Government which is set up for buying and exporting Cardamom, is keeping away from the market and I allege, in collusion with the private traders. Out of 2500 tonnes of Cardamom exported from our country; almost the entire quantity have been exported by the private traders. There are only handful of private exporters. These private exporters go to the Cardamom Auction Centres. They work out an understanding and they undercut the prices. Already the price is low and still they undercut the prices. The Cardamom Trading Corporation which is meant for going and purchasing and exporting Cardamom, keep away from auction. They have not done their duty and I allege that this is in collusion with the private traders. I want the Minister to take action on this and do something. So, my request is, I don't want any big operation from the Government, but the Cardamom Trading Corporation or any other agency of the State Government—STC—should go to the Auction Centres, buy Cardamom and export it.

Sir, for your information, want is the price of Cardamom in the international market. In the international market, even now the

price is 14 to 16 dollars. It means nearly more than Rs. 170/-. Whereas the price of Cardamom—domestic price—is less than Rs. 125/-. So the difference is already by Rs. 50/-. There was always a difference of more than Rs. 50/- from the international market and the domestic price.

SHRI MOOL CHAND DAGA (Pali) : May be in your constituency but what about Delhi ?

PROF. P. J. KURIEN : That is what I am saying. I am coming to that. The Cardamom is produced in Idukki, Kerala or in Tamil Nadu. There the price is only Rs. 125/-.

SHRI SURESH KURUP (Kottayam) : He does not know anything about Cardamom.

PROF. P. J. KURIEN : The difference from the international market and the domestic purchasing price of cardamom was always more than Rs. 50/- and in addition, you are giving 10 per cent C. C. S. for Cardamom exporters. Therefore, the private exporters this year, have gained huge profit. Even then the Cardamom Trading Corporation did not do anything. The Government kept away from doing anything for the Cardamom Corporation. So what I want to say is, you don't give any price support operation. But let them go to the market, but cardamom and export at no loss or no profit basis. I have no objection. But I should say, that they are keeping way from their duties.

MR. CHAIRMAN : In fact I want to give you more time. But we have got only one hour at our disposal for this Bill.

PROF. P. J. KURIEN : Sir, I want to say one more point. Shri Dagaji has pointed out about the Delhi price. That is what I am saying. Throughout this year, I was watching the Delhi price. The consumer price of cardamom for 1 kg. was never less than Rs. 300/-, in Delhi. I have purchased Cardamom. Always it was Rs. 300/-. The wholesale prices was always more than Rs. 200 in Delhi. But the price at the producing centre within this country has always been less than Rs. 125/-. Where does

[Shri P. J. Kurien]

the margin go ? The entire margin goes to the private traders. So, I have to make a request to the Minister of Commerce. He is not here. Only Mr. Poojary is here.

In the case of coffee, sometime back you had brought in a system of pooling and giving assistance to coffee growers, whereby you export coffee, and whatever profit margin is there, is given to the growers. Likewise, in the case of cardamom also, you should devise a scheme whereby the Cardamom Trading Corporation buys Cardamom, exports it, and the profit margin is given back to the growers. Cardamom should be exported by this agency.

In the Commerce Ministry, there is a proposal put up by the Cardamom Board for exporting cardamom. It is pending. It has not been cleared by that Ministry. I request that it should be cleared soon.

I have to speak about other spices also, but for lack of time I am unable to do so. Cardamom, pepper and cloves are plantation crops. These take years to grow. But there are minor spices like ginger, turmeric etc. There should be separate schemes for each of them. For each spice there should be a provision in the budget. Otherwise the major spices will take away the bulk of the allocations, and the minor ones will not get anything.

Coming to the constitution of the Spices Board, I suggest that there should be sufficient representation given to the growers, and labour unions also. There should not be over-representation to traders and exporters.

With these suggestions, I thank you and support the Bills.

SHRI SURESH KURUP (Kottayam) :
Sir, the Commerce Minister is not here.

MR. CHAIRMAN : Mr. Poojary is here.

SHRI SURESH KURUP : I welcome these Bills. They fulfil a long-felt need in

this country. Twentysix varieties of spices come under the purview of this Board. After the constitution of the Spices Board, the Cardamom Board will cease to exist.

The most important spice among all these 26 varieties is, of course, cardamom. Two of my esteemed colleagues who spoke earlier had mentioned the importance that cardamom occupies in the economy of Kerala. Even though statistics have already been mentioned, allow me to mention some more of them.

The total area where cardamom is cultivated in India is 9,394 hectares. Of this, some 56,376 hectares are in Kerala, and roughly 65 per cent to 70 per cent of the total production. This has been mentioned already here. So, I am not going into details.

In 1984-85, some 2,367 tonnes of cardamom were exported from India, of the value of Rs. 65 crores. The total value amounted to Rs. 65 crores, and of this about Rs. 60 crores worth was exported from Kerala. It was a major chunk.

That means more than 95 per cent of cardamom comes from Kerala. The majority of the cardamom producers are small holders. The major problem faced by cardamom producers is shortfall in prices. My colleague, Prof. Kurien, has already mentioned about it. Last year, cardamom price went upto Rs. 200 and two years ago, it went upto Rs. 450. Now it has come down to Rs. 120. A farmer gets only Rs. 110 or something like that after giving sales tax, commission, godown charges and so on. The actual amount which comes to the pocket of a farmer is only Rs. 110.

I am sorry to say that the Cardamom Board which is supposed to promote the export programme of cardamom; they are supposed to help the farmers, especially the small farmers is not doing that. That was exactly the aim of the Cardamom Board just as the Spices Board is being formed. The Cardamom Board is supposed to do all these things, but it is not giving any aid, any help to the farmers in this sorry state of affairs. We could not even face the challenge of

Guatemala which is competing with our product in the foreign market. I am not repeating all those points which were mentioned here, but the most important things which the Commerce Minister should do or the Spices Board should do is that remunerative prices should be given to the cardamom producers. This is a serious problem in Kerala. The whole economy, especially of the high ranges, is dependent on the cardamom product.

Fortunately, good price is there for pepper. But, now, on the export side, we are facing a stiff competition from Brazil and then Indonesia; we could not face their challenge also.

Another important spice which is of importance to Kerala is ginger. Last year, the price of one kilo of ginger was Rs. 42-47. This year, it has gone down by Rs. 9 per kilo. In Kerala, the major portion of the land is under cultivation. In India, Kerala occupies the most important place. Upto last year, the mechanism was there. The State Marketing Federation used to take ginger and then export it. But there was some problem in the quality of the ginger exported last year. The ginger export from our country was rejected by the importer. After that, the Kerala State Marketing Federation, which is supposed to take this ginger, has been withdrawn from the market; and now the poor farmers, most of them, 95 per cent of them, small farmers, they are at the mercy of this monopoly trader. Government is doing nothing. Both the State Government and the Central Government and then the Spices Export Promotion Council Board, all these boards are keeping mum at this sorry state of affairs.

So, this must be the most important task of the Board. And, I would like to request the Minister, through you Mr. Chairman, that the Commerce Ministry should devise urgent methods to get remunerative prices for the farmers, who cultivate ginger. These are all the main points I would like to mention.

Regarding the constitution of the Board, it is mentioned here that there will be six members on the Board representing the spices growers. But there should be sufficient repre-

sentation for the small farmers also; otherwise, the normal practice is that only the big growers and the big estate owners will get representation.

I also fully join the former speakers that the representatives of the labour unions should be represented on this Board.

MR. CHAIRMAN : Mr. Daga, have you got any spices in your State.

SHRI MOOL CHAND DAGA (Pali) : What for has this Bill come ?

[*Translation*]

The strength of the Board provided in the Bill is equal to the strength of the Meghalaya or Manipur Assembly. There will be 32 members in the Board. I have observed that heavy expenditure is incurred on the Boards constituted by the Commerce Department and the funds are grossly misused. Also, the Boards thus constituted, do not function properly. There will be 32 Members in the Board and what will be their contribution ? How much amount will be spent on T. A. and D. A. of the members. You have provided that Rs 20 lakhs will be spent. On the one hand you want to increase exports and on the other hand you are increasing your expenditure. The aim of the Board should be to promote production of spices so as to benefit the people as well as to increase the availability. The old people do not consume spices. The people of Kerala consume more spices and as such they are hot tempered. Now you see what the Bill provides :

[*English*]

“.....to increase the consumption of Cardamom.” I do not understand this. “To increase the consumption of Cardamom.” What does it mean.

[*Translation*]

You have said that its consumption should increase. Do you want to increase the export of Cardamom or want to increase its consumption. What object have you given in it.

[*English*]

Kindly see this Clause 7.

[Shri Mool Chand Daga]

[Translation]

You have said that the cost of production of cardamom has increased... (*Interruptions*). If you consume more spices then you will find it difficult to sit here (*Interruptions*).

[English]

Do not try to take too much *Garam Masala*. The Board will appoint a Secretary. What will the Board do? "The Board may appoint the Secretary and such other officers .." and so on. So, all the thirty-two Members will sit and then they will appoint a Secretary and then the other officers will be appointed.

[Translation]

What kind of Bill has been formulated? You have not formulated the Bill, Shri Arjun Singh has formulated it. You are simply introducing the Bill.

[English]

For what purpose is this Clause 4 there?

"The Board may appoint the Secretary and such other officers"
It should be, "The Chairman can appoint..."

The Board shall consist of thirty-two members and they will appoint a Secretary.

And then, Clause 4 further says:

"(2) The terms and conditions of service of the Secretary and other officers and employees of the Board shall be such as may be determined by regulations."

Who will frame those regulations?
"... as may be determined by regulations"

Are they to be framed by the Board and approved by the Central Board?

But you have not said anything about the regulations. By whom will the regulations be framed? Who will frame those regulations? Who will frame those rules?

The Board Members should take care of the interests of the farmers also.

[Translation]

No powers have been given to them under this Act.

AN HON. MEMBER : They will give their powers.

SHRI MOOL CHAND DAGA : Who will give? Wherefrom will he give?

You have shown in it an expenditure of Rs. 20 lakhs during the first year. It is nowhere mentioned as to how much will be spent on the Board.

There are innumerable Boards in the Commerce Ministry e. g. Jute Board, Coir Board, Rubber Board, Coconut Board. When you function through the Boards, where then is the necessity of the Ministry. All the Boards are in Kerala.

[English]

Then you say that the Board will be superseded. How will that be superseded without giving any notice? You are not serving a notice upon them.

[Translation]

When you are going to formulate this Act, at least formulate in the proper manner. You have brought it so quickly. We did not know that this Bill will be presented today.

[English]

Then it is said that it can be superseded for six months and within six months it can be revived again.

[Translation]

The constitution of any Board after the formulation of all the rules and regulations, is a method to increase the expenditure. This will result in the imposition of more taxes

and thereby export will cost more. The method of direct export was correct.

There are no rules and regulations in this respect and you are going to constitute a Board.

[*English*]

This Act can become operational only when the rules are framed.

[*Translation*]

AN HON. MEMBER : People from Kerala are supporting it.

SHRI MOOL CHAND DAGA : They will, of course, support it.

[*English*]

Why Kerala Members are supporting this Bill without reading it ? Because they will become members of this Board.

[*Translation*]

It is not proper to pass a legislation in such a haste.

[*English*]

SHRI BRAJAMOHAN MOHANTY : His remarks that 'Kerala Members have supported this Bill without reading it' may be deleted.

MR. CHAIRMAN : If there is any allegation, that may be deleted.

DR. K. G. ADIYODI (Calicut) : I welcome the Spices Board Bill. I also welcome the setting up of Spices Board replacing the Cardamon Board and the Spices Export Promotion Council.

Regarding cultivation of cardamom, nearly 80 per cent cultivation of cardamom is done in Kerala and the export earning on this score from Kerala is also 80 per cent.

As stated by other Hon. Members, the productivity of cardamom is dwindling and

the price of it is also coming down because in the international market our harvest reaches a little later than the Gautemala harvest. So, our main concentration should be to export our products earlier than the Gautemala crop reaches in the market.

We are aiming at exporting value added products whereas we are exporting spices in bulk quantities. If we can export value added products after processing and grading in consumer packets, local employment can be enhanced. Especially in a place like Kerala, a network of cooperative system is there, agricultural marketing societies and cooperative institutions are there. Each and every village is covered with cooperative societies. If we can entrust this work with this sort of institutions, the product cost of exporting, marketing and grading can be reduced and in the market we may get a better price.

There are short-term and long-term crops. Pepper, cardamom, nutmag, are long-term crops whereas ginger, turmeric are short-term crops which require 6 or 8 months for cultivation and harvesting. Every year it is cultivated by different category of people in different areas. So, we must consider how best we can provide them with better seedling, fertiliser, pesticides. Even though a lot of research is being carried out in spices research centres, cardamon research centres, the end results are not being transferred to the grassroot level. Transfer of technology to the grassroot level is not upto the standard. Even research on pepper wine was conducted. And throughout the year we can produce pepper. But seedlings are not sent to the agriculturists for productivity and more production.

We had a discussion in the last session on coconut regarding its unprecedeted price fall. Neither the Ministry of Agriculture nor the Ministry of Commerce is doing anything for giving coconut growers a remunerative price. Even though special orders were issued and so many agencies are in the field, poor agriculturists are not getting even Rs. 1000 per thousand nuts whereas the price was Rs. 4000 per 1000 nuts a year before.

MR. CHAIRMAN : This is not the subject to speak on coconut.

DR. K. G. ADIYODI : It is easy to constitute boards. Unless proper follow up is there, the agriculturists are not going to get the benefits of the productivity as well as the price increase.

SHRI GEORGE JOSEPH MUNDACKAL (Muvattupuzha) : I am professionally a cultivator and I am cultivating spices mostly. So, I know the difficulties of farmers who grow spices. That is why, I want to put forth before this august House the difficulties faced by the farmers who grow spices.

For centuries, people from Arab countries used to come to our country for purchasing spices. Now, almost the entire trade is controlled by middle-men.

The price of big cardamom in Kerala is Rs. 100 whereas it is more than Rs. 200 in Delhi. The Government should, either though STC or some other agency, study the price, behaviour. If the prices fall below a level, it puts farmers in a lot of difficulty. Cardamom is a long-term cultivation. Making a single Board for all the spices will not be convenient because long-term cultivations like pepper, cardamom, nutmeg and clove require replanting. Replanting subsidy is given for rubber. So, like the Rubber Board, the Cardamom Board must also be retained otherwise it will be difficult for the cardamom cultivators to continue in the other Board. Nutmeg and turmeric are short-term cultivations. After six months if they are not paying, the cultivation can be changed. But cardamom is a long-term cultivation. Similarly, pepper is also a long-term cultivation. But nutmeg will take eight years for yielding and clove will take even more than that. Now you are importing nutmeg and cloves from Ceylon, thus losing our foreign valuable foreign exchange. By protecting the interests of nutmeg and clove cultivator, you can avoid imports and save foreign exchange.

The price of ginger was Rs. 47 last year and now it is Rs. 9. That means even the harvesting cost we cannot get. Ginger is cultivated by poor people. What happened was that last year the price of ginger had shot up. The Shimoga ginger and Assam ginger are not suitable for drying but it was

dried up and sent to Cochin harbour with the help of the quality controller. The quality controller was bribed by the merchants and all the dried ginger was exported to USA and to the European countries. The quality of this ginger was very poor. After finding that it is fungus-attacked and disease-attacked, it is being sent back to India. What will happen to our future trade ? How will the foreign countries have faith in us ? Our exporting things of bad quality means nobody will purchase from us. Our reputation in international market is being spoiled. So, the Minister must find out what is the cause for returning that exported ginger back to India and who is responsible for exporting that bad quality ginger. He must take action and punish those who are responsible. What was the reason for exporting the non-standard quality of ginger to foreign countries ?

The minor spices are turmeric and ginger. I think you can create two Boards although Daga Ji was saying about so many Boards. We are struggling for foreign exchange. If we create two Boards, we will not only earn foreign exchange but will also provide more work to our people. Now lot of people are struggling to get work. If we are producing and exporting these things, we will earn foreign exchange and, at the same time, give them work also. So, I request the Hon. Minister to give more consideration to the Spices Board and also to give more representation to small farmers and cultivators and save the poor ginger and pepper cultivators of Kerala and stop import of nutmeg and cloves.

14.50 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

[*Translation*]

SHRI GIRDHARI LAL VYAS (Bhilwara) : Mr. Chairman, Sir, I support the Spices Cess Bill, 1985, presented here. I want to submit that you have mentioned that some difference should be maintained between the long term cultivation plants or varieties and short term plants. But you must consider as to what arrangements will have to be made for their development. The second submission is that you have provided for appointment of brokers also in the export trade. I shall read out section 7

to you :

[*English*]

"Grant certificate for export of spices and register brokers thereof "

[*Translation*]

When you have brought in the broker, it is difficult to get justice. When you bring in the broker, how will the agriculturist get the payment ? You must keep in mind the fact that wherever broker system is in existence, how it leads to profiteering and whose interest is served. The role of broker should be clearly defined. Otherwise this trade will get a big setback.

15.00 hrs.

The third point I want to raise is that in this field where brokers and traders handle the entire trade, it will be better if the entire work is entrusted to marketing societies and cooperative societies. You have, of course, provided for it in the Bill but the moot point is whether it will be implemented properly or not. If the marketing societies and cooperative societies take over this trade fully, it will definitely benefit the cultivators and agriculturists in a big way. The reason is that the brokers and traders purchase at their own price and it goes on reducing every time. Therefore, this aspect also requires to be taken care of.

I want to make one more submission. You have stated that maximum 5 per cent ad valorem cess will be levied but from this it is not clear how much cess you will realise. In this connection you have not made any provision in the Bill. You should give full information in this respect.

Moreover, you are charging ad valorem cess on export. In such a situation what will happen to the spices left in the country ? It is not clear whether cess will be levied on this production also or not ? It should also be made clear how it is proposed to make good the amount which will not be realised on account of non levy of cess on the quantity consumed within the country, because it will be required for the development of these 22 or 23 spices ? All these should be made clear.

So far you have said that cess will be charged upto 5 per cent on export but it is not clear whether cess will be levied on the spices which are consumed within the country or not ? Moreover, what provision has been made to ensure realisation of cess from the traders who carry on trade in these spices in order to augment the cess so that you are able to spend that money on the development of all these spices. Special attention is required to be paid in this direction also.

Now I want to draw the attention of the Hon. Minister towards the fact that production of those commodities is decreasing day by day which are available here but are scarce in other countries and which can help in increasing our foreign trade by increasing their export. This aspect also needs special attention. The Board should be entrusted special responsibility to ensure increase in the production of these spices so that we may be able to earn foreign exchange by exporting more quantities. This system needs to be strengthened. Otherwise, even if you appoint 20 Members or high officers in the Board that is not going to deliver the goods because they are interested only in their D. A, T. A. They neither do any work nor do they allow anyone else to do any work. It is no use appointing such people on the Board. You should include such people in the Board as are interested in doing work. In the Board on sick industries, you have appointed people from the Finance Department as Directors but to date they have not submitted any report informing that such and such industry is going sick or so and so industrialist is misappropriating the funds or is diverting the money to some other concern. Those Government officials have not submitted any report to you to this effect. Rather, they keep you in dark. You should, in their place, appoint those people as Directors who may take more interest in their work. You should appoint agriculturists and workers' representatives in it. People who represent export sector and people who can help in increasing the production, trade and exports should be included in the Board. That way we shall earn more foreign exchange. The need of the hour is to introduce this system. I hope that attention will be paid on the points raised by me, Thanks.

15.05 hrs.

[*English*]

THE MINISTER OF COMMERCE AND FOOD AND CIVIL SUPPLIES (SHRI P. SHIV SHANKER) : Mr. Chairman, Sir, I am grateful to the Members for the participation in the debate on these Bills. In fact, some valuable suggestions have been made by various Hon. Members. Though of course, quite a lot has been said about the problems that are confronted by the growers, instead of going through each and every point that has been adverted to, I would like to answer and try to throw some light on the main points that have been taken up by the Hon. Members. Many Hon. Member had adverted themselves on the question of the fixation of the price. I might submit at this stage itself that most of the exportable production has already been exported. This cardamom which has been exported by now to the tune of 2,400 tonnes is more than the whole year's exports for the last five years.

On the question of the price I must submit that the price that was fetched in the auction was at the rate of Rs. 140 per tonne. In fact the research of the costs and analysis shows that this price is more than the cost of production which varies between Rs. 90 to Rs. 125 as per the estimates of the Cardamom Board.

SHRI THAMPAN THOMAS : The cultivators get less than Rs. 120.

SHRI P. SHIV SHANKER : That is a case where perhaps we should take care of the middlemen. That part of it could be looked into. In fact, I must bring to the notice of the House that the real problem is as to how we further reduce the costs of production. Actually in Guatemala the position is that they produce at the rate of Rs 60 to Rs. 70 per tonnes. This is far less as compared to ours, about which I have referred that it varies between Rs. 90 to Rs. 125.

Sir, the question of the price mechanism is a matter which we could go into in a discussion meant for some other aspect at a

later stage. I am concerned for the present with reference to this Spices Board and cess that is sought to be imposed with reference to the export of these spices.

Certain points have been raised with reference to the clauses that are incorporated in the Spices Board. Without going into each and every thing I would like to just submit some of them. Some of the Hon. Members were referring to the fact that there should be a clear demarcation of the definition between pepper and cardamom etc. etc. when, of course, it comes to the question of defining spices. If the Hon. Members would be pleased to see clause 2(n) whereunder 'spices' itself has been defined, it says that it 'means the spices specified in the Schedule.' Therefore, each spice by its nomenclature is dealt with separately by reference to the Schedule itself. Therefore, there should be no difficulty about mixing up one with the other, the apprehension that was expressed.

Sir, quite a lot has been said with reference to clause 3. Particularly some of the Members said that this is an unmanageable type of Board. I would rather submit that there are inbuilt cushions. In the very clause itself there are inbuilt cushions. If you kindly read clause 3, it says : "...not exceeding thirty-two, as may be prescribed." Therefore, the rules can take care in scuttling the strength if it becomes necessary and unless the rules in this behalf otherwise provide that the Board shall consist of the following Members. Therefore, by virtue of this Act, the rule-making authority can take care for a smaller number as well. Therefore, I shall certainly keep in my mind the observations that have been made by the Hon. Members so that at the time when the rules are framed and consequent thereto when a Board itself is constituted, I will see what best could be done. When I say, 'what best could be done', it is based on the observations that have been made by the Hon. Members. Some of them have said that the trade unions must be given representation. Some of them have said that small growers must be given better representation and so on and so forth. These aspects could be taken care of at a later stage when the rules are framed. After all, clause 3 (d) as it stands does not say about the big cultivators, small cultivators or anything of that type. Then,

it is a question of administrative action that has to be taken in pursuance of the law itself. When we constitute the Board, we will certainly take into consideration the sentiments that have been expressed by the Hon. Members.

PROF. P J. KURIEN : In the plantations, there are lakhs of workers, and, therefore, trade unions should be given representations.

SHRI P. SHIV SHANKER : Mr. Kurien, when I was trying to make observations, I am certainly trying to respect the sentiments that have been expressed by the Hon. Members. When you observe about the trade unions, we will take care of that. Still the leverage is left in the clause itself. This is what I thought, I should bring to the notice of the Hon. House.

Then, some of the Hon. Members have been criticising the appointment of Secretary. I do not see any reason as to why there should be criticism on the appointment of secretary. Somebody will be selected and ultimately the Board approves it. After all, if the entire Board sits and approves it, it gives greater credibility to the Secretary himself. Therefore, I do not think that there is anything, wrong in it. But some difficulty seems to have been found by the Hon. Member which I do not foresee at all.

Then, most of the Hon. Members have been pleased to make observations with reference to clause 7, i.e. functioning of the Board. The primary position, so far as the Board is concerned, it will not take care of the very growing of the spices but it will certainly take care about, say, the research activities so that the seed could be improved so that in the ultimate analysis, the crops could be good. In fact, many a thing has been said here when it comes to the question of functioning. Short of taking care of cultivation part *per se*, all the functions have been incorporated in the various clauses of the Bill.

AN HON. MEMBER : What about cultivation ?

SHRI P. SHIV SHANKER : In that case, I will be taking over the powers of the Agriculture Ministry, which will be very difficult. There is a very clear demarcation of powers which we have got to follow. I am not going into the details of them. But it is necessary for me to make a mention of some of the functions. It undertakes programmes and projects for promotion of export of spices. It assists and encourages studies and research for improvement of processing, quality, techniques of grading and packaging of spices. It evolves suitable quality standards for marketing these species. When it comes to the question of various powers of the Board, it ensures remunerative returns to the growers, promotes cooperative efforts and regulates the sale of cardamom. All these aspects have been taken care of.

One of the Hon. Members has, of course, raised an issue with reference to the brokers. I do not know what impelled him to take this objection. But the point is, the concept of brokers is only for the purpose of export part of it. All these growers *per se* do not export it.

SHRI GIRDHARI LAL VYAS : It is the middleman who is the broker.

SHRI P. SHIV SHANKER : What I was trying to bring to the notice of this House is, it is the case of export only. If you would kindly see clause 7 (2) (vii), it says about the registered and licensed brokers (including the auctioners). Of course, one of Hon. Members who was trying to advert himself with reference to brokers was not objecting to it. But then, it is a case where the licences have to be obtained and those licences will be issued under certain conditions. If those conditions are violated, then those licences will be forfeited. I do not see any reason why people who have expertise should not be given a certificate or licence for the purpose of carrying out export. Otherwise, the whole concept gets deflated.

Yet another point is with reference to finances for the Board and it is in Chapter 6. It takes care of the finances, how the finances of the Board would be taken care of.

Lastly, I would advert to two aspects, namely rules and regulations. Some doubts

[Shri P. Shiv Shanker]

have been expressed. I could not really measure the criticism that has been directed but the fact of the matter is that the regulations are to be framed by the Board with the prior approval of the Central Government. What is wrong in it? It is there in Clause 39 itself.

SHRI GIRDHARI LAL VYAS : Later on.

SHRI P. SHIV SHANKER : But without the Central Government later on, it does not become the regulation. It is a statutory precondition, a condition precedent that has got to be observed. It is a clear concept that has been put forth according to the rules. Without going into the other aspects of it, one of the Hon. Members Prof. P. J. Kurien has raised the question about the activity of the Trading Corporation in Bangalore. If there is any irregularity, in the working of this Corporation, I will certainly look into it. If there are specific instances that are brought, I will look into them. In fact, the position is that it acts as a commercial agency.

SHRI GIRDHARI LAL VYAS : It is not acting.

SHRI P. SHIV SHANKER : If it has not acted, I will go into it. But the instructions that I am having is that it is only acting as a commercial agency.

PROF P. J. KURIEN : We exported more than 500 tonnes of cardamom this year. What percentage CTC has done? What percentage the Cardamom Board has done? All these have been exported by private agencies. This Government is keeping quiet.

SHRI P. SHIV SHANKER : If it is indulging in any of the irregularities, I assure the Hon. Members that I will take necessary action. If I find on an evaluation of the situation that it has got to be totally abolished, I will also do that. But the point is let me go into it. What you say, whether it is correct or not, let me go into it. Whether it is really playing ducks and drakes or, whether it is really discharging its functions or not, I will certainly go into it.

I would not like to go further into the aspects because I thought that broadly I must go into the Clauses about which certain observations have been made with respect to the cess that is contemplated that this is on the exported value of the commodity and that too, it has been pegged at 5 per cent. It does not mean that we are going to fix the cess at 5 per cent, not more than 5 per cent. It could be anything below 5 per cent. That could be taken into consideration having regard to the various guidelines that are set forth.

SHRI GEORGE JOSEPH MUNDACKAL : What about quality control which is under your Ministry?

SHRI P. SHIV SHANKER : With these words, I commend these two Bills for the consideration of the House.

SHRI MOOL CHAND DAGA : I want to draw the attention of the Hon. Minister to Clause 7, sub-clause (2), increase in the consumption of cardamom. What is the activity of the Board? Please see p. 5. What is that?

SHRI P. SHIV SHANKER : If it is increased, it is not for the purgative that you are speaking of!

MR. CHAIRMAN : The question is :

"That the Bill to provide for the constitution of a Board for the development of export of spices and for the control of cardamom industry including the control of cultivation of cardamom and matters connected therewith, be taken into consideration.

The motion was adopted.

MR. CHAIRMAN : We now take up Clause-by-Clause consideration of the Bill. There is no amendment to Clause 2.

The question is :

"That Clause 2 stand part of the Bill."

The motion was adopted.

Clauses 2 was added to the Bill

Clause 3

MR. CHAIRMAN : There are the amendments of Shri Mool Chand Daga. Are you moving ?

SHRI MOOL CHAND DAGA : I beg to move.

Page 2, line 40,—
for "thirty-two" substitute...
"twenty-four" (1)

Page 3, line 6,—
for "six" substitute "three" (2)
Page 3, line 7—
for "eleven substitute "six" (3)

Sir, I have moved my amendments because he said one thing that the number can be decreased. But it cannot be because there are 32 members there already. They cannot decrease three Members as the representatives of the Commerce, Agriculture, Finance and the other six Members. If you count them, there are 32 in number. How can be do that ?

SHRI P. SHIV SHANKER : It shall consist of such number of members not exceeding 32 as might be prescribed. I might prescribe it only 16 even. I do not know whether my friend has understood.

MR. CHAIRMAN : Now I will put the amendments moved by Mr. Mool Chand Daga to vote.

Amendment Nos. 1, 2 and 3 were put and negatived

MR. CHAIRMAN : Now the question is :

"That clause 3 stand part of the Bill."

The motion was adopted

Clause 3 was added to the Bill

Clause 4 was added to the Bill

Clauses 5 to 42 were added to the Bill

The Schedule was added to the Bill

Clause 1

SHRI P. SHIV SHANKER : I beg to move :

Page 1, line 5,—
for "1985" substitute "1986" (7)

MR. CHAIRMAN : The question is :

Page 1, line 5,—
for "1985" substitute "1986" (7)
The motion was adopted

MR. CHAIRMAN : The question is :

"That clause 1, as amended, stand part of the Bill."

The motion was adopted

Clause 1, as amended, was added to the Bill

ENACTING FORMULA

Amendment made :

Page 1, line 1,—

for "Thirty-sixth" substitute—
"Thirty-seventh" (6)

(Shri P. Shiv Shanker).

MR. CHAIRMAN : The question is :

"That the Enacting Formula, as amended, stand part of to the Bill.

The motion was adopted

Enacting Formula, as amendment, was added to the Bill

Title was added to the Bill

SHRI P. SHIV SHANKER : I beg to move :

"That the Bill, as amended, be passed."

MR. CHAIRMAN : The question is :

“That the Bill, as amended, be passed.”

The motion was adopted

SPICES CESS BILL

[English]

MR. CHAIRMAN : Now we take up the Spices Cess Bill. The question is :

“That the Bill to provide for imposition of cess on all spices which are exported for the purposes of carrying out measures for the development of export of spices be taken into consideration.”

The motion was adopted

MR. CHAIRMAN : Now we take up the clause-by-clause consideration.

Clause 2

Amendment made :

Page 1, line 9,—

for “1985” substitute “1986” (3)

Page 1, line 13,—

for “1985” substitute “1986” (4)

(Shri P. Shiv Shankar).

MR. CHAIRMAN : The question is :

“That Clause 2 as amended, stand part of the Bill.”

The motion was adopted

Clause 2, as amended, was added to the Bill

Clause 3

Amendment made :

Page 2, line 2,—

for ‘1985’ substitute “1986” (5)

Page 2, line 19,—

for “1985” substitute “1986” (6)

(Shri P. Shiv Shanker).

MR. CHAIRMAN : The question is :

“That clause 3, as amended, stand part of the Bill.”

The motion was adopted

Clause 3, as amended, was added to the Bill

Clauses 4 and 5 were added to the Bill

Clause 1

Amendment made :

Page 1, line 3,—

for “1985” substitute “1986” (2)

(Shri P. Shiv Shanker).

MR. CHAIRMAN : The question is :

“That Clause 1, as amended, stand part of the Bill.”

The motion was adopted

Clause 1, as amended, was added to the Bill

ENACTING FORMULA

Amendment made :

Page 1, line 1, —

for “Thirty-sixth substitute —

“Thirty-seventh”

(Shri P. Shiv Shanker).

MR. CHAIRMAN : The question is :

“That the Enacting Formula, as amended, stand part of the Bill.”

The motion was adopted

The Enacting Formula, as amended, was added to the Bill

The Title was added to the Bill

SHRI P. SHIV SHANKER : Sir, I beg to move :

"That the Bill, as amended, be passed."

MR. CHAIRMAN : The question is :

"That the Bill, as amended, be passed."

The motion was adopted

15.20 hrs.

INDUSTRIAL DEVELOPMENT BANK OF INDIA (AMENDMENT) BILL*

[*English*]

MR. CHAIRMAN : The House will now take up the next item, namely, the Industrial Development Bank of India (Amendment) Bill. The Minister.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : On behalf of Shri Vishwanath Pratap Singh, I beg to move :

"That the Bill further to amend the Industrial Development Bank of India Act, 1964, be taken into consideration."

The House is aware that the Industrial Development Bank of India which was set up in 1964 is the principal financial institution of the country for providing credit and other facilities for the development of industry and for coordinating the work of different institutions engaged in financing, promoting or developing industries. Besides providing credit to the medium-large and large scale industrial units, the IDBI also gives refinance assistance to the State Financial Corporations and banks for promoting small-scale industries. The cumulative sanctions and disbursements of the IDBI since its inception upto the end of June 1985 amounted to Rs. 15,993 crores and 11,566 crores; respectively. The IDBI has been acting as a catalyst for industrial growth in the country and thereby opening avenues for employment.

* Moved with the recommendation of the President.

The total investment catalysed and likely to be catalysed by the IDBI's cumulative sanctions upto the end of June 1985 is estimated at Rs. 35,100 crores and the employment generated and expected to be generated through assisted projects is for 45 lakh persons.

In the light of the experience gained over the years, it has become necessary to effect certain amendments in the statute of IDBI. The proposed amendments are aimed at removing certain restrictions and to provide operational flexibility to the IDBI.

The underlying objects and reasons for bringing this legislation have been set out in the Statement of Objects and Reasons appended to the Bill.

The IDBI provides various types of assistance to industrial concerns. The definition of 'industrial concern' as contained in the Act is sought to be enlarged by inclusion of some activities which were not hitherto covered. These include storage of energy, development of mines, medical, health or allied services, leasing and sub-leasing activities, information technology, telecommunications and electronics, etc. The definition as amended would enlarge the scope of availability of financial assistance to new activities keeping in view the scientific and technological developments that are taking place in the country.

It is necessary to expand the financial base of the IDBI considering the increasing size of volume of its business and also considering the commitments which the IDBI would have to fulfil during the Seventh Five-Year Plan. The present authorised capital of the IDBI stands at Rs. 500 crores and the paid-up capital is Rs. 445 crores. It is proposed to fix the authorised capital at Rs. 1000 crores with an enabling provision to increase it further upto Rs. 2000 crores.

The scope of business which IDBI can undertake is proposed to be expanded so that IDBI can discharge its role as the principal financial institution. With this object, it has been proposed to empower IDBI to grant lines of credit or loans and advances, otherwise than by way of subscription to shares/debentures, to Industrial Finance Corporation of India, State Financial Corporations, etc.

SHRI THAMPAN THOMAS : Sir, he is encroaching upon the Private Members' time.

SHRI JANARDHANA POOJARY : With these remarks, Sir, I commend the Bill for consideration by the House.

MR. CHAIRMAN : We now take up Private Members business.

15.31 hrs.

ORGAN (AUTHORITY FOR USE FOR THERAPEUTIC AND TRANSPLANTATION PURPOSE) BILL.

[English]

SHRI MANIK SANYAL (Jalpaiguri) : I beg to move for leave to introduce a Bill to provide for the use of organs of deceased persons for therapeutic and transplantation purposes and for matter connected therewith.

MR. CHAIRMAN : The question is :

“That the leave be granted to introduce a Bill to provide for the use of organs of deceased persons for therapeutic and transplantation purposes and for matters connected therewith.”

The motion was adopted

SHRI MANIK SANYAL : Sir, I introduce the Bill.

15.34 hrs.

CONSTITUTION (AMENDMENT) BILL* (AMENDMENT OF ARTICLE 311, ETC.)

[English]

SHRI THAMPAN THOMAS (Muvelikara) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. CHAIRMAN : The question is :

*Published in the Gazette of India extra ordinary Pt-II Section 2 dated 21-2-86

“That the leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI THAMPAN THOMAS : Sir, I introduce the Bill.

15.31½ hrs.

ADVOCATES (AMENDMENT) BILL*

[English]

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : I beg to move for leave to introduce a Bill further to amend the advocates Act, 1961.

MR. CHAIRMAN : The question is :

“That leave be granted to introduce a Bill further to amend the Advocates Act, 1961”.

The motion was adopted

SHRI PRIYA RANJAN DAS MUNSI : Sir, I introduce the Bill.

15.31¾ hrs.

HINDU MARRIAGE (AMENDMENT) BILL*

[English]

SHRI PRIYA RANJAN DAS MUNSI : I beg to move for leave to introduce a Bill further to amend the Hindu Marriage Act, 1955.

MR. CHAIRMAN : The question is :

“That the leave be granted to introduce a Bill further to amend the Hindu Marriage Act, 1955.”

The motion was adopted

SHRI PRIYA RANJAN DAS MUNSI : Sir, I introduce the Bill.

*Published in the Gazette of India Extra ordinary Pt-II Section 2 dated 21-2-86.

15.32 hrs.

FARMERS OLD AGE PENSION BILL*

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon) : I beg to move for leave to introduce a Bill to provide for payment of pension to the farmer in the old age or on becoming subject to total disablement.

MR. CHAIRMAN : The question is :

“That the leave be granted to introduce a Bill to provide for payment of pension to the farmers in old age or on becoming subject to total disablement.”

The motion was adopted

SHRI BALASAHEB VIKHE PATIL : Sir, I introduce the Bill.

15.32½ hrs.

COMPULSORY MILITARY TRAINING BILL*

[English]

SHRI UTTAM RATHOD (Hingoli) : I beg to move for leave to introduce a Bill to make military training compulsory for all able-bodied persons.

MR. CHAIRMAN : The question is :

“That the leave be granted to introduce a Bill to make military training compulsory for all able-bodied persons.”

The motion was adopted

SHRI UTTAM RATHOD : Sir, I introduce the Bill.

15.33 hrs.

CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL—Contd.

[English]

MR. CHAIRMAN : The House will now take up further consideration of the following

*Published in the Gazette of India extraordinary Pt-II Section 2 dated 21-2-86.

motion moved by Shri G. M. Banatwalla on the 10th May, 1985 namely :

“That the Bill further to amend the Code of Criminal Procedure, 1973, be taken into consideration”.

Mr. Saifuddin Chowdhary to continue his speech. You have already taken 24 minutes. So, please conclude in two minutes.

SHRI SAIFUDDIN CHOWDHARY (Katwa) : I will take only five minutes Sir.

Last time I made my stand abundantly clear that the Supreme Court's verdict on Shab Bano case to my mind and according to the study I have made of the Holy Quran in regard to the provision of maintenance is not against the Quranic tradition and is not against any conception of natural justice. If any person claiming anything, any monopoly or non-monopoly of religion, says that it is against the Quranic tradition, then I am sorry to say that they are mis-interpretting the conception that is there. (Interruptions) . I would just say that so much is being talked about the attack on religion or attack on Shariat.

What actually happened ? I want to remind the Members and I request them to understand what happened during Shah Bano case.

This time we are getting so many pamphlets also and it is good. One pamphlet is written by Prof. Abdur Rehman Momin, Department of Sociology, University of Bombay. He is a very strong opponent of the Supreme Court's verdict. In this he said :

“Mr. Mohammed Ahmed Khan, who is a lawyer by profession, was married to Shah Bano Begum in 1932. Three sons and two daughters were born of that marriage. Mr. Khan contracted a second marriage in 1946, of which six children were born. In 1975, he drove Shah Bano Begum out of his House. In April 1978, she filed a petition against her husband under Section 125 of the CR. P. C. in the Court of the Judicial Magistrate, Indore, asking for maintenance at the rate of Rs. 500/- per month. On November 6, 1978, Mr. Khan divorced his wife by an irrevocable triple talaq.”

[**Shri Saifuddin Chowdhary**]

The wife is claiming maintenance and not divorce. Now, to get rid of that maintenance the husband divorced his wife by an irrevocable triple talaq. This is a criminal act. I want to know from Shri Banatwalla and others whether they have condemned this criminal act. This is going to tarnish the image of this community—the Muslims. I just cannot accept it. I do not want to take much time. I want to tell that distortion is going on. Can anybody cite an example by which he can nullify Ayats 240/241 that maintenance should not be given or should be given for three months only. Can anyone cite any Ayat from Quran to nullify that? (*Interruptions*) That three months is not for re-conciliation.

Since childhood we are being told that Islam is a very modern religion which gave so much status to Muslims and now should I get some reverse idea. I just cannot accept it. (*Interruptions*)

[*Translation*]

SHRI MOHD. MAHFOOZ ALI KHAN :
Have you studied Quran Sharif?

[*English*]

SHRI SAIFUDDIN CHOWDHARY :
Sir, I want very much that I should read that with the Hon. Member. Now we see a peculiar phenomenon when somebody writes something and then withdraws from that. I have a book with me written by Shri Tahir Mohammad where he has said that :

“So, it is a historical fact that the Muslim personal law today applicable in India is not (at least not wholly) a divine law, and whatever be its origin and source, not each of its principles is superb.”

SHRI EBRAHIM SULEMAN SAIT :
He has refuted all these things.

SHRI SAIFUDDIN CHOWDHARY : If he has refuted it I do not want to attribute it to him. You take it as my saying. And if they say what I am saying is not according to Quran I just do not want to go into it but by natural justice I want to say that you just cannot deny the wife who filed the case and

who demanded maintenance and who has a right to claim that maintenance and then you say ‘divorce’ and no maintenance. This is a tyrannical act which should not be allowed to be continued. It will take this country to—I do not know—which century back and this will go against the integration of our country. This will be appeasement of the observatists. I do not know whether you are going to bring that Bill whereby you are going to exempt Muslims from Section 125 Cr. P. C. That will be very detrimental. Then everybody will claim to go back to their personal law. Hindus may demand to go back to their unadulterated Personal Law one may say they are more liberal and modern and the would demand it. But why you take it for granted that Muslims are primitive in this country? I just cannot accept that. I hope the Government will not bring that Bill. If the husband is not there then maintenance has to be done by father or brother. There is human relationship also. I am not going into the other aspects like property question etc. I believe on these worldly matters we meaning the State have every right to make the law. In this nothing will go like a divine thing. That is not at all like that. We, in the earth, are very much concerned about the human question of it, human aspect of it. Anyway there are two things in Mr. Banatwalla's Bill. In one half, he has something bad and I don't like that and in the other half, he has said that 127 Cr. P. C. should be deleted as this becomes irrelevant in relation to what we want to do in the first point. I support it with a different view. I want it to be deleted as it encroaches upon the civil law. 125 Cr. P. C. should remain and 127, as you said, that if the money is spent according to the Personal Law, Magistrate Order should be cancelled, that should go

In conclusion, I would like to remind our Government and let the Prime Minister know that the whole country got a rude shock when the fairy mother Prime Minister Indira Gandhi was assassinated and the woman in our country particularly wept. They have voted for the Congress-I in a massive way. But now you are going to let them down. To this mute part of the humanity you are giving this in return. You take it from us that today they may not be able to speak art, express their opinion, but they will give a rebuttal to you and give a proper rebuff to you and we the menfolk who are progressive and secular,

both jointly see that justice is done to them and you get the proper rebuff. With these words, I conclude.

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN) : The non-official Bill moved by the Hon. Member Shri Banatwalla, has raised quite an acrimonious debate throughout the country and particularly so in this House. All kinds of interpretation of the Koran and the 'Hadis' and all other books have been referred to by different Hon. Members from both sides of the House. So far as the rights of the women and their entitlement to maintenance are concerned, I do not think that there is a substantial difference of opinion on the main issue. Some of the Hon. Members have been insisting that the Muslim Personal Law provides for all the maintenance which in fact is very badly required when the lady is being divorced by her husband during the period of the 'Iddat' how much amount is to be paid, what should be considered as a 'meher', what happens to the properties which have come to the lady at the time and after the wedding. These are issues which in fact deserve to be gone into separately. In fact, Government's thinking has been, as the Hon. Members are aware that we wanted to introduce this provision in this Bill but because of some difficulty this Bill could not be introduced. But our position is absolutely clear. We have seen indifferent parts of the country how much the people were agitated, how the sentiments have been roused by the kind of statements which have been made. Hon. Members will get an opportunity to express their views when the Bill is introduced and brought before this House for consideration. I do not think that this is an appropriate time for me to give any more clarification. On the proposed Bill. When the Bill is introduced and brought forward in this House for consideration, Hon. Members will have adequate opportunity to express their views as to whether it provides for all the things which we had contemplated or there are some short-comings. I do not propose to go into the details now. Since the Hon. Members are aware of the intentions of the Government, I would like to request the Hon. Members, Shri, Banatwalla, that he should not insist and he should also not try to explain as to why he is doing this and why he is opposing the particular principle. I think this is time we should not unnecessarily

create or vitiate the atmosphere and try to see that this kind of acrimonious debate not taken place. We should create an atmosphere where we are able to get through the Bill which we propose to introduce very shortly.

I would once again request the Hon. Member withdraw the Bill.

SHRI G. M. BANATWALLA (Ponnani) : Mr. Chairman, Sir, I rise to thank all the Hon. Members who have participated in the discussions on the Bill; I am also grateful to the Hon. Minister for Home Affairs for his kind intervention and assurance with respect to the intentions of the Government for bringing forward a Bill on the subject.

We have had a very lengthy discussion on the Bill, and subject to correction, I may say that the discussion on this Bill went on for nearly 12 hours and 21 minutes in seven sittings spread over four sessions of the House. Twenty-one Members of this House and the Hon. Minister for Home Affairs, Shri Chavan, have participated. Never before, subject to correction, in the history of this Parliament, a private Bill has been discussed for such a great length of time except perhaps in the case of the Bill of Shri Nath Pai, the Constitution Amendment Bill, 1967. At that time, that Bill of Shri Nath Pai was discussed for 14 hours and 28 minutes in 8 sittings.

PROF. MADHU DANDAVATE : Why not allow him more time and break the record ?

SHRI G. M. BANATWALLA : We have had a very lengthy and useful discussion and which has proved very fruitful. I am thankful to the Government for having adopted a very constructive attitude towards the issues raised by this Bill.

Indeed, I must say that there is no purpose, and though I am tempted to reply to several issues raised by the Hon. Members, yet I will refrain myself in response to the appeal just made by the Hon. Home Minister, Shri Chavan. However, I must say that there is no intention to deny the rights of the women; on the contrary, the decision in the

[Shri G. M. Banatwalla]

Shahbano case has done great injustice to Muslim women because Shariat Law gives far more, adequate and comprehensive protection to women into which we shall go when the time comes.

15.49 hrs.

[MR. SPEAKER *in the Chair*]

It is rather unfortunate that today morning when the Government wanted to introduce a Bill on this subject, the opposition with the exception, of course, of the Muslim League, the National Conference, the Kerala Congress and the Akali Dal, opposed the move for introduction. We are grateful to the Prime Minister, who had appreciated and understood the importance, gravity and the urgency of the matter and he even called this morning itself a meeting of the opposition leaders to take them into confidence in the matter of introduction of the official Bill. The provisions of the official Bill could be discussed at length later on. Later on one can express one's satisfaction or otherwise with respect to those provisions.

But Sir it is rather unfortunate that this morning objection was taken to introduce the Bill. The Minister of Parliamentary Affairs, Shri Bhagat also rightly and earnestly appealed this morning to the Opposition to permit the introduction. But we are sorry that with the few exceptions that I have mentioned now, there was no response from the Opposition Parties and they stuck to their position.

I must express my thanks to the Hon. Prime Minister who has taken great pains to understand the whole subject and to have responded in a very constructive manner during the discussions we have had with him.

Sir, I would not take more time of the House. The Hon. Home Minister has made a good appeal and given us an assurance that we can discuss all other matters when the official Bill comes up. As there is an assurance from the Government's side that the official Bill is coming (and they tried to introduce it this morning) I must respond to

that appeal, to that assurance of the Government that an official Bill will be introduced and will be passed by this House despite some misguided elements here in the House and thereby the sentiments and feelings of the Muslims will be fully honoured. I am sure about that. And with these words, I seek leave of the House to withdraw my Bill.

PROF. MADHU DANDAVATE : This is the beating retreat !

MR. SPEAKER : Mr. Daga, are you withdrawing your amendment ?

SHRI MOOL CHAND DAGA : I would like to withdraw my amendment.

PROF. MADHU DANDAVATE : He is a professional withdrawer !

MR SPEAKER : Is it the pleasure of the House that the amendment moved by Shri Mool Chand Daga be withdrawn ?

SEVERAL HON. MEMBERS : Yes.

The amendment was, by leave, withdrawn.

MR. SPEAKER : Shri Brajamohan Mohanty.. not here.

I shall now put the amendment moved by Shri Brajamohan Mohanty to the vote of the House.

The amendment was put and negatived.

SHRI G. M. BANATWALLA : Sir, I beg to move for leave to withdraw the Bill further to amend the Code of Criminal Procedure, 1973.

MR. SPEAKER : The question is :

“That leave be granted to withdraw the Bill further to amend the Code of Criminal Procedure, 1973.”

The motion was adopted.

SHRI G. M. BANATWALLA : I withdraw the Bill.

15.55 hrs.

CONSTITUTION (AMENDMENT) BILL
—Contd.

(Insertion of New Part XA)

[English]

MR. SPEAKER : We will now take up further consideration of the following motion moved by Shri Ananda Pathak on the 6th December 1985, namely :—

“That the Bill further to amend the Constitution of India, be taken into consideration.”

Shri Virdhi Chander Jain...He is not here.

Shri A. K. Sen may reply.

THE MINISTER OF LAW AND JUSTICE (SHRI A. K. SEN) : The papers are not with me. I will go get the papers.

SHRI SOMNATH CHATTERJEE : I am sure, he is supporting.

SHRI A. K. SEN : Not at all. I will get my papers.

SHRI SOMNATH CHATTERJEE : I am sure he is supporting.

THE MINISTER OF HOME AFFAIRS (SHRI S. B. CHAVAN) : So you want me to reply to this debate. Okay, I am prepared to do.

Mr. Speaker, Sir, the Hon. Member has moved a Bill that autonomous status needs to be granted to the Darjeeling and surrounding areas, who speak Nepali language. A Bill—a kind of resolution—was passed in the West Bengal Assembly recommending a Committee needs to be constituted which will go into the details about what form of needs to be given in order to see that the autonomous character is being granted to the Darjeeling and round about areas.

Sir, the proposal is to amend Article 244 on the lines of 244 (a) and 275 in order to make the Darjeeling area and other Nepali

speaking area in that particular portion of our country to get autonomy in certain matters.

Article 244(a) speaks about some areas which were separated from Assam and specially the tribal areas which in fact were entitled for some kind of autonomy in certain respects. The basis on which this kind of a resolution was adopted by the West Bengal Assembly, I am really surprised. Ultimately, the backward areas in a particular State is the responsibility of the State Government. And it is a mechanism of planning under which backward areas from a particular State are given special dispensation. They are given special grant. Since they could not bring that area on par with the rest of the areas of West Bengal it is a very strange way of dealing with things that they get a resolution passed and recommend to the Central Government that you better evolve some kind of a mechanism under Article 244(a) and 275.

SHRI SOMNATH CHATTERJEE : You want to bring politics into this also ?

SHRI S. B. CHAVAN : I am still to be convinced that no politics is involved in this. I have gone into entire thing and I am more than convinced that, if it was the responsibility of the West Bengal Government that the backward areas of West Bengal needs to be given special attention, why it is that in spite of the fact that you have been getting huge amounts of grants from the Central Government, that this area could not get justice at the hands of the West Bengal Government. At this stage, so far as the Central Government is concerned, I can merely say that constitution of autonomous councils of Legislature is fraught with all kinds of dangerous implications.

MR. SPEAKER : He may continue on the next day.

SHRI S. B. CHAVAN : Yes, I will continue later on.

— — —

ADJOURNMENT MOTION**Steep rise in prices of Fertilizers and Petroleum Products****[English]****MR. SPEAKER :** Yes, Prof. Dandavate.**PROF. MADHU DANDAVATE (Rajapur) :** Mr. Speaker, I beg to move

"That the House do now adjourn"
of course after the debate.

MR. SPEAKER : I became very apprehensive when you said it.**PROF. MADHU DANDAVATE :** Sir, I have moved this Adjournment Motion on the rising prices to reflect the anger as well as the hunger of the people outside.**16.00 hrs.****MR. SPEAKER :** One minute, Professor Sabib. Dinner has been arranged in the Parliament House itself for you. So, please take it easy.**SHRI INDRAJIT GUPTA :** We can speak for any length of time.**SHRI SOMNATH CHATTERJEE :** No time limit. (*Interruptions*).**PROF. MADHU DANDAVATE :** In spite of the assurance of dinner, I press my adjournment motion.

As I said, this adjournment motion I am moving, is for reflecting and echoing the hunger of the people, and the anger of the people outside, who are extremely distressed by the sudden rise in prices. The rise in prices on the eve of the Budget session constitutes not only a burden on the common man in this country, but it also means destruction of the sanctity of the budget process and undermining the authority of the entire Parliament.

On the eve of the Budget, they have picked up so many commodities, for rise in prices some earlier and some at a later stage, e.g. coal, foodgrains, transport charges,

fertilizers, petroleum products etc. Many economists have worked out that the total revenues that are likely to be mopped up out of all these levies are of the order of Rs. 2400 crores. I may inform the House that the day the hike on the petroleum products was announced, it was also found out from international journals that international prices of crude oil had gone down to the lowest in the decade, i.e. to \$ 18 per barrel. It was stated that in the entire decade, this was the lowest. In this also, I feel that the present Government headed by Shri Rajiv Gandhi is actually following the footsteps of the previous Government headed by Shrimati Indira Gandhi. I will give a concrete instance.

THE PRIME MINISTER (SHRI RAJIV GANDHI) : We take that as a compliment.**PROF. MADHU DANDAVATE :** Without listening to what I am going to say, he has taken it as a compliment. When I repeat it, he will find that it is a curse. In February 1982 (*Interruptions*).**SOME HON. MEMBERS :** Curse to you.**PROF. MADHU DANDAVATE :** I will use the words 'previous Government' because they are very sensitive to names. In February 1982, just on the eve of the Budget session, the posts and telegraphs charges were increased, and the amount to be mopped up was of the order of Rs. 100 crores. At that time, the former Vice-President of India, Shri Hidayatullah, in clear terms had expressed his displeasure at the manner in which these levies were sought to be introduced on the eve of the Budget session. But I find that inspite of the Vice President bringing to the notice of the Government the impropriety involved, they continue to have improprieties.

Once, if you remember Sir, I had suggested that we should evolve a mathematical formula to see as to how many improprieties were equivalent to a single breach of privilege.

To climax it all, this year even before the presentation of the Budget for 1986-87, a strange exercise is followed by the Finance

Minister of India by announcing through a Press Conference the order of the expenditure that they were likely to incur in the coming year. He has publicly stated that there is no escape from increases in the administered prices of commodities. Indirectly he has thrown a hint to the traders and hoarders in the country that for him there is no other method, because through a long-term fiscal policy document, Government had already said that they were going to freeze the direct taxes.

So, the only resort which they are going to take is the increase in the administered prices. Therefore, this is the incentive to the traders to hoard their commodities and try to sell them at a price higher than whatever has been promised. Now, this is the background of the entire problem.

As far as rise in prices is concerned, time and again, we have brought to the notice of the government three basic factors which are responsible for the inflationary pressure on our economy. Firstly, heavy and indiscriminate deficit financing in the country in our budget; secondly, badly managed public sector in the country, which is not able to mop up adequate surpluses that can be utilized either for further expansion of public sector or to plough them back into further expansion of development activity; and thirdly the impact of proliferation of black-money in the country. I do not want to take hypothetical cases. Take, for instance, the question of deficit financing in the country. We find that continuously whatever deficits have been projected in the initial budget they have suffered upgradation in the estimated budgets which are revised. In 1982-83, in the original budget, Rs. 1,365 crores was the deficit and in the revised estimate, it went to Rs. 1,935 crores; again in 1983-84, it was Rs. 1,515 crores; it was revised to Rs. 1,695 crores; in 1984-85, the initial budget gave a deficit of Rs. 1,762 crores and upward revision was Rs. 3,985 crores. We are still to get the actuals. This is only the revised estimate. Against this background, look at the projected deficit. In the last budget, it was Rs. 3,349 crores (1985-86). Many of us who participated in the budget debate last year said that this deficit was bound to increase to about Rs. 7000 crores and if such a tremendous deficit financing was there, you could imagine

inflationary pressure on the economy, and as a result of that heavy rise in prices, what is the position of the trade-gap? My contention is that it is not an accidental rise in prices to which they have resorted. Their entire framework of the economic policy is basically wrong and that is why all these problems are created. Take, for instance, the trade gap in the country. From April to July, it was more than Rs. 3,000 crores. Then further it was estimated to be Rs. 5,000 crores and various economic journals have estimated that by the end of the year, the minimum will be Rs. 8,000 crores and maximum Rs. 10,000 crores of trade gap. Imagine the trade gap of Rs. 8,000 crores to Rs. 10,000 crores. What is going to happen? This trade gap has been created as a result of wrong import and export policies. There is an indiscriminate import because our Prime Minister is in a hurry to reach 21st century. Of course, those of us who will survive for 15 years, they will automatically land into 21st century. But he wants to short-circuit the process and bring the 21st century near; he wants to import capital goods. In one of the seminars he has said that if we find that import substitution is rather costly, it is better to go in for heavy import. With this background of wrong policies of imports and exports, we find that the situation became extremely difficult. It was expected that the export will grow at the pace of 15 per cent per year, but the actual achievements is only 8 per cent per year and that has created certain constraint on our economy.

In this connection, I would like to refer to the repayment of IMF loan. The IMF debt repayment schedule this year is likely to take away 20 per cent of our external earnings at a time when India is faced with severe foreign exchange crisis. And therefore, you will find that when 20 per cent of the external earnings are going to be utilized for the repayment of IMF loan, further crisis is created. These are the constraints on our economic policies that have aggravated the problem.

Take, the second aspect, that is, the public sector. Sir, I stand totally committed to an efficient working of the public sector. But I am not one of those who privately support the private sector and publicly support the public sector.

[Prof. Madhu Dandawate]

As far as the public sector is concerned, the entire philosophy is that if we are able to mop up better public sector surpluses, they may be either utilized to be ploughed back into the expansion of the public sector or they can be directed for further development and other welfare activities in the country, and thereby a better balance can be given to the economy of the country. But unfortunately if you look at the manner in which the public sector is being managed what do we find? Sir, number of bureaucrats who are put in charge of the public sector, they do not believe in the philosophy of public sector. They are not committed to the philosophy and interests of the public sector. They work in the public sector with a private sector psychology. And, at the same time, those who have no professional knowledge about conducting the industry, only because they are IAS Officers—their academic qualifications are very high—they are supposed to be experts in charge of the public sector. And therefore, if there is no professionalised administration of the public sector that contributes to the inefficiency, and, therefore, mopping up the surpluses is far less.

Many, in the government, including the Ministers are really not committed to the philosophy of the public sector and as a result of the dichotomy you will find that the public sector is not working with optimum efficiency.

The third factor to which I referred is the black money. I do not want to exaggerate the picture. But try to understand how on the price situation this factor is actually exerting its impact. Continuously, for the last several years, the black money accumulation has been going up. There is proliferation of black money. Even the accepted statistics and figures indicate that in 1975-76 black money was of the order of Rs. 11,870 crores, in 1980-81 it was Rs. 23,678 crores, in 1983-84 according to the latest estimate of the Institute of Public Finance and Policy—the report which was laid by the Finance Minister on the Table of the House—it is Rs. 36,787 crores—almost Rs. 37,000 crores. And of course, one team of the IMF has gone to the extent of saying that 50 per cent of the GNP in India

happens to be blackmoney! Of course, I do not fully share that Pessimism but even according to the reports presented it is about Rs. 36,787 crores.

Sir, the Special Bearer Bonds were introduced. At that time, many of us were opposed to these bonds—I remember that one Member from the ruling party warned that "you are trying to have the Special Bearer Bonds to convert the black money into white, but it is very possible that these Special Bearer Bonds themselves will become a special black currency" and it has happened that way. As a result of it, I am glad that the Government took a decision to disband the scheme of Special Bearer Bonds, which had become the source for generating black money.

I tried to consider very carefully the explanation offered by the Finance Minister and others in the Ministry as to why this exercise of rise in prices had to be undertaken. The Finance Minister put the proposition before us. There were only two ways: Either to increase the administered prices, or in the alternative, to attempt to prune the outlay of the Plan. But I want to bring to the notice of this House, through you that as far as the pruning of the Plan is concerned, by a back door method they have already pruned the Plan. This the Plan was supposed to have the base year 1984-85. Very surreptitiously, they have changed the base year of the coming Seventh Five Year Plan from 1984-85 to 1985-86. Because of the shifting of this base year, the outlay has been reduced by six to eight per cent. So, you talk of the pruning of the Plan and so to avoid the pruning of the Plan, you have resorted to increases in the administered prices but you have already pruned the Plan by six to eight per cent by changing the year of base of the Seventh Five Year Plan.

There is one more significant aspect, which is a very important one, that is going to create tremendous consequences as far as the rise in prices is concerned.

Look at the commodities that are taken up for hikes. Some of the commodities that have been utilized for selected for the hikes,

are the inputs for agricultural production as well as industrial production. And when the inputs for industrial and agricultural products become costly, the entire agricultural and industrial production becomes costly and as a result of that you will find that a strange situation is created. You will find that the prices of output will also grow. Take for instance, diesel. It is utilised both for industrial as well as agricultural input. Fertiliser is utilised as agricultural input. Prices of petroleum products, fertiliser diesel, etc. have gone up. Transport charges have also gone up. You will find that infrastructure of industrial and agricultural production will be very adversely affected. As a result of that, you will find that finished products in the agricultural as well as industrial fields are going to become extremely costly. Neither a remunerative price for the kisan nor cheap goods for the consumer is going to be result of this existing policy.

Mr. Speaker, you are an expert on agricultural problems. And you are very clear in your mind. On a number of occasions you have intervened from the Chair. And sometimes you have been requested that calling attention notices should come not only from us but on agricultural problems you should call the attention of the Minister to certain important problems. And, you have done it when there is a total unanimity in the House.

I would like to point out to you that on a number of occasions when the agricultural commodities have become costly, it is as a result of the fact that inputs have become costly. Even if better price is offered to the agricultural producers, when the entire input becomes costly even that price does not remain a remunerative price at all. And the same thing happens as far as the finished products in industry are concerned.

Increases in the issue prices are sought to be justified on the ground that the procurement prices have gone up. I do not wish to take much of your time. But if you go through various statistics of procurement prices offered to the peasants and actual issue price that have been increased, you will find that both of them are not commensurate at all. When they want to justify the

increases in issue prices, they tell the consumers that after all the kisan is asking for more price and therefore, the issue prices are more. And when it is a question of giving better and remunerative prices to the agricultural producers, you tell them that these urban consumers want cheaper goods and as a result of that you are not able to offer them remunerative prices. They try to play one against the other. Therefore, we have been insisting that let us have the parity between the prices of agricultural goods and industrial goods and proper mechanics can be worked out that without doing injustice to the consumers and agriculturists we should be able to evolve some sort of a mechanism of parity between prices of agricultural and other goods.

There is one more aspect about the administered prices which I would like to bring to your notice. That problem is both in the Congress ruled States as well as in non-Congress ruled States. And that is the general grievance. I would like to share their point of view. When the administered prices of various commodities are increased, there is one more constraint that is created for the States' economy. Already the finances of the States are in the doldrum because of the Centre's policy regarding overdraft, non-clearance of so many productive projects that they are prepared to undertake in their respective States and so many other problems. If you remember right, on the last day of the last session we all walked out of this House because of our grievance that in many of the non-Congress (I) States many developmental projects are not at all cleared expeditiously and as a result of that the productive activities are suffering. Now, one more constraint is created. When the administered prices are increased they do not contribute to the divisible pool of the States. This is the grievance of so many States which feel that the Centre-State relationship in financial matters has to be improved.

There are failures on various fronts and as a result of that the price rise has been there. I think, if in time they were able to address themselves to these long term problems probably such ad hoc measures of raising prices of commodities would not arise. There is no check on the non-productive and wasteful expenditure of the Government. There is no incentive of equitable distribution as an

[Prof. Madhu Dandawate]

incentive for increased production. There are vested interests who always advise, Don't talk of distribution unless you produce. How can the cake be distributed unless the cake is produced?" But those who produce the cake, only if they are assured that there will be an equitable distribution, that will be an incentive for the people to build up a large cake. That incentive is missing. There is inadequate generation of public sector surpluses to which I have made a reference. There is no adequate streamlining of public distribution system in this country. There is a faulty import and export policy. The costly agricultural and industrial production due to increase in prices of inputs and failure to prevent the proliferation of black money, to which I have referred is also creating great problem of inflationary pressure. If the Government has the political will even to undertake measures like demonetisation that particular measure will also have good effect. Government has failed to curb imports resulting in widening of the trade gaps. These are the long-term policies that ought to have been effectively implemented, on the basis of which inflationary situation could have been checked. And when they fail in all these long-term economic policies then they have to resort to palliatives like increasing the prices of petroleum products or increasing the foodgrains prices or increasing the transport charges.

There is one more aspect to which I would like to make a short reference. In the past, when IMF loan was accepted, many of us made a sharp reference to that problem. In this very House I initiated a debate on the IMF loan, I want to remind the House that at the time when IMF loan was accepted, I had drawn the attention of the House to the fact that humiliating conditions, humiliating to the nation and to our economy, were accepted by back door by this Government while accepting the IMF loan. For instance, the freezing of direct taxes on the affluent which has already been accepted and announced in our long-term fiscal policy was one of the objectives of the IMF and one of the conditions of the IMF. Naturally, when the doors of direct taxes are closed, the only door that is open is of indirect taxes, administered prices, and therefore, this is the exercise that they have undertaken. Hike in

administered prices and reduction in subsidies was also at their insistence. IMF also wanted greater encouragement to be given to multinationals. They did that and I have not the least doubt that if the IMF and the World Bank are allowed to have their way, the already devaluation of currency is on the agenda—de facto devaluation has taken place, only de jure devaluation has to take place—and I hope and trust that under the pressure of IMF and the World Bank our government will not yield to the international pressures and try to devalue the currency in this country. That will be a dangerous proposition.

Already the country is on the volcano of discontent. Tremendous discontent is found everywhere. It is not only the Opposition that is concerned, the Members of the ruling party are also concerned. The Prime Minister should be concerned. And, Sir, permit me to say that the Prime Minister may oppose my Adjournment Motion but if Smt. Sonia Gandhi was asked to vote, I have not the least doubt that she would have voted in favour of the Adjournment Motion which I have moved. All the housewives, whether they belong to the ruling party or the Opposition, are very much distressed. Some of them, in television interview, have given vent to their discontent. This is not the discontent against their husband, this is the discontent against the ruling party and, I am sure, even in the demonstration that took place the other day, the most vocal sections that offered the *satyagraha* was the working women and the housewives in this country that are badly hit. Already we are on the volcano because of these pro-rich and anti-poor policies of the present Government and if they continue like that, the volcano may get erupted and it will burst with a bang and break and destroy into smithereens the wrong policies of the Government and the Government that brings wrong policies. In the end, I would like to submit that this Adjournment Motion of mine echoes the voice of the people. It is a signal and a warning to prevent the economic disaster. Sir, I would just end by pointing out to you that in the II World War, in U.K. when the question of national interest of defence came up, the Member of labour party, Mr. Herbert Morrison who had moved an adjournment motion, appealed to the conscience of the House of Commons. There were many members of the ruling party

who did not have a partisan consideration. They rose above the party lines and voted for that motion. The national outlook was changed and a new type of Government was formed and the problem of nations freedom and security were solved. I appeal to the conscience of this House to rise above political considerations and vote in a manner that will echo the sufferings of the people, the voice of the people. My adjournment motion is the voice of the people; it is a reflection of the people's wish. I trust that the entire House will join the people and echo their voice of the people which has been expressed through this adjournment motion.

MR. SPEAKER : Motion moved :

"That this House do now adjourn."

Now, Shri Azad.

SHRI BHAGWAT JHA AZAD (Bhagalpur) : Mr. Speaker, Sir.

I congratulate Shri Dandavate for camouflaging most of the arguments that he wanted to say against the price rise, taking the entire economy of the country, leaving the best and the bright side of it, and only trying to argue those points which they themselves were pointing out all these years about the IMF, about the loan from outside, quoting the American journals and basing their points on those reports; this has been done just to sidetrack the issue Sir, I conclude, there has been a price rise. I also concede, there has been difficulty for the people. But the question is : Why price rise ?" That is the difference between the opposition and we, Sir. We in the Government analyse things. Price does not stop there. It again goes on. And if the feedback is from the people, the price is reduced also. The opposition stops at only one point. Only they take the price rise and they start thinking that everything is worse in the country. I am seeing Professor Dandavate since 1980 and before that also and he has been always a prophet of doom. You analyse every speech that you want. I have tried to read 5 speeches in three hours. (*Interruptions*)

PROF. MADHU DANDAVATE :
Prophet of Doom or Doom ?

SHRI BHAGWAT JHA AZAD : No amount of nice words and smile and laughing will lie the point that Prof. Dandavate has been telling us that we are just sitting on a volcano. This Government will go; this country will go; we have had all the difficulties; and yet, Sir, we are making a good progress in the economy, I want to say this. I have my points to support this. I don't just say on theoretical basis. I have the facts, the same facts which he agrees with, with which we agree, with which economists agree, World Bank and Americal journals, those friends about whom he quotes. Well, they also say this. There has been price rise in the country. But the question is this. Why did the Government do it ? We have the best economy in the country now. We have a going economy supported not only by us here but by both the East and the West. It is an economy where the inflation rate has been brought down to 4.9 per cent and it is the best things so far achieved in this country. Who should forget this ? Why should we forget that the inflation rate for all these years, almost in a decade, has been the lowest in the country ? It is a point to be specifically noted, that is, the strength of the economy. It is a growing economy where we are trying to emphasise the accelerated pace for development of downtrodden and the poorer sections. We are trying to emphasise that. So far as the price rise is concerned we have found that in the last 10 months the wholesale price rise is 4.1 per cent—the lowest in the decade. What more do you want ? Is this not a good certificate that we have a good economy in the country? In the last 3 months, the prices of essential commodities (to which the Hon. Member referred to) have come down. The prices of many articles have been steady in the country and the prices of many articles in this country have been steady in the sense that though there has been no downward... (*Interruptions*). I can give you facts and figures, not brains. I can quote about the prices of articles if I get one hour, I will tell you which of the articles the prices of which have been steady. So, Mr. Speaker, I was saying that we have got the articles the prices of which have been steady, we have got the articles the prices of which have gone down.

Sir, this economy today in the country is trying to get an increase of 4.5 per cent in

r[Shi Bhagwat Jha Azad]

the national income. This is the target of Seventh Plan and we are full of hope and belief that we will be able to achieve this.

About taxation, the Hon. Member said that we are trying to close the direct tax in the country. That is not true. The husbanding of the taxes in the country has been the highest in the last decade, it is 23 per cent. On the personal income-tax the achievement is 38 per cent. The question is, in respect of both personal income-tax and the tax revenue which we have got, there is 23 per cent as tax revenue and the revenue on personal income-tax is 38 per cent in the country. It is the best that we have got in the decade. So, in the decade we have got all the best. The question is that industrial production has reached 8 per cent in the last year, in the month of October 1985. Foodgrains are full in our stocks. The question is, and the 55000 dollar question is: Why with this economy our industrial production is going up, foodgrains are there, the national income is going up and the prices are going down. Why did this Government resort to these taxes? Sir, do you mean to say that they are the only wise men there and we are all mad? We are not the 1977-80 Government, which came into power, lost their head in three years, fought among themselves, made this Parliament an arena, the *pehawans* of Banaras and Maharashtra fought and went out in three years. We talk with our head on our shoulders. We know that people have given us a massive mandate. (*Interruptions*). We know the people have given us a massive mandate. We know, Sir, in spite of our failings it has been possible for the Congress Government since 1947 up to this date minus a brief spell of three years when they went out and went in also, how to serve the people and we have been able to serve the people and the country. Many unpleasant and hard decisions have been taken in the past and these were the voices that were raised again and again telling 'volcanoes', telling 'doomsdays', telling 'all disasters' but, Sir, none of these come. Rather as I have pointed out, the facts speak that the country under the leadership of the Prime Minister today, under the leadership of the Prime Minister, the late lamented great Indira Gandhi and under the leadership of Jawaharlal Nehru has gone up. The facts

which have been quoted by Prof. Madhu Dandavate, I can multiply in number both on the industrial front, may it be on the foot front, may it be the average cloth from 5 yards to 21 yards, may it be on any front but the fact is that the country is going up and up. But the question to which again I come back is: Why is it that we have raised the prices? That is the question for the adjournment motion. I do not want to cover it, to cloud it under different arguments in respect of the entire economy. Let Mr. Vishwanath Pratap Singh, the Finance Minister, reply as to why did he change. And did he? I say, no change has been made the base year. That he will reply. But what I say is this. The prices rise has been a good timely transmission of signal to the country that for future progress we have hard options, Sir, we are not the Government who will plead that 'I am resigning on value and moral based politics' and shut the eyes on that immediately after. (*Interruptions*). I know it is a government that makes a promise and has to fulfil it. We know, as Congress Party since its inception, we have been given a massive mandate last time, before that, then before and also before, and again we are looking hopefully for the Nineties when we will get the massive mandate for the hard options that we are making now. Therefore, sir, we will not make false promises. We could have easily covered the Plan priorities. According to the Plan, we could achieve Rs. 180 thousand crores and an amount of Rs. 95,000 crores for the Central sector and a plan of Rs. 20,000 crores in the current year. We could have easily covered Rs. 24,000 crores for hard core sectors. We had enough resources for that. We could have done that. But we want to remind the country and the people the hard option that we have got. The hard option is this. The Hon. Member spoke of the down odden, of the anti-poverty programme and of the IMF. I agree to that point. But the question is, Rs. 20,000 crores plan for the current year or for that matter Rs. 95,000 crores plan for the Central sector could have been easily achieved under the present tax system. But it was not possible to give—as the Prime Minister wants to give that emphasis is—a little more on power, a little more on steel, a little more on anti-poverty programme. Where shall be get the money? Wherefrom does the money come? We shall not go to IMF with a begging bowl. There are only four counters. That is, one is borrowing. Second is tax counter. Third

is, we have got the option to go to Nasik Printing Press where you can print the notes, if the Members want. But the inflation will go up. Now, the question is, in this good economy, what is possible for us to do. Shall we leave it as it is or ask the country to bear a little? The question is to give emphasis on this matter. Why do we want it? We want it because we want to have more energy for husbanding the resources, and hold the entire people's energy together. There are two energies which are required. One is human energy. Another is power energy. For that, it is essential to have more taxes. We want more steel to have plant and machineries for the people in the farms and factories. We want more of it, for the anti-poverty programme, to take out the people from the dark, shady below the poverty line to sunshine of minimum needs which the great lamented leader, Shrimati Indira Gandhi promised them. Let us not forget that the 20 point programme or the anti-poverty programme that has been given through this programme is the *Magna Carta* given by the late lamented Prime Minister, Shrimati Indira Gandhi, the mother for those teeming millions in this country, who said after the death of Shrimati Indira Gandhi and are still saying :

"Ab Gareeb Ka Koi Nahi Raha"

We want to fulfil that promise given to those poor people and for that purpose, we want resources. We want extra resources for that purpose. I apologise to the people that we have raised more taxes. But I want them to think why. It is essentially because—if they think, they would realise—in the difficult days to come we have to have more resources. May be the present one is a bitter package—bitter package of price rise. But we are doing this hopefully for a smelling and also sweet smelling packet for tomorrow when we will have enough for the poor, enough for those who are below the poverty line, enough for the middle class and it will not pinch them that their is hike on the gas cylinder, hike on the kerosine, hike on petrol. We have to do it.

The Hon. Members on the other side smile. They are whispering and trying to say that everything that I speak is just otherwise and what they speak is right. But the fact

remains that the country has hard option to make not only for the budgeting and financial programme but also on the balance of payments.

The Hon. Member referred about the coming down of prices in petrol in the international market. Yes, I know, it may be 15 dollars, tomorrow it may be 20 dollars or maybe day after tomorrow, it may be 30 dollars down. Let us have it 20 dollars down. It is not a question for this country whether the price goes up or goes down in the international market. The question for this country is this. Have we got enough foreign exchange reserves to purchase at that price to fulfil our growing needs in this country? The growing need of petroleum product in the last year has been 9 per cent more. In the last 9 months, from March to December, 1985 it had gone up by 9 per cent. The question is, 75 per cent of the import in this country is of petroleum products and machineries specially attached to petroleum products and also the products which are sugar and other things. How shall we meet that balance of payment? Today we will import all these and then, when we have difficult time—Hon. Prof. Madhu Dandavate quoted figures and I also support him. possibly the balance of payment position may be difficult in the current year, may be Rs. 9,000 crores gap. The Finance Minister will say yes or no. I feel 'may be' Rs. 1,500 crores has gone down only in the current year. It may go down by Rs. 5,000 crores next year, by 1987-88 it may be insignificant. What will happen then? This very Opposition will tell us there "What kind of Government we have? It did not foresee the balance of payment position and landed us in difficulties". So, there are two points. One is to budget for the anti-poverty programme. Second is to have a proper balance of payment position, so that even if the price goes down in the international market, we should be in a position to buy and purchase. Therefore, on these two counts, we find it is essential for us to tighten our budget. It is essential for us to have a little more revenue. It is essential for us to mobilise the resources and do it only on that method. It is only on that, we need more resources for the advance of the country.

A Mirage costing Rs. 25 crores has to be purchased to fight F 16. The friends who

[Shri Bhagwat Jha Azad]

talk of that; if they are friendly to them, let them advise their friends to not finance Pakistan in 1987 with 46 million dollars more, compared to 1986 or 1985. The purchase of Mirage for our defence can be stopped, if supply of F-16 is stopped. If there is trouble in various parts of the country, they immediately talk of Bharat Bandh, strikes and demonstrations. They want to leave behind passion, lawlessness and restlessness. To control all that if we have to maintain law and order, that also requires money. So, the Budget requires all this extra care and for that, we require all this raising of finance. Suppose, we do not raise this. Let us talk on the other side. We do not raise these taxes. What is the alternative? Alternative is borrowing. Let the friends know that in the borrowing scenario, it is very difficult for India not to get from outside concessional finance. Concessional finance is drying up. Government assistance and Development Loan is dwindling up. Commercial loan is going up by interest rate which we cannot afford. Even though IDA is there, it is not coming up to our expectations. Recently, there was the meeting of the IDA in Paris, IDA-8 will be marginally larger than IDA-7. Yet we think that it will be 50 per cent less compared to 1981. So that is closed. Simultaneously, there is the repayment of the IMF ban. Even though the amount will be small this year next year it will be larger.

Secondly, the American lobbies are trying that 0.75 per cent service charges on the IDA loan should be increased. There should be more interest. Where shall we go? Self-reliant economy is a hard option of husbanding the resources within the country. That means pinch on the kerosene. That means pinch on the LPG and on the petrol. These two alternatives are there. We go for the next one because we do not want to have Taiwan economy. We do not want Philippine economy in this country. We want a self-reliant economy in this country. We want economic independence linked to political independence. That is the choice before the country and, therefore, we need the husbanding of resources for that. Does it need Opposition to tell us that when you raise the tax it pinches the people in this country? It does not need them to tell us. We know that. Only the difference being that they are happy that the

taxes have been raised and they have got a platform now to stand somewhere together in spite of their different colours, hues and ideologies and then shoot their arrows from there.

Doesn't matter, I know people will stand by us when we go and tell the people, 'Yes, we are sorry to raise the prices. But I want you to appreciate that we have sent you this transmission of signal that for to-day you have to sacrifice half the cloth so that you can have resources and have accelerated development in the country and do it tomorrow.'

Therefore, the question to-day is that from any point of view, whether it is the balance of payments or whether it is the budgetary position or whether it is the defence of the country or the growing lawlessness that they are trying to whip up in the country, the question that is in Punjab, the question that is in Assam, the question that is on the western border, the question that is on the southern border where some governments want a military solution to the problem of people of Tamil origin, all these questions need a big and strong government with a strong economy and a strong economy cannot be had by borrowing, it cannot be had by printing notes, it cannot be had by other ways. It can be done only by girding up our loins. Awake and Arise. That is what we told the country. I am confident that it will be possible for us, the Congressmen, to tell the people that under these circumstances we have done this. It will be possible for the Congressmen to tell that we also feel that. Yes, our wives also complain to us. But we tell our wives. On the other hand, they are cowards and they do not speak to their wives the truth. That is the difference between them and us. We speak the truth. That is the difficulty they have. So I feel it is possible for us that in this case we will be able to convince.

MR. SPEAKER : Is it like this? You allow them to speak but they do not allow them to speak.

SHRI BHAGWAT JHA AZAD : I had privilege of meeting Mrs. Dandavate also in the social functions and I know who prevails upon whom. He is always cowed down.

Along with this I want to tell the government certain things. About the administered prices we must know the long term policy and philosophy of the Government on administered prices. The country, the poor people should know that certain items are there on which the price-hike for a particular period will not be there. Then they will boldly and cheerfully face the hike. That should be there. It should be possible for the Government. These days they are doing for the public sector. From 1952 since I entered this House I was a blind supporter of the public sector and my support and our support has been justified. But for the commanding heights of the public sector, the private sector would have fleeced this country. Therefore, what we want is that the public sector should not be a high-cost economy. Its high cost economy should be brought down to a low-cost economy. Otherwise what we import from outside for a coalmine for Rs. 2 lakhs, in the name of indigenisation if we have to pay Rs. 5 lakhs, this country cannot afford that. Therefore, in the public sector we must have a low-cost economy. People with great ideas, who are the encyclopaedia of all knowledge, who are being fed into the Secretariat, are fed into the public sector. But they have to function with the maze of rules which curbs their initiative. We have to make them efficient. If they are not efficient in the Secretariat, they cannot be efficient in the public sector either. Therefore, I request the Government to see to this. There should be more production.

About prices the Hon. Member, Prof. Madhu Dandavate spoke just now about consumers and farmers. Regarding the prices given to the farmers for wheat and paddy, starting from Rs. 119, how much is it today? May be that they want more. But the point is this. We have given more price to the farmers for wheat, for rice. Now, this country cannot support a big subsidy. I am giving you just one example touching all of us. I know, in the village my brother is asking me, "Why did you withdraw this support on fertiliser?" It is not actually withdrawal; you have given them Rs. 6 more as support price for wheat. The subsidy kept for fertiliser in the Seventh Plan is about Rs. 8,000 crores. We have already spent last year Rs. 2,000 crores, and this year about Rs. 4,000 crores. So, nothing will be left for

subsidy. A country which is developing cannot go on sustaining itself on such huge subsidy. Take foodgrains for example: from Rs. 73 crores we have come to Rs. 1600 crores. Whatever we touch, we have a subsidy there. We know that in a country like ours where the per capita income is low, we have to give subsidy, but the question arises: how long can you sustain. There is a point where you must say: 'Thus far, no further', and do it by not inconveniencing the people; find out the other way which I have just now suggested to the Hon. Minister, that is, administered prices. The private sector must be made to part with their big profits in the cause of the people—not only the public sector. I will request the Hon. Finance Minister to go on with the raids; the raids must be continued on those who are unscrupulous; the tax-evaders must be made to pay through their nose what they had evaded so that we can have more revenue for anti-poverty programmes. I would like to tell the Hon. Finance Minister that our economy can be meaningful and with equity-fervour only when you announce administered prices for certain years; you must see that the country has the basic items of necessity at fixed prices for certain years.

The cost of lending must be cheaper. There must be a stop put to the leak in the anti-poverty programmes. I would like to tell the Hon. Finance Minister that he must stop the banks from carrying the corruption to villages. How is it that a pair of bullocks, which involve a subsidy of Rs. 1200 and a loan of Rs. 1200, is costing everywhere Rs. 2399? This is a leak in the anti-poverty programme. That means, the subsidy of Rs. 1200 goes to their pockets and the amount of Rs. 1200 is the price for a pair of bullocks. Otherwise, how could the cost of a pair of bullocks be Rs. 2399 everywhere, all over the country, in Bengal, in Bihar, everywhere?

What I say is that you can have the money for planning if only you stop these leaks.

If these administrative measures are taken, I am sure that it will be possible for us to have more resources.

I would say that the indigenous substitutes that we want to have in this country

[Shri Bhagwat Jha Azad]

must be at a low cost. It is necessary if you want to stop imports and have import substitution.

In the end I may point out that in Bombay, in the Centenary Congress celebrations, our Prime Minister who is the President of the Congress, had given a clarion call to the nation to have the integrity and unity of the country defended keeping to the four ideas that we have, namely, socialism—our goal; secularism—our creed; democracy—our faith; and non-alignment—our credo. We, Congressmen, go along with these.

If the Opposition so feel, let there be a consensus. In a democracy, on planning, on communal harmony, on lifting up the down-trodden, there should be a consensus. Had there been a consensus on planning, we could have had a consensus on other aspects of the planning also, even on resources. But the Opposition knows only one thing, and that is, to beat the government in season and out of season with only one thing and that is, price-rise. Here they are shouting about the difficulties of the people. Smiling outside, here is a plank for us now to unite and speak. I can tell you, whatever you may speak and say about volcanoes, about desparados, about all that; but it is not possible in this country.

The Hon. Opposition Members and Mr. Dandavate talked about the 21st century. He said, in any case he will land himself in the 21st century. He wants to land in any case in the 21st century with frustration, with disappointment, with anger, with hopelessness and not getting the power.

We Sir, under the Prime Minister's leadership want to land in the 21st century with hope and aspirations. We want to speed up to the 21st century with modern methods of production, we want the modernised economy, we want all this. I am sure, Sir, we will be able to do it under his leadership. I say, Sir, once again that Congress will not rest on its own.

Chraivaiti Charaivaiti

*Jab tak na mitegi bhookh aur naganata dhaki
payegi*

*Jab tak na desh ki koti koti janata roti
payegi*

*Jab tak na desh ke naunihal samuchit shiksha
payenge*

*Jab tak na gram ki chaupalon mein krishak
bandhu gayenge*

—Ram Rajya aa gaya

Till then, we the congressmen with hard option—sometime we may be misunderstood but we will clear later on—will do our best. We will tell the country what are the difficulties and I am sure that the country will stand by us as they have in the last and the previous mandate Sir.

[Translation]

SHRI BALKAVI BAIRAGI (Mandsaur): I may inform Shri Dandavate that he was speaking like a housewife in distress and he (Shri Azad) like an earning husband.

[English]

SHRI C. MADHAV REDDI (Adilabad): Mr. Speaker Sir. Just now we have heard a very interesting political speech from my friend Shri Bhagwat Jha Azad. I have known Shri Bhagwat Jha Azad for a very long time, since 1952 when he was elected to this House for the first time. He was speaking like this.

Sir, I am not going to deliver any political speech. There is no need for it. I will spare that for the Presidential Address as well as for the Budget speech. Here, we have a Motion which has a very limited purpose. The purpose is that prices have risen, the administered prices had been increased and what is the justification for that. What is the impact of this. This is the theme of discussion. I don't see any scope for political acrimony here.

Much has been said about the administered prices which had been increased on the first of this month. The increase had been very steep, so steep that it was said that by this increase the Government is getting an

additional revenue of Rs. 8000 crores during the next four years. During the next four years, the Government is getting Rs. 8000 crores. Now the question is to what extent it is justified and to what extent it is proper.

My strong feeling is that it is absolutely improper. I will give you the reasons why it is improper. I know the reasons for raising additional resources which are required for the 7th Five Year Plan—for several of our projects. But I am not discussing about the need for additional resources. I would like to say that the manner in which the administered prices had been raised so steeply for the first time in the country is objectionable because I feel that it is not just increasing the prices of certain commodities; it is the imposition of a tax. I take it as a tax in effect and I am going to prove this.

I was going through the definition of administered prices by referring to the Encyclopaedia Britanica.

17.00 hrs.

I was also referring to some of the books which described about the administered prices as they are understood in U. K. There it is clearly stated that any increase in the administered prices unrelated to the cost of production of those commodities is to be treated as tax. We had been increasing the administered prices in the past; I had no objection to that. We have increased the petroleum prices in the past because international prices had increased. We had increased steel and coal prices because the cost of production had gone up and we had to increase the prices. That was justified and there was no need for the Government to come before the House for the vote of the House. But today it has been clearly stated in the statement of the Minister as also while replying to the question on this particular subject that the administered price had been increased just to raise the resources, and not related to any cost of production. Today this government and several governments in the world are in a position to produce a large number of goods and these goods have to be sold to the public. We have a large public sector. We also import certain goods. We have a

complete monopoly over their distribution and sale. Certainly we have the power to manipulate with the administered prices as there is nobody in the market to compete with the Government. Whatever prices are fixed the public has to pay.

Now, administered price is such a thing that an increase is justifiable only if there is an increase in the cost of production or procurement of those goods. Today this is not the case in evident. On the contrary you have increased the price of certain goods whose world price has declined. Let us take petroleum products. As everybody knows today there is a slump in the world petroleum market and the prices are falling down like anything. There are certain people who feel that these prices are not going to fall down further or they may even increase. There is an assessment that in the next decade the prices may increase again. But are we preparing ourselves for the next decade? Today the position is that several countries in the world who are getting advantage or benefit because of the slump in the world oil market are passing on this benefit to the consumer. What are we doing? We are not passing on the benefit to the consumer. On the contrary we are imposing further tax by raising the prices. This is absolutely wrong and I feel administered prices' increase as it has been done today amounts to imposition of tax and you have taxed the people to the extent of Rs. 2,000 crores this year and Parliament's vote for that has not been taken. That is my strong objection. I would request the Finance Minister to refer to the various rulings in the various Houses in the world and he will know that for such a stupendous increase of administered prices it is necessary for you to come before the House or not. What was the hurry about it? Why could you not wait till one month? It was not even one month. We were meeting after only 20 days. Is it not an insult to this House? I am only asking this. I am not disputing the point that you have to raise the resources. Certainly these are the points which could have been discussed when the Budget proposals come before the House. The point is you have done this at a time knowing full well that Parliament session is going to meet. Summons were issued on the 1st and you increased the prices on the 1st February, 1986. This is absolutely improper,

[Shri C. Madhav Reddy]

irregular and any government anywhere in the world doing this would have immediately resigned. There is no justification for this government to sit in the office and say what we have done is justified. You may be justified in raising additional resources but I am of the view that some of the methods through which you are raising these resources are not actually very desirable. They are not very helpful. They are counter productive and it is very difficult to raise resources of this type in real terms because many of our projects are now going to cost more. Many projects, river valley projects and others which are going to use these commodities will be costlier by 25 per cent next year. What is the use? Whatever you have taken now, you have got to give it again and ultimately it is not going to help you and that is why I feel it is going to be self-defeating.

Sir, it has been said that the reason for increasing the prices of these petroleum products is because you wanted to restrict the consumption of these products. But during the last one year, the consumption of these products has risen by 7 per cent as against 5 per cent in 1984 and 1983. Is there any relation between the increase in the price of the products and the consumption of that particular product. It has been proved beyond doubt that last year we had increased the prices of crude oil, we had increased the import duty and we had increased the prices of the petroleum products and now what happened? Because of this increase, could we curtail the consumption of those articles? We have not done so. On the contrary, the consumption has gone up from 5 per cent to 7 per cent. Now how can you justify today that by this action you are going to curb the consumption of the petroleum products which is raising day by day. It shows that this argument is wrong.

The second argument given is that you have got to raise the resources to meet the plan expenditure. That is why you have to increase the prices of those products. 'Yes', that is the main reason. The main reason is that you wanted to raise more resources for the Seventh Plan and you

have increased the prices. This is the simple fact and I said therefore that you must come before this House for vote because you have increased the prices unrelated with the cost of production of those commodities. These are only the points which I wanted to make and my friend, Prof. Madhu Dandavate, in his speech has said that the States are losing because of the increase in prices of these products. The States will not be getting any revenue out of this. That is right. I will go a step further. I will say that the States projects are going to be costlier by 20 per cent to 25 per cent. The States have to find more resources because of this. Neither you are giving share of these resources to the states nor you are alluring the states to complete the projects as per original estimates. All right, if you can't give it, don't give it. But you should know that because of this action, our projects are going to be costlier. Who is going to meet this cost? I feel that the increase in prices of these products was very stupendous and such a stupendous increase was unprecedented, never done in India nor in any other country without the vote of the Parliament. Here, an impropriety is committed by the Government and I feel that this Government should resign.

SHRI VIDYA CHARAN SHUKLA
(Mahasamund) : Mr. Speaker, Sir, one of the things that everybody would know—of course the Hon. Finance Minister would know—that whenever there is an attempt to force the growth of economy, it always results in increase of prices and it also entails a great deal of hardship. After adoption of our Constitution, when we embarked upon the planned economic growth, we all must remember that our first Prime Minister, Pandit Jawaharlal Nehru had once said that when we try to make up for the loss of 150 years in a short period of 5 Year Plan, this is going to entail tremendous and enormous sacrifices for the people of this country.

And these exercises will make better tomorrow for our coming generations. We all know that this has not only come true but it has even surpassed the expectations of people of this country.

When we are trying to build up the basic heavy industrial structure and provid-

ing the basic heavy infrastructure for the agricultural production, this all has meant a spurt in prices which would not have taken place if we had allowed our economy to sleep and our development to crawl as it has been done in many countries that became independent after the Second World War.

When we took the planned economy as our credo during the post-independence period, we knew that our problems were going to increase with every Five-Year Plan. And we have seen that as the size of the Plan has been growing, the size of our problems has also been growing.

When we are facing the serious challenges of the 7th Plan, which is the biggest Plan so far, the options are very clear. We can very clearly see what are the things that the Government can do. The Government can either buckle down under the pressure of constraint of resources or take courage in its hands and raise resources from wherever possible. This is not saying that there are no soft options possible. There are soft options possible. We can cut down the size of the Plan, which will slow down the growth of India and slide us down so badly that it will be very difficult to recover. We can also do the borrowings as Shri Azad said, but this borrowing is a very very tricky, difficult and very dangerous business. The borrowing can be commercial borrowing and international borrowing, but both borrowings are disastrous.

The other thing that the Government could do is probably resort to increased deficit financing, which, in my opinion, is even more dangerous. As it is, we have a very large gap in our Budget and, I think, the Finance Minister is prudent in trying to keep it and not increase that deficit financing. And if we are not going to resort to borrowing and deficit financing, then we have to raise the resources.

The resources can be raised by various means and the means which are most effective have been tapped by the Finance Minister.

We know that the greater effort of our Government so far has been in the post-independence era to keep India out of the debt trap, that is to say, we should not get into the trap of debt and the spiral of debt that has been increasing. Even the servicing of that debt becomes impossible. Fortunately, we have followed an enlightened economic and fiscal policy because of which we have avoided this debt trap in our country and I must congratulate the Government and the Finance Minister in particular for having seen to it that our debt position does not become bad and it keeps on improving as the time goes by.

The other option that was available to us was whether we can carry on with the subsidies and increasing losses. If we do that, it would be indirectly doing the deficit financing and only shifting our problems and troubles and disasters for the future. Having carefully thought, I am sure, this option has been rejected and rightly so, because this will create such serious problems in future that nobody in this country would be able to sort this out. Therefore, if we have decided to take up various strong and unpleasant measures to avoid this disastrous situation, I think that this should receive the support of all the sections of the House.

All these things will become more understandable for the people of the country and it will become easier to administer, if the Government were to clearly lay down a prices and wages policy. I would like to tell the Finance Minister that this demand is being pressed from time to time. For the last fifteen years, this demand is being raised and our late Prime Minister, Shrimati Gandhi has once promised this House that the Government would come out with a prices and wage policy, which will link the wages and prices in such a manner that whenever we have a problem, whenever we have to resort to any kind of resource raising or raising the wages of various sections of our population, we could look to this policy and take its guidance. This Wages and Prices Policy is long overdue in our country. Apart from announcing the policy on administered prices, I would request the Finance Minister to pay serious attention to, and if possible evolve a comprehensive Prices and Wages Policy so that whenever we have

[Shri V. C. Shukla]

problems of this kind, we can always seek guidance from that policy. I would say that this policy should first be approved by the National Development Council and then debated in Parliament, as also in the various State Legislatures. It would then help us to take clear cut measures in future.

Sir, Government have come down very heavily on smugglers and tax evaders for which they deserve fully congratulations. This has really set the tones for proper economic and developmental administration in our country. I hope Government do not relent on this. This is one of the most important aspects of economic administration that the economic offenders must be chased and the chase must be continuous and consistent and it should not be done by fits and starts. What we have seen so far, showed that the chase is going to be hotter and hotter in future. We will look forward to it so that the problem that we have faced in the past does not come up any more. I would again request one more thing.

PROF. MADHU DANDAVATE : You can now come to the prices issue !

SHRI VIDYA CHARAN SHUKLA : There should be no such bonanza given to the tax evaders as we have been giving from time to time. Every ten years or so, we come to such a stage when we give concessions to tax evaders saying that if they declare their tax evasion, we will say nothing to them and just take the taxes and let them go free. This has been done three or four times in our country. This encourages people to keep an amassing their black money and wait for the day when the Government will announce its policy of giving concessions without asking any questions, just collecting the taxes and setting them free. This kind of thing should not be done. The worst part of it was the bearer bonds, which has now been withdrawn fortunately and I hope that it will never be repeated.

PROF. MADHU DANDAVATE : So, you agree with the Opposition !

SHRI VIDYA CHARAN SHUKLA : Tax payers of this country will be encouraged

to be honest and they will remain honest if they know that the Government is never going to give them any kind of freedom to declare their black money, pay their taxes and get away with it. This kind of thing, I hope will not be done any more in our country.

Sir, a great deal of resources have to be raised because we keep on facing all sorts of contingencies. Now there is drought in Karnataka and Rajasthan and there have been hail-storms in parts of Madhya Pradesh and Uttar Pradesh. All these require tremendous amount of money to give immediate relief to the most needy sections of our population and all these resources have to be raised within our country. These cannot be brought from outside and therefore whatever legitimate ways the Government have to raise these resources, they must be utilised and what has been done by the Government deserves our support. I hope that in the Budget very strenuous and serious efforts will be made to raise more resources so that we do not have any constraints in giving succour and relief to the various sections of our population. These kinds of natural calamities keep on happening in our country and we have seen that not one year passes without such trouble taking place either by drought or flood or hailstorm, in one or the other part of the country.

Sir the first Budget of this Government was history making in many ways. We have been that from the taxes— from the major taxes—the realisation had gone up by 35 per cent which is a very heartening feature and I hope some more such innovations and such progressive methods will be adopted in the coming Budget so that this trend continues and more and more honest people are encouraged to give taxes straight away and freely to the Government.

Our foreign exchange position has become better. We have been reading in the newspapers that there had been a lot of problems with our imports and exports.

PROF. MADHU DANDAVATE : India's position.

SHRI VIDYA CHARAN SHUKLA : 'Yes.' In the last ten years, these foreign

exchange reserves have gone up. Ten years ago, the foreign exchange reserves in our country were Rs. 600 to 700 crores. At the present the foreign exchange reserves are near about Rs. 6500 crores. So, this is not a bad position at all and this is the position which we must maintain and we should see to it that our foreign exchange position becomes stronger and stronger, because that is going to give the necessary strength to our currency and to our economy. The production of essential commodities and the commodities which are required for our industrial growth is a must, because that is the core sector of our plan. I hope when the Budget is presented, there would be no cut in these sectors where we need the production of foodgrains and the essential commodities which are essential for our survival and growth. I would say, to end my submission here in the House that the Opposition need not be dismayed by the success of the Government. The Opposition has lost its credibility with the people just because it keeps on opposing everything for the sake of opposition. This has been said by many of us this House for the last 27 years, for we have had the honour of serving in this House.

PROF. MADHU DANDAVATE : You want us to demand more rise in prices ?

SHRI VIDYA CHARAN SHUKLA : You should demand more rise in prices and more benefits to the people. The rising prices are not harmful as long as they are accompanied by the benefits. Rising prices by themselves are not wrong things. They happen in every growing economy. They happen in every country where there is an economic growth and planned economic growth.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : They are worried, Shuklaji, about the falling prices.

SHRI VIDYA CHARAN SHUKLA : That is the whole trouble with them. Therefore, I would say, the learned Prof. should take courage and admit the truth and not go on saying what he thinks will make him popular temporarily with people, who will soon realise that what had been said by the

Opposition is really not the truth. So, we want to enter the 21st century not with hopes and aspirations alone, but we want to enter the 21st century with solid achievements and glory. And I am sure that the Finance Minister and our Government led by our Prime Minister will certainly take a step to give this glory and this achievement to our country.

SHRI SOMNATH CHATTERJEE (Bolpur) : Mr. Speaker, Sir, the Adjournment Motion by which we are trying to indulge in a post mortem, is nothing but an apology for what ordinarily is the right of this House. May I have the indulgence of the House for my maiden speech.

AN HON. MEMBER : You are no maiden.

MR. SPEAKER : Your maiden post mortem.

SHRI SOMNATH CHATTERJEE : Sir, as this House has been slighted and the people have been made victims of high rise of prices, it is our duty to censure this Government. A series of levies have been imposed on the common people of this country, just on the eve of the Budget session. In the process, this august institution over which you are presiding today, Sir, has again been denigrated and decimated by a Government which seems to have lost all ability to govern, and also to think rationally, and even to speak coherently.

We have heard the champions of the price rises here today. I do not know who has briefed them; and I do not know whether they will have the patience to go through the transcripts of their speeches tomorrow. But I am sure they will shudder to think that today they are strongly advocating price rise as the only panacea for the ills of this country. And who are the victims of price rise ? It is the common people. It is not the rich.

I am very happy to see a newspaper report of the speech of a young Member of Parliament. I do not know whether he will get an opportunity to speak here. But he

[Shri Somnath Chatterjee]

said in a Boat Club rally yesterday that the top bureaucrats—I am quoting—and some agents of multi-national companies had managed to get the prices hiked. Not that the Ministers have any responsibility. The Finance Minister is absolved; and the Prime Minister, of course, is untouchable. This has increased the misery of the people, according to the your Mr. P. R. Kumaramangalam.

This shows how a good mind gets spoiled when in bad company...*(Interruptions)*...I have a soft corner for him.

Mr. Kumaramangalam said that employees have received Rs. 32 as two D.A. instalments, while during January itself they found that they were spending Rs. 200 more every month.

I do not know which is the voice we shall listen to, as coming from the ruling party of this country. Sir, we cannot but protest against this attitude of studied indifference adopted by this Government towards the problem of the people, and towards this House.

Before I deal with the disastrous effects of the imperious *diktats* of this Government on the lives of the common people of this country and on the country's economy, I cannot but congratulate the struggling millions of this country who have risen spontaneously against this anti-people levies, and the totally unjustified imposts. The successful and all-encompassing *bandhs* in West Bengal, Tripura and also in Delhi, inspite of our Gadgillian Doordarshan's commitment to inexactitude and its love....

MR. SPEAKER : You have coined a new word.

SHRI SOMNATH CHATTERJEE : I was trying to follow Churchill at least on that point. 'Gadgillian' comes very near to Goebbelsian.

Those events have unmistakably demonstrated the wrath of the people of this country against the decisions of the Government. They have resolved to fight unitedly until this illegal, anti-people imposts are with-

drawn; and that fight shall continue throughout the country.

As Members of Parliament sitting on this side of the House, it is our duty to articulate the protests and anger of the people of this country; and with that object in view, we had decided to boycott the Joint Session of this Parliament yesterday; and what has happened in Delhi and different parts of the country have clearly shown how this Government is getting divorced from the people.

Once the euphoria based on sentiments and not on performance has evaporates. What has been the *modus operandi* for taking a decision to raise the prices ? We are reminded every day of their massive mandate. Of course, recent election results have come as a little dampening effect including Sangli.

On the mid night of 31st of January—we have noticed from 1975 that this Party functioned only during the night—a decision was taken to increase the prices and it is now clear from the subsequent events that the Cabinet was not consulted. But, obviously, the Prime Minister must have given his blessings to the Finance Minister if he had any say at all.

When the reaction of the people was spontaneous and totally adverse and hostile, obviously, the computer did not predict the reaction of the people. We saw something new which was either a command performance or suddenly an attempt to assert some people's independence, independent thinking. We read it in the papers that my good friend, Shri H. K. L. Bhagat, Cabinet Minister, suddenly rushed to the Prime Minister and objected to that. A Cabinet Minister did not know that a decision like that has been taken. The working President of the Congress—I was saying that it—would finish the Congress I; it was an unpolitical decision. *..(Interruptions)*

AN HON. MEMBER : Not political.

SHRI SOMNATH CHATTERJEE : To quote "Un-political". Some adhoc office-bearers of some ad hoc committees rushed to the Prime Minister and had an audience

with him saying that in their respective areas they would not have any foothold unless you please reconsider it. This increase in prices will finish them. Then on that basis a Cabinet meeting was held as we find on the 5th. They took a decision. *... (Interruptions)* This Cabinet meeting was held in South Block. But the Cabinet decision is not implemented because the Prime Minister has said that the Party must be given the supremacy. Therefore, the Congress Working Committee's meeting is being held in South Block. That does not give the Party the supremacy; it only equates the Party with the Government and a decision is taken that Mr. Rajiv Gandhi; the Congress (I) President, is asking directing Mr. Rajiv Gandhi, as the Prime Minister, to reduce the prices. *... (Interruptions)* Where were the Finance Minister and the newly inducted Petroleum Minister during the deliberations by the Congress Working Committee? They are not to be seen. We go by the Press Report.

But the Finance Minister had to announce the decision to reduce the prices marginally more as a farce as a joke on the people than a real redressal of the peoples' problems. Thus it was realised and the Congress (I) Working Committee decided that the price hike was not justified. Otherwise, why did you reduce them within four days? Who took the initial decision by how much they should be raised? Was there any exercise made by anybody; any responsible person? At the highest echelon of the government, a decision was taken to raise the prices of commodities of daily use which is bound to have a very deleterious effect on the economy, which is bound to put people into difficulties, as Mr. Kumaramangalam rightly assents. And then within four days, just because one or two congressmen or congress leaders for that matter, very highly responsible leaders asked the Prime Minister to reconsider it, then in his another capacity, he reconsidered and reduced them. Was there any real thinking behind this when this increased price levels were decided? Now, lo and behold they come down. Even this reduction has not satisfied the people.

Because who are the victims? The victims are the common people. When bus fares rise, we are being told of the twenty-first century. But Mr. Bhagwat Jha Azad

ended his speech by saying that they would continue to be in power till when? "Until the people get food, until the people get clothing, until the people get shelter!" Who is in charge of this country? Who has framed the six Five Year Plans in this country? Who is responsible? In the opposition responsible? Who has formulated the economic policy of this country? Who has formulated the import export policy of this country? Who is in charge of the resources of foreign exchange in this country? Who has been in charge, Sir, of the assigned duty of educating the people of this country—removing them, or bringing them up from the miseries of illiteracy?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : The States.

SHRI SOMNATH CHATTERJEE : If that is the way, until a few years back, unless they do it.. *(Interruptions)*.

When a person like Mr. K. C. Pant says this, I think he needs a reply. Until a few years ago, one or two or three years ago, the States who have been in the control of opposition parties—or which political party has been in charge? By this process you are going to beat the State Governments.

THE PRIME MINISTER (SHRI RAJIV GANDHI) : Sir, I would like to acknowledge everything the Hon. Member has said about the Congress being in power for thirty-eight years and I would like to remind him that we were in power for thirty-eight years, or thirty-five years because the people so wished it after seeing the opposition's performance.

SHRI SOMNATH CHATTERJEE : The negative satisfaction the Prime Minister gets is from the fact that the people of this country have not yet been able to find an alternative. If this is the satisfaction that he is better than the others, but has he served the people of this country, or has his party done its duty for thirty-eight years? Why?

KUMARI MAMATA BANERJEE : What are you saying? *... (Interruptions)*.

SHRI SOMNATH CHATTERJEE : I thought,, Sir, now she would spare me!

MR. SPEAKER : Mamatajee, at least now you spare him, in this House at least !

AN HON. MEMBER : Do not make yourself a joker further.

PROF. MADHU DANDAVATE : It is a strange spectacle that from the same constituency two Members are elected !

MR. SPEAKER : That is why, I am saying. That is the reason.

SHRI SOMNATH CHATTERJEE : Accidents do happen, Sir, ... (*Interruptions*).

Sir, what I was saying is, the fact is, that the people and also we as Members of Parliament are also agitated, Sir for the price rise, various reasons have been given. Once, when the Prices were increased, the object was to control the consumption. Of course, the property alleviation was added subsequently.

PROF. N. G. RANGA : That is natural.

SHRI SOMNATH CHATTERJEE : That was understood, according to Mr. Ranga.

Now, the point is why this Parliament is being bypassed ? Why do you not bring up even a proposal to raise administered prices before this Parliament and have a discussion ? Why this *post mortem* is being done ?

AN HON. MEMBER : You can raise that matter here.

SHRI SOMNATH CHATTERJEE : Naturally, we have to object and censure this Government in a way that is permitted by the rules.

MR. SPEAKER : That is why you are saying it.

SHRI SOMNATH CHATTERJEE : Yes, and we are thankful to you that you have seen reason today and because you have understood the feelings of the people outside.

PROF. MADHU DANDAVATE : Hear, here.

THE MINISTER OF ENERGY (SHRI VASANT SATHE) : What a left-handed compliment.

SHRI SOMNATH CHATTERJEE : No. I have high respect for our Speaker, that is why today's attempt to smuggle in a bill was not permitted by him.

Sir, the point is, not a single reason was given today except my very good friend, the Commerce Minister who had to hold the baby of the Finance Minister today—a deformed baby—and had to say that there are no requirements. There is no compulsion to bring before the House any proposal "

This is your attitude towards this Parliament, Mr. Shiv Shanker. This is the attitude of this Government with important matters touching and concerning every one of the people of this country, every individual in this country. Is it not a matter which requires to be discussed before the Parliament when the Parliament is going to sit in a few days' time ? This is your approach. I am sorry, we cannot share that. There are no compulsions. (*Interruptions*)

SHRI BHOLANATH SEN : Only one day before the session in Bengal, all the universities were nationalised.

KUMARI MAMATA BANARJEE : Why did the West Bengal Government increase the water tax ? Even the water there has become wine.

[*Translation*]

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, this is the situation when her name 'Mamta' cannot express affection; what would have happened had the name been different ?

MR. SPEAKER : Bairagi, it would have been still worse.

[*English*]

SHRI SOMNATH CHATTERJEE : I hope, Sir, this all is not going into my time.

MR. SPEAKER : I have given you quite a good latitude.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : Mr. Santosh Mohan Dev, I am always pleading for you, if it is not a disqualification. Come little more in the front. You should represent Assam in the Cabinet.

I was saying about the object of not bringing it before the Parliament. It is not only trying to avoid a discussion before the decision is taken but it shows an attitude towards this Parliament as if it is an unavoidable appendage of this whole system, therefore, why should you take this Parliament into confidence, why should the people's representatives must have a voice or a view to express as to what has happened. If it is a matter of more resource mobilisation, as has been adumbrated today by your spokesman on the floor of the House, I think Parliament has a role in it. Now you want to keep these things out of the Budget. Yes. The Prime Minister said it is a compliment that they are following the old Government's procedure (*Interruptions*).

PROF. MADHU DANDAVATE : Legacy.

SHRI SOMNATH CHATTERJEE : Legacy or procedure whatever it is, but we have been objecting to it.

PROF. MADHU DANDAVATE : They are proud of it.

SHRI SOMNATH CHATTERJEE : This has been a method of raising funds outside the Budget. The object is very clear—to project a soft Budget, showing great concern for the common people of this country. People will come and say, "Look at the Budget. Concessions here and there are given. No new taxation." Wonderful Budget for the common people of this country so that they may not object and, at the same time, not to

divide the resources which are mobilised along with the State Governments. Some of your State Governments are there although the area is shrinking. Now you are representing only a few State in this country, therefore, you do not wish to share with the States these additional sums which are to be obtained. As Mr. Reddy has correctly emphasised, the States are to bear more expenditure now because of the price increase all along the board and, at the same time, they are not getting an extra sum for this. Now petrol will cost more, diesel will cost more, fertiliser and everything will cost more. The same principle we have been objecting. From 1980 it started. Therefore, it is no good saying that you have decided and you have done it. Kindly admit to the people of this country that you do not want to bring it into the Budget to avoid a discussion, you want to project a soft budget and you do not want to share any of these funds along with the State Governments whatever may be the necessity of the State Governments. Day before yesterday I found this from *The Hindu*. The Prime Minister's speech has been reported in *The Hindu*. He is reported to have said that it is for poverty-alleviation programme; this money is necessary for controlling consumption and all that. How do you really control consumption of petrol and diesel in this country? How can you do it, with 60 per cent increase in the numbers of motor cars and nearly 28 per cent increase in the numbers of two wheelers in this country? Sir, more and more new models of cars and transport vehicles are coming. What is the attempt made, and what is the policy of the Government to contain consumption? Is it by increasing the price alone? Is this the policy of the Government? By this step you are giving a complete *cart blanch* to all these people to import sophisticated motor engines without even bothering to indigenise it. The Prime Minister has told the Maruti people, don't make another Ambassador, go on with your imported equipments and all that. How do you control it? Will the people stop going in buses because you have increased the diesel price? Will motor cars not use more and more petrol with greater and greater number of motor cars and two wheelers coming in the country? How do you do it? Do you want that diesel should not be used for running the pumps, for agricultural purposes, for irrigation and all that? How do you really contain the consumption of petrol and diesel?

[Shri Somnath Chatterjee]

What is the policy ? Is it to be done only by this sort of price mechanism ? Has it ever happened ? Last year there was an increase of the administered price of petrol and petrol goods. Has there been any lessening of consumption ? No. Their own admission is, in spite of all these things, there was an increase by 70 per cent more than what you had originally estimated.

PROF. MADHU DANDAVATE : Adulteration also.

SHRI SOMNATH CHATTERJEE : Therefore what is the thinking ? What is the objective ? Is there any thinking involved in it ? How do you want to achieve it ? If you want money, from whom you want to get the money ? From the poor people. It is these poor people who are using kerosene, for providing a little light for their children to study. You want to contain the consumption their in the hamlets of this country, in the villages, and all that. Today, diesel and kerosene are not used by the rich people. Public conveyance is what the common people use. LPG is not a rich man's luxury. Do you want to do away with this so-called luxury ? In the villages what will happen ? There will be greater and greater deforestation. Where will they get their fuel from ? Whatever you want to raise, you want to raise from the common people. You have given your commitment in your long term fiscal policy. You say, no more direct taxation. Well, it means, wholly indirect taxation. Everybody understands very well that indirect taxation means greater and greater burden for the common people. Today that is what we are seeing. You are now acting under the compulsions of the IMF and the World Bank and you are going to them on your crunches. You are bound to. In the unsatisfactory balance of payments position where do you get your money and your foreign exchange ? Mr. Shukla talks against commercial borrowing. He says, that should not be taken recourse to. Where do you get the money ? That is why this policy is being adopted, which is anti-people policy. I impress upon you that the common people will not accept it. Please have your senses and withdraw this in good grace at least. Thank you.

SHRI PRIYA RANJAN DAS MUNSI (Howrah) : Mr. Speaker, Sir, after the last

Lok Sabha election the entire activities of the opposition got adjourned and today by bringing this adjournment motion—thanks to the opposition—they have re-started their activities. Some grace was offered by the Government in the recent petroleum price hike to the opposition. I only wish they pat it and digest it and not vomit it.

Mr. Speaker, Sir, the mover of the adjournment motion today, Madhuji, ended by saying that a Labour Party M.P. appealed to the Government in the House of Commons and finally most of the Members of the Government conceded to the view of the Labour Party. I only wish Madhuji did understand the basic difference between the political philosophy of the Janata Party and the Labour Party and also Madhuji must be aware of the fact that a Labour Party M.P. never dreams of bringing Moshe Doyen in the dark night to the country to destabilise the whole system which is the Janata Party tried to do under Morajibhai's regime. So, if Madhuji would have been a Labour Party M.P. genuinely today at least having some sense of activities in the working class which is just opposite to the Janata Party's philosophy, we would have reacted today. But we cannot do it because he represents a different class.

Madhuji is right by quoting a few figures for having inherited the legacy of the Janata Party's rolling plan economy which was there when the Janata Party was there, the rolling plan which was imposed in this country to roll the masses and at the time in 1979-80 inflation went up to 20.7 per cent which has now come down to 4.6 per cent.

Now, Mr. Speaker, Sir, Mr. Somnath Chatterjee from the CPI (M) as well as the Leader of the Telugu Desam Party also referred to there pertinent question; (a) Why these measures were taken without taking Parliament into confidence ?

PROF. MADHU DANDAVATE : Will you permit me to quote the figures which were given in the House ? In 1973-74 and 1974-75 the average rate of inflation was 22.5 per cent, in 1975-77 it was 2.5 per cent and in 1980, for six months and onwards, it again was found to be 18.5 per cent.

SHRI PRIYA RANJAN DAS MUNSI :
I am only referring to the total impact of the Janata regime in 1979-80.

THE PRIME MINISTER (SHRI RAJIV GANDHI) : Would you like to quote also for 1977 to 1980 ?

PROF. MADHU DANDAVATE : I have quoted during the time Janata was there, not when your blessed Government was there.

THE MINISTER OF STATE IN THE DEPARTMENT OF INTERNAL SECURITY (SHRI ARUN NEHRU) : That is what the people quoted in 1980.

(*Interruptions*)

SHRI PRIYA RANJAN DAS MUNSI :
Mr. Speaker, Sir, yesterday when new Members from Assam were taking oath, you have said—and that came in the newspapers, that was the relief to the people of the country—that the House is full. Let us discuss for a minute under what circumstances the Congress Party had to face the situation right from 31st October 1984 to this day. The same very Opposition raised the issue : Without Punjab and Assam, how can the Parliament function, without explaining how to get rid of this problem ? It is a fact, Mr. Speaker, Sir, that in Punjab and Assam Congress could not win. But thanks to the people of the country, our Party might have lost, but the country had won and we are now the full House today and to the whole world we have been able to prove for the last one year that our Party is much concerned first to keep the unity of the country and that is proved. Now, you know, many friends from the Opposition tried to fish in the troubled waters in Assam by exciting a section of the people in favour of the accord or against the accord and giving various misinterpretations.

17.53 hrs.

[**SHRI VAKKOM PURUSHOTHAMAN** in the Chair]

Even in spite of that, Mr. Chairman, Sir, people tried to keep Assam and Punjab together in India and that is the only thing that we have done for the last one year.

I will now come to the basic point. The first point is : Why Parliament is not taken into confidence on the administered price increases ? It is a fact, Mr. Chairman, Sir, one can feel like that and it is not a new thing. There are a number of precedents that in such cases there was rise in prices by a special announcement before the Parliament met. But I would only appeal to the Hon. Finance Minister : In future, whenever you make announcement in the case of rise in prices, do it in the Parliament, that is the collective wisdom of the whole House.

The second point... (*Interruptions*). I know the Opposition today is very much morally vibrant for the moral show or display that was done in Karnataka Assembly a few days back by the Chief Minister's resignation while the Assembly was in Session and suddenly coming back to the whole scene again. and that gave a new moral strength to you citing the example of Mr. Ramakrishna Hegde. Now, at that time also, Assembly was in session. Nothing was reported. I can also remind my Telugu Desam friends that the great Andhra Pradesh leader and Chief Minister, Mr. Rama Rao did announce the age of retirement at 55 years without going to the Assembly, which hit a large number of employees working there behind the Assembly. And then, the people started reacting to it. There also, the same reply was given. Such measures are sometimes necessarily to be taken before the Assembly meets.

SHRI C. MADHAV REDDI : Was there any moral turpitude involved in that ?

SHRI PRIYA RANJAN DAS MUNSI :
The third thing, I can refer for the benefit of my Hon. friend, Shri Somnathji. The Assembly was to meet on the 3rd March in Bengal. Two months before that, the Government and their aids came forward to impose water tax on the city of Calcutta which was not there in the days of British law.

SHRI BASUDEB ACHARIA : It was a decision of the Calcutta Corporation... (*Interruptions*).

SHRI PRIYA RANJAN DAS MUNSI :
Whenever there are any rise in price of any

[Shri Priya Ranjan Das Munshi]

commodity, obviously it hits the common masses and there is no doubt it. In a planned economy, in a developing nation, any rise in price always affects the common masses, whether you represent them or we represent them and there is no denying point about it. All those who represent the people either on that side or this side have to go to the people to explain the issue.

The problem before the Government is, they have to take care of the nation. They have to run the country. They have to fulfil the promises. The advantage of the Opposition is, they have to exploit the situation. This is the only basic difference. Now, in your articulation, what you are doing is, absolutely this. There is no doubt about it. The only thing is, you should also sometimes try to show the bright picture of the country.

Now, Mr. Chairman, Sir, I would come forward on a basic thing today. I hope my learned friend, Mr. Madhuji, the leader of the Janata Party who moved the adjournment-motion will at least agree with me. If I have not misunderstood his sheeches, I have gone through a large number of his speeches from the proceedings from the Library, where he always emphasised, unless the Plan is successful, the economic growth of the country, the overall impact on the price indices just cannot be stabilised. Therefore, the first question comes on the Plan. Mr. Chairman, I will now refer about the performance of the Sixth Five Year Plan. I will not mention the name of the State but I will just quote a few figures. The State had got the allocation of Rs. 3500 crores to fulfil the promise made to the people, for the enttre economic growth. The State finally concluded to spend for the people development of the people, only Rs. 2293.74 crores. And they could not ensure the total realisation of their resources for about Rs. 13 crores. If a few of the States in the country, larger in size, have failed year after year to achieve the planned target within the planned economy, the entire bearing comes on the masses of the entire nation as a whole, irrespective of the States and the boundaries.

Mr. Chairman, Sir, now I would refer to which are the fields where the State Government lagged to fulfil the promise. In the field of education, the amount allocated was Rs. 275 crores and the expenditure was Rs. 177.42 crores. In water supply for the poor people, the allocation was Rs. 163 crores and the expenditure was Rs. 61.12 crores. In rural development programme for the the common people, for which Madhuji is very much concerned and Somnathji is also very much concerned, the total allocation for the Plan target was Rs. 239 crores, the expenditure was only Rs. 125 crores. Now again I come back to another programme, nutrition, housing, labour welfare and special employment scheme to the unemployed youth. In every case, the Government lagged to reach the target to the tune of Rs. 290 crores. Now, Sir, in the Planned economy, the Government was able to fulfil the target only in one field, i.e. in information, publicity and propaganda. There the budget was only Rs. 4 crores and the Government was able to spend Rs. 6 crores. Mr. Chairman, Sir, this State is the State of revolutionary soil of West Bengal... *(Interruptions)*

18.00 hrs.

PROF. MADHU DANDAVATE : Are we discussing the West Bengal Budget ?

(Interruptions)

MR. CHAIRMAN : Please take your seats. You will get your chance. There is a procedure for that.

SHRI PRIYA RANJAN DAS MUNSI : What is the performance of the Government in the respective States within the planned economy in a planned allocation ? You tell me what happens. When you raised the issue, the answer came "We do not like to mobilise the resources, taxing the people, because it will affect the people and thereby we will not fulfil the promise, we will get overdraft and manage the affairs all round." If that happens to every State of the country, it will surpass the economy of Philippines one day. Therefore, I feel personally that a Government is also responsible to the people about the fulfilment of the commitment of the projects and the targets.

I will only appeal to the Finance Minister and the Prime Minister also that by mobilising the resources in this State, if you are serious to fulfil the plan targets and to give the country a new economy for our total self-reliance programme through the public sector and other avenues, you have a total monetary authority also in respect of spheres including the rural development programme. What happens is that the money that is required to be spent for the people is not actually spent in time and for not having been spent in time, the escalation of the prices of the projects go up heavily. Obviously the burdens come ultimately to the Government to raise more taxes. This has happened.

Again my friend will be unhappy that in some States—I know I am not a master of all States; I do not claim; Prof. Madhu Dandavate has the wide experience of travelling the whole country and I want to give one very small example—there are five or six major projects which are supposed to be completed two years back or this year. I am afraid they will not be completed in another six years for want of resources.

SHRI SOMNATH CHATTERJEE :
It is not only irrelevant but misleading.

(Interruptions)

SHRI PRIYA RANJAN DAS MUNSI :
All of you travel to Calcutta via Howrah bridge. You will find that for the last eight years, we have only one monument in Maidan. The other two monuments you will find on the Ganges with both sides pillars since the last ten years but you will not find a bridge. When you ask where is the bridge, the Government will reply “We are finding the new technology to provide you a new bridge.”! That is what is happening.

SHRI SOMNATH CHATTERJEE : He is distorting the facts. It is a peculiar case.
(Interruptions)

MR. CHAIRMAN : Please take your seats.

(Interruptions)

SHRI PRIYA RANJAN DAS MUNSI :
I am not distorting anything. I am only disturbing you.

I now take up the subject of kerosene. It is a fact that if the price rises on kerosene, it genuinely hits the common people. No doubt, our priority should be, the more we take the electricity to the villages, the more the common people get rid of kerosene, to a great extent, not fully. If you want to take electricity to villages, your priority should be on the thermal power department and for that, you need resources.

The Rajiv Gandhi Government can take the responsibility for sending kerosene to a State. But the distribution and to ensure to people that it will not be sold through black-market does not lie on the Parliament. It lies on the State Government. In a State, I know, even if we reduce the price of kerosene, people will have to buy in the black-market because there is organised machinery of mixing petrol with kerosene and to sell it to people thereby depriving consumers of the cars as well as the common people of genuine petrol. I am sorry to say, I do not like to mention anybody's name. I have no intention to cast aspersion. These who are involved in racketeering by mixing petrol, just taking out the petrol tank and then mixing it with kerosene, are taken away from the police station and the Government is allowing this practice because of certain political situation. This is the way how we are hurting the people. I tell you, Mr. Chairman, Sir...

(Interruptions)

SHRI SOMNATH CHATTERJEE : We are feeling amused at these allegations...

(Interruptions)

SHRI BASUDEB ACHARIA : We are discussing here about the price-rise and not the West Bengal Government.

SHRI BHAGWAT JHA AZAD : He is not naming the State...

(Interruptions)

SHRI SOMNATH CHATTERJEE : He is deliberately maligning a State Government

(Interruptions)

MR. CHAIRMAN : Order, please. Please resume your seat.

The Hon. Member may please continue...

(Interruptions)

SHRI R. L. BHATIA (Amritsar) : You have only the right to speak and not to disturb.

SHRI PRIYA RANJAN DAS MUNSI : I have not named the State. Why are you shouting ? I assure Mr. Somnath Chatterjee that everything embarrassing I will not say. I will only submit that this rise in prices which will specially affect kerosene, which will affect fertiliser should ensure us that the total resources mobilised will lead to a speedy progress of the public sector without affecting the public sector.

(Interruptions)

If you provoke me, I can also react. At least my Government till now have not taken a decision to sell out any public sector undertaking to a private sector unit. But a revolutionary government is selling out a well-known public undertaking to a private sector firm *(Interruptions)*

The bright side of the picture of the country should also be pointed out. What is that bright side ? I agree that this will hit the people. A situation will come in the country when a government worth the name will have to take the people into confidence and tell them, 'I will take you through this journey provided you pay me this return.' I agree people will be very much in difficulties in these commodities. But if we can convincingly show them the results within a year or so, I think people will understand us and not them.

In this very House last year when the Budget was presented and when the Finance Minister spoke on the general budget, the

opposition apprehended—not one but every one of them—apprehended inflation to the tune of 15 per cent and they apprehended rise in prices of every essential commodity. In this House when the Punjab accord was announced and election was declared, opposition apprehended bloodshed and they apprehended everything. But nothing of that happened. To-day, Mr. Chairman, what is this proposition ? I want to know why when the crucial issues come to the nation, they are dilly-dallying. They do not come forward. To-day morning when the issue of Spices Board came, they raised all points of order. Some of us want to escape the issue. This is the way you function. You never face the reality. You never face the reality with guts...*(Interruptions)* I am not yielding. I only want to say this. Whenever any issue comes before the nation concerning crucial matter, they are dilly-dallying and they adopt a double standard. I know Mr. Chatterjee is jubilant over a few election results for the last one year. I do not like to discourage them. It is nice of him to remember all these things. But I will only tell him that we are committed to the people as per the last mandate and not for one year performance. We know what a difficult journey we are facing and the situation prevailing on our borders. We know what are our commitments to the people. With these words, I will tell that the resources that we mobilise through the rise in prices should be fully utilised for the anti-poverty programmes giving fullest priority to the public sector and having a total monitoring control of those state governments who are taking money and utilising it for non-plan expenditure and taking the whole nation to economic stagnation and striking a situation whenever they like. They claim that there was a bandh in West Bengal...*(Interruptions)* Bandh in public sector means that it is government-sponsored; it gets a new colour. That was there. Have you ever heard a Chief Minister giving a statement that bandh was successful ? *(Interruptions)* There was no need for giving a bandh call in my State at least. I told the Chief Minister, "Every thing is already bandh, every thing is already closed; why do you do it ?". He says that he wants to renew the licence of bandh, but we Congressmen want them to be opened.

With these words, I conclude.

SHRI P. KOLANDAIVELU (Gobichettipalayam) : Mr. Chairman, as soon as our Prime Minister occupied his position as the Prime Minister of India, the people of India expected that in a planned economy such as ours the prices of essential commodities would not be more, but would be less. The people of India never expected that honey and milk would flow on the road, but they at least expected to have their minimum and basic needs, they expected to have food, clothing and shelter, they expected moderate prices for essential commodities.

Our Finance Minister has been praised by the press in the United States; the *New York Times* has said that he is the third finest Finance Minister in India—one is Shri C. Subramaniam, the second is Shri R. Venkataraman, our Vice-President now and the third is our present Finance Minister Shri Vishwanath Pratap Singh. When he has been praised like this, how has he come forward with such a huge rise in the prices of essential commodities ? That is the question now. As a student of economics, the Finance Minister, before making any increase in prices, has to think not only once but twice or thrice. Actually the rise in the prices of essential commodities affects not the rich but the poor and the downtrodden. The rise in the price of petrol, the rise in the price of diesel, the rise in the prices of foodgrains and fertilisers, affects the poor and the downtrodden. I will go to the extent of saying that we were able to maintain price stability in the economy last year when our Prime Minister occupied his position, and everybody expected that in India every thing would be available for a moderate price. Certainly we never expected this huge rise in the prices of essential commodities. I would request the Prime Minister as well as the Finance Minister to reduce the prices. In order to find more resources, we should not, in an economy such as ours in India, raise the prices stupendously. This has affected not only the poor and the downtrodden but also the business people in a way. Because of the rise in the price of petrol and diesel, the transport charges are more. Those who are below the poverty line are using buses in order to go from one place to another. They have to pay more. What happened to the wages then ? I would ask a question to the Finance Minister whether the price rise is linked with the wage policy and whether he has brought such an economy in

India. It is not like that. The price rise and the wages are not actually linked with each other and also they are not equal for all persons. So, we have to think that whenever there is a price rise, we have to link with the wages, we have to link with the status of the people. But actually it is not so.

The opposition have brought an Adjournment Motion. Actually it is a censure on the Government. Usually no Adjournment Motions are allowed. But here is a case today when an Adjournment Motion has been allowed. Is it not a censure on the Government ? Is it not a fact that you have yourself admitted that there is a price rise and it is actually a stupendous one and the people of India are crying because of the price rise ? When you are admitting it, then why don't you reduce them ? You have announced it and after four days you have reduced it. But at the same time even the reduction is not as the people wanted. The reduction should be as it was. So, if you maintain the prices as it was in 1985, you will be the best Finance Minister. Any Finance Minister can come forward with so many taxes, he can raise so much resources to the exchequer.

You got the praise not only in India, but you got the praise even in America. But the press in America may or may not curse you for this price rise; the people of India will definitely.

The people of India voted a popular Government headed by the Hon. Prime Minister Shri Rajiv Gandhi with the hope that they will get food, shelter and clothing. If you give at least three meals a day to a person everyday, it is good. For the last 38 years you are in power—the Congress is in power I would like to know whether you are able to give three meals a day to a man. You have not even given a single meal to a person everyday. That is the position. I want to know whether you have given shelter and clothing so far. How many crores of people are below the poverty line ? If you take the statistics, more than 50 per cent of the people are below the poverty line. (*Interruptions*) You are not able to give a single meal to a single person every day. That is the position.

Here I want to mention that in Tamil Nadu we are keeping the price level at a low

[**Shri P. Kolandaivelu**]

pitch. The price of one kilogram of rice should not be raised to more than Rs. 2/- That is the position in Tamil Nadu. But what is happening in the Government of India ? What is the Central Government doing now ? Is it the way you are following it up ? Certainly not. Actually you are taking a different measure by which you want an economy in which price rise is inevitable. That is what you say.

Of course, as a student of Economics, I would admit that in a growing and planned economy, the price rise is inevitable. I do accept it. But to what extent is the question. Whether the people can afford to buy the essential commodities now ? They are unable to do it. I would suggest that the Finance Minister may please come forward to give food, shelter and clothing to each and every person. We have passed 38 years and we want that you, rule for another 25 years. If you want to rule for another 25 years, then you should give the minimum needs to the people and you have to come forward to reduce the prices.

SHRI G. G. SWELL (Shillong) : Mr. Chairman, I am sorry I do not see in the benches Prof. Madhu Dandavate who negotiated this discussion and neither do I see my friend, Shri Somnath Chatterjee. Normally I have good regards for these two friends for their intellectual level, their information, their intelligence and their hard work. But, I think, today they are trying to argue out of bad case. They were speaking rank illogicality. Populism is a different matter. I have not heard a single good political and economic argument.

Yesterday they had their field day in populism. They will be having another field day on the 26th of this month but the country is not run on populism. We have had an example of a country who tried for cheap popularity and resorted to populist measures indiscriminately. I do not want to name the country. But, I think, my friend Shri Kolandaivelu lives in a part of India that is very near to that neighbouring country. He knows and we know what kind of populist measures were adopted by that country at one time by offering free rice to the people or at a very high subsidised price and a time came when

the Government could not meet the obligations and as a result of that there was a kind of revolution. There had been a total chaos there but for the intervention of India in some measure at one time. The government of that country could have been toppled and the troubles we have today in that country would have paled into insignificance if that revolution had taken place and had taken over the country.

We have an example, Sir, of other countries in the world. Again I do not want to mention the names of those countries. But we know of countries where the rate of inflation runs into 400 per cent. I do not know what is the rate of inflation in Israel today. Some people talk of the rate of inflation being 1,000 per cent there. Now, the question is whether we should welcome that kind of a situation in this country ? These run away rates of inflations have taken place in the world because of faults in economic policies, because of the fear to take hard decision, because of resort to easy options, free borrowing in international markets and various kinds of things. By free imports in large measures, for a short period, the country lives in a kind of euphoria having good things of life, a very small percentage of population becomes enormously rich and the rest are desperately poor and then we have those countries facing revolutions and instability. My question to my friends, whether it is Professor Madhu Dandavate or it is Mr. Somnath Chatterjee—I wise Mr. Unni Krishnan would have spoken before me and I miss the advantage of hearing him—is : Are they blind to this world situation ? Do they want with their eyes open to take this country to that situation ? I think they owe it to the country to provide answers to these questions.

Another picture in the world today—I do not know about the percentage, but I think it is about 80 per cent of the so called independent countries—is that these so called independent sovereign countries are really vassal States, economically and politically to one super power or another. I have seen diplomats in the United Nations from a number of countries living on shoe-string budgets, running from pillar to post for a few miserable dollars in order to maintain themselves because remittances from those countries are not coming, the countries are not

in a position to pay for their expenses, for their Missions in the United Nations. I have seen them going as errand boys to one super power or another. I have seen them doing things which are shameful. They have mortgaged themselves, mortgaged the country's freedom and the freedom of taking decision for their countries for a few miserable dollars.

Mr. Chairman, you are aware of the callous state of finances of the United Nations today because of the threat of the United States of America to reduce its contribution to the United Nations by 25 per cent across the board. The United Nations today is in a perilous state and the United States of America is demanding its pound of flesh. It says that it will restore the decision to cut down their contribution by 25 per cent, if only the principle of weightage voting is accepted by the United Nations which, of course, will not be possible unless and until it has the support of the 2/3 majority of the Members of the United Nations. It looks to be an impossible situation. But the United States is confident that it will be able to do that because most of the countries are vassal States to the United States. They are able to twist their arms and make them behave. That is the situation that we find today, Sir. I would like to put this question to both Prof. Madhu Dandavate, in his absences, and Mr. Somnath Chatterjee.

Now, Prof. Madhu Dandavate is here.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : He has been persuaded by your arguments and has decided to sit beside you.

SHRI G. G. SWELL : I would like to ask Prof. Madhu Dandavate whether he wants to mortgage the political independence of this country in order to get some cheap popularity and whether he is going to take this country to that position. I want him to answer this question.

Let us look at the stark economic facts. I am not making a political speech. I am an intellectual being and want my friends to meet me at the intellectual level.

In 1980 the rate of inflation in the country was 22.7 per cent according to the economic figures. This was the legacy of the Janata rule. They mismanaged the economy of the country in such a way that without any administered price hike, the inflation rate of this country was running away. The inflation rate was 22.7 per cent. I shudder to think but if the Janata Party had continued for another five years, it would not be a double digit inflation, but it would be a three-digit inflation.

It is not the question of a miserable 40 paise rise in one litre of petrol. If the Janata Party had its way, it would not be 40 paise rise in the price of one litre of petrol, it would be easily another 200 paise.

I have posed them these two questions and I will ask Prof. Madhu Dandavate to answer them. I am happy that he comes and sits beside me.

PROF. MADHU DANDAVATE : It is not defection, it is only affection.

SHRI G. G. SWELL : There should be affection at a certain level.

SHRI R. L. BHATIA : May be that he is convinced with your arguments.

SHRI G. G. SWELL : Prof. Madhu Dandavate was one of the highlights of the Janata Government in those days. He had managed to bring the rate of inflation of the country to nearly 23 per cent. Does it lie in his mouth new to accuse this Government because of courage to take hard decision for the reasons I have given just now ?

I would like them to consider the situation. The situation is difficult. We have to meet the situation. Well, one way of doing is that we have to take this country forward. Is not a cliche to say that we have to get into the 21st century with all its implications and to do that you have got to pay the price for it ?

You talk of increasing exports. How can you increase exports unless you are competitive in the international market, competitive in price and competitive in quality ? Do you

[**Shri G. G. Swell**]

think that you can be competitive without modern technology ? Do you think that you can decrease the cost of production without modern technology ? Do you think you can do that ?

Mr. Chatterjee has also come back. I want him to answer my questions. It is no use talking of increasing exports unless you improve quality and have competitive prices. You cannot do that with outmoded technology. You have to pay the price.

SHRI SOMNATH CHATTERJEE : You should expend the internal market.

SHRI G. G. SWELL : We have, of necessity, to pay more for the Plan, at least the core of the Plan whether it is steel, power, coal or whatever. The outlay for the Seventh Five Year Plan this year is of the order of Rs. 19,845 crores. And there is a distinct possibility that this amount will be outspent and we will require more money. Where do you get the money ? Will you get this money by going on to international borrowings ? Or do you tie yourselves to the apron strings of one super power or another and deprive yourselves of political independence, reducing your status in the world, behaving in that way ? I have described a little while ago that this is an easy option which you can do. Are you going to pay such a price ? Will this House and this country agree to do a thing like that ? Or should we not tighten our belts and pay the price for it ? This is my question. It is easy for you to point out that the poor people have to pay for the rise in kerosene and all that. We know it. But then, it is easy for you to say that because you say it without any responsibility. You will never be called upon to deliver to the people what you say. It is easy to preach. But the Government has a duty to administer the country. The Government has to deliver the goods and the Government in its wisdom has thought that this is necessary for the self-respect of the country and the good of the country. You may differ and that is a different matter.

Now, Sir, when you speak about the price rise, let us remember that practically

everything, whether it is kerosene or whether it is fertilizer, every thing has been heavily subsidised.

SHRI SOMNATH CHATTERJEE : You are speaking without conviction.

SHRI G. G. SWELL : How do you know ?

SHRI SOMNATH CHATTERJEE : I feel so.

SHRI G. G. SWELL : I respect your logic. You should also respect my logic. If you disbelieve me, on fertilizers alone, the amount of subsidy in the first two years of the Plan has been Rs. 4510 crores. And at this rate, by the end of the Seventh Five Year Plan, you would have to pay about Rs. 12,000 crores of subsidy on fertilizer alone ! Will you carry on with that kind of a subsidy ?

MR. CHAIRMAN : You please conclude now.

SHRI G. G. SWELL : One minute Sir. I think it is not so much of time, but the quality of the argument that matters. We have to be very clear about what we say.

PROF. MADHU DANDAVATE : The rise in prices is also a quality rise.

SHRI G. G. SWELL : On foodgrains, the order of subsidy was about Rs. 4763 crores and even with the reduction in the price hike that the Government has done in response to the wishes of the people and the Party, the subsidy on fertilizers, the subsidy on kerosene and the subsidy on other things like LPG, still continues. Whether we can carry on with this kind of functioning by subsidising heavily or whether we should call upon the people to understand the situation and to meet the situation full-scale, this is what the Government is trying to do. As I said, you can have your populist programme, but the time will come when the people will call you into question.

Before, I sit down, I think, I have to pay compliments to the Prime Minister for another bold action, he has taken and that

is to heavily subsidise the price of foodgrains in the tribal areas.

According to the figures that I have here, the people in the tribal areas who are the poorest of the poor, I would like Prof. Dandavate and Shri Somnath Chatterjee to consider about them also—the poor tribal people. You are giving rice and wheat. Wheat at Rs. 1.50 per kilogram and Rice at Rs. 1.85 per kilogram. Where do you get the money? This is only one example of anti-poverty--poverty elimination programme. This is what I would like to bring to the attention of the Members here. Of course, I will also tell the Government that many of your good programmes, sometimes become the cruel mockery to the consumers. I will tell you what is happening in my State. This good programme is having an opposite effect. It has been a cruel mockery because of certain manipulations and corrupt practices. That is a differnsnt matter. We have well, if you give me time,. I will explain. But this kind of thing happens everywhere. It may happen in your States also It is a question of administrative measures taken to counter certain things.

Thank you very much.

MR. CHAIRMAN : Shri Ramoowalia. The total time allotted for the discussion is about four hours. Accordingly your Party gets only three minutes. So kindly be very short.

[Translation]

SHRI BALWANT SINGH RAMOO-WALIA (Sangrur) : Mr. Chairman, Sir, much has been said regarding rise in prices of petroleum products. I fell that on the one hand Government claims that it is trying to solve the common man's problems but at the same time it is raising prices of all commodities. It often happens these days that the people forget whether any Government exists in the country and may be to remind them that Government does exist, hike in prices is affected. The Hon. Prime Minister has become very popular particularly after the Punjab and Assam accords. I do not say that he was popular; he is still popular and that is why some of his friends must have thought not out of jealousy—of making him a little

unpopular and they created a problem for him. If you had been to markets or had travelled in trains—we generally travel by train and not by air—you would have come across comments by common man praising Shri Vishwanath Pratap Singh for recent income tax raids on big industrial houses, particularly the Kirloskars. When the people, who were praising the Government, suddenly came to know that even their houses have been raided, they were taken aback All this happened overnight. The farmers were particularly hit hard by the price-hike. I belong to a State where agriculture is the main occupation and the farmers have been attacked from both the sides. Had there been excise, they would have earned something but Shri Vishwanath Pratap Singh has deprived them of everything. The agricultural production will decline as a result of hike in diesel price. This would add to common man's problems. We are well aware that Government never retrace their steps i.e. once they take a decision it is final. The Government would never change their decision. Even then I would like to emphasize two or three points.

First, I would like to remind the Government that though they may be having majority in the House yet it is a common responsibility and they should at least consult the opposition or the States in future prior to any hike in the prices if it is to be done out of Parliament.

Secondly, as India is an agricultural country I would like the Government to reconsider its decision regarding hike in fertilizer and diesel prices. There is a general feeling among the farmers that henceforth they would never be able to get remunerative prices because the price of fertilizers has gone up manifold

I would like to point out here that the farmer of Punjab contributes maximum to the agricultural production in the country. The economy of Punjab has been shattered because the State remained a disturbed area for the past few months. The Government ought to allocate the amount realised by it from the hikes announced by it to Punjab—I am not saying it lightly—to restore its shattered economy. If the Government can-not do so...

THE FINANCE MINISTER (SHRI VISHWANATH PRATAP SINGH) : Mr. Chairman, Sir, he agrees that price hike can be advantageous, if the revenue so realised is handed over to Punjab.

SHRI BALWANT SINGH RAMOO-WALIA : The economy of Punjab is in shambles and we need relief.

With these words I thank you.

SHRI BRAHMA DUTT (Tehri Garhwal) : Mr. Chairman, Sir, we have been discussing this matter for the last 2 hours and 45 minutes. I was keen to know what alternative would be suggestive by the Members to mobilise resources who were opposing the recent price hike. I am disappointed because though the price hike has been strongly opposed yet three things have remained unanswered. First, do they want reduction in the size of the Plan, no change or increase in its size. Secondly, I was amazed to know that the opposition parties which are against price rise have found a learned spokesman in a person during whose regime the price rise was of the order of 22 per cent. Price rise is not as painful as the scarcity of commodities. I would like to remind you, Sir, that during the 1979 famine, diesel, kerosene and electricity were not available at any price. Needless to say that it posed the question of the size of Plan before us.

The expert opinion emphasized the need to reduce the size of Plan but the Hon. Prime Minister deserves to be congratulated because he said come what may, the size of the Plan will not be reduced.

Now there are three alternatives. First, the budget deficit may be increased and thereby allow inflation to rise as it rose by about 21 per cent in 1979 or mortgage the country's future by taking loans from World Bank or International Monetary Fund or other such financial Institutions. But the Government deserves to be congratulated for curbing inflation since 1980.

18.51 hrs.

[MR. SPEAKER *in the Chair*]

The rate of inflation which was 20-22 per cent in 1979 has been reduced to 4 per cent

this year. The foremost requirement of a Plan is the confidence in the process of Planning itself and I was surprised and highly disappointed that the parties which advocated the political philosophy of Planning, particularly the CPM and the CPI failed to suggest how to mobilise resources for the Plan.

It is true that the prices of petrol, kerosene oil and LPG have risen but no Government is ever happy in raising them. We have to keep in mind that Government are providing a hefty subsidy on these items and we have to find alternative ways and means. I would like the opposition to make their intentions clear. Do they propose that the size of Plan should be reduced. One of our achievements in the past five years has been that we have been able to strengthen our economy as a result of these plans and thereby increased national income by 5 per cent. During the last year's budget it was stated that as a result of concessions, the revenue would decline but the Hon. Finance Minister deserves to be congratulated because the ordinary revenue receipts rose by 23 per cent. When Income-tax concessions were granted an apprehension was expressed that it would result in decline in the revenue but it is estimated that receipts under this head would increase by 38 per cent. We have 2.5 crore tonnes of wheat stock with us and as Shri Swell indicated, we are distributing it among the tribals at cheaper prices because of this massive stock with us. The rate of industrial growth has risen by 8 per cent and we have foreign exchange reserves to the tune of Rs. 6000 crores. About 10 to 11 years back it was only Rs. 700 crores. Very few countries in the world have been able to curb inflation and India is one of them. We have strengthened our economy and if we have to progress and advance—I am not talking of the 21st Century but of the year 1990—then it is a must that we should keep the size of plan in proper shape and also resolve not to mortgage our future to international financial institutions and make efforts to curb inflation.

As regards price rise, there were two alternatives before the Government. One was to increase the price of four or five items and the other was to allow inflation to take its own course which would have led to general price hike in all the items. The Government

thought it proper not to follow the latter path and I congratulate them for this move.

The Hon. Finance Minister and the Hon. Prime Minister have made an announcement that a long term policy about administered prices would be formulated in order to relationalise the prices. I would like to submit that we should make capacity utilisation of our resources to meet the Plan targets. The major stumbling block in the way is petrol scarcity. The petrol reserves in the country will last for another five or ten years. We shall have to seriously think about other alternatives in the near future. Our future depends upon renewable sources of energy which is the only alternative at the moment.

Demands are made to increase the price of wheat to Rs. 200 per quintal, to increase the prices of paddy and of sugarcane to Rs. 35 per quintal but one is surprised when the rise in sugar price is objected to. Both these things cannot go on simultaneously. On the one hand the opposition parties ask the Government to raise prices of agricultural produce and on the other hand they criticise them for raising the prices of commodities. These cannot go together.

I would like to suggest that one alternative of petrol can be industrial alcohol or power alcohol. Last time also I had mentioned it. Serious efforts should be made to tap this source.

I would most humbly submit to the Hon. Finance Minister, the Planning Minister and the Hon. Prime Minister that the size of the Plan is not as important as the proper utilisation of allocated funds. Just now Shri Priya Ranjan Das Munsi was telling that out of the allocated Rs. 3200 crores, only Rs. 2200 crores were spent. About Rs. 1000 to 1200 crores were not utilised. We must pay attention to this aspect.

Another point is also being raised that the States are not getting any share in the revenue raised through price hike. But the fact is that there has been an increase of not less than 15 per cent to 25 per cent in the Plan allocation for each state for 1986-87,

whether it was due to devolution of revenue through the Finance Commission or the Planning Commission. And it should also be ensured that the allocations are fully utilized. We shall have to take care of it.

Sometimes there is a clash between the political interest and the economic measures taken in the interest of the country. But a good Government must take hard decisions for the long term benefit. Since the whole issue centres round planning, I would suggest that we should depend on our officers and experts only to the extent of gathering information. But the decision should be ours whether it pertains to formulating plans, to the implementation of plan or to mobilising resources. These should be political decision taken by politicians.

Now, if we take a decision unanimously that we do not want to fulfil these targets or we do not want to expand the size of the Plan then we shall not have to increase the prices even by a single paise. Neither will there be need to increase the price of petrol nor that of Kerosene. But if we make demands that money is needed for this State or for that State then we shall have to pay the price for it in one form or another.

You are going to present the Budget shortly. In this context I would suggest that the form of the subsidy should be changed. You are giving such a huge subsidy on fertiliser in just two years which should have been given in five years. You are giving subsidy on L. P. G. Similarly, a subsidy of 71 paise per litre is being given on Kerosene. You will have to change its form. There is no objection to giving subsidy to I. R. D. P. and other things. But you give them subsidy on lower rate of interest. This cash subsidy breeds corruption. The genuine persons are not getting the benefit of subsidy.

I would like to suggest that we should find an alternative. The House should support the best alternative. Such steps would result in a bright future for the country. We shall have to take hard decisions for the future of the country.

19.00 hrs.

[*English*]

SHRI DINESH GOSWAMI (Guwahati) :

Mr. Speaker, my dear colleagues Shri Bhagwat Jha Azad and Shri Priya Ranjan Das Munsi in their speeches accused the Opposition that this Motion has been brought with political motivation. I can assure them that so far as I am concerned, I have no political axe to grind. Neither do I want to take a political advantage because the political battle has been fought in Assam only a few months back and the people have given their verdict and as a result of that we have come to power.

If we have tabled this motion of Adjournment it is because we feel that this is a subject which concerns the common people, the masses and as representatives of the people we must voice our concern. We do not want—at least our party do not want—to take a confrontationist attitude with the Union Government. We want to cooperate with the Union Government and we will make our political position clear ourselves when we discuss the President's Address. But we have tabled—I personally have tabled—this Motion because I feel that the decision to raise the administered prices of essential commodities is bad on four grounds :

Firstly, that it is unethical because it is done without the consent of Parliament and it is an affront to Parliament;

secondly, that the objectives—which the Government have stated, have compelled them to raise these prices—have got no rational basis;

thirdly, that this raising of these administered prices is not only counter-productive, not only irrational as the wrong policies of the Government have led to deteriorating economic situation.

fourthly, it is totally anti-people because it will hit the man below the poverty line most.

Coming to the first ground, I have been supported by Shri Priya Ranjan Das Munsi who has said, "In future kindly do not do it"; If this is not justified, and if this is a measure which cannot be supported in future, and the Government is asked to desist from taking recourse to it in future, then it means that what has been done in the past is bad. In fact, the very foundation of Parliamentary democracy lies on respect to conventions. We have adopted the Westminster model and the fundamental principle in the Westminster model is that not a single paisa can be drawn by the State without the consent of Parliament and the Government will not raise resource without the sanction of the Parliament.

Let us not forget that it was on this issue that Parliament had asserted its right in the reign of King Charles and King Charles was beheaded because Parliament decided not to approve the raising of resources by King Charles. Let us also not forget that the American war of independence was fought on the principle that there would be no taxation without representation.

A very valuable point has been made by the Hon. Leader of Telugu Desam, that increase in the administered prices may be justified in war if becomes necessary because of rise in prices of these commodities in other countries. But it cannot be justified or this cannot be done as a weapon of resources collection because in that case the entire sanctity of the Budget any process is lost.

I came to know that the prices of these commodities were raised when I was in Guwahati. Suddenly on the TV I heard that the Budget session was starting on the 17th, but on the next morning it was announced that was wrong information the Parliament was however convened immediately after the administered prices was raised. Normally speaking the Budget Session always starts on the first day of the week, on a Monday. But this time the Budget Session instead of starting on a Monday Commenced on Thursday. Why is it that the TV announced that the Budget Session would start from the 17th and then why was it postponed to the 20th? Is it because that suddenly the Government realised it? (*Interruptions*)

At least follow the convention of not interrupting a maiden speech.

MR. SPEAKER : Let the maiden be a maiden!

[*Translation*]

SHRI BALKAVI BAIRAGI : Mr. Speaker, Sir, for how many years Dinesh Bhai will continue making a maiden speech ? Every time he makes a maiden speech.

[*English*]

SHRI BHAGWAT JHA AZAD : He is an old madam.

THE MINISTER OF PARLIAMENTARY AFFAIRS AND TOURISM (SHRI H. K. L. BHAGAT) : I just like to tell my Hon. Colleague one thing; not a reply.

SHRI DINESH GOSWAMI : Only half a minute; just wait.

SHRI H. K. L. BHAGAT : You are raising some points. If you are drawing an inference that it was originally decided to convene Parliament on the 17th and then it was postponed to the 20th, after raising the prices, I may tell you that no decision was taken to summon Parliament on the 17th. There is a procedure, and that news item was totally wrong and that is why it was contradicted as the original decision itself was to convene Parliament on the 20th.

PROF. MADHU DANDAVATE : Compositor's mistake.

SHRI DINESH GOSWAMI : Am I, therefore to take this as a communication gap between the Government and the TV ?

SHRI SOMNATH CHATTERJEE : Credibility gap!

SHRI DINESH GOSWAMI : I know that what has been done cannot be undone

but let us at least get this assurance from the Government that in future no resource mobilisation by raising administered prices will be done by this type of measures which makes the entire budgetary process a farce.

The second point is what are the objectives which are sought to be achieved by this increase. It has been stated in the morning that there has been increase in petroleum consumption and, therefore, it is necessary. I would have appreciated it, but this is the very ground that the Finance Minister adopted in his last year's Budget Speech also. May I refer to his Budget Speech of the last year ? He said :

"We should tighten our belts and not go the way some South American countries do. Petroleum products are heavy drain on our foreign exchange and it is a bulk item of import. It is for this that we have decided to give a signal to this country that this form of energy which we have to shift from, which we have to conserve, should not be wasted."

May I know what is the achievement in this promise that he made last year ? After all, if the Government could conserve petroleum during the last year because of his measures, they have a moral right to come to this House and say that they want further to conserve it by raising the administered prices. But if they have failed to conserve them, they have no moral right to pass on their criminal liability to the common man. Therefore, I put a question in the morning in this House whether the Government will kindly let us know how much energy was conserved because of the decisions taken during the Budget proposals, and the answer to that question did not come. In fact, we have been told that the petroleum consumption has increased by seven per cent, and the Hon. Minister for Petroleum has also told in the *Janvani* programme of the TV that today more than 30 per cent of the consumption is by the State sector. But, Sir, the Government should also be aware that their public sector undertakings do not have their own vehicles today. They hire the vehicles and do not show the petrol consumption. They only show how much money they have spent.

[Shri Dinesh Goswami]

Therefore, before passing on the buck to the common man, the Government has the responsibility to tell this country that, "Yes, on our part we did whatever we could do to conserve petroleum". That would have given some ground because next year again he will come with the same ground that look here, there has been eight per cent rise in the consumption of petroleum and, therefore, the common man must tighten his belt and we are raising the internal price of petroleum. Let us not forget that in the international community today at every petrol pump you get petrol at a cheaper rate but not in India. This is the position. I will also like to know from the Hon. Minister, as my learned friend who preceded me said, what other alternatives can one suggest to meet the situation. I would like to draw the attention of the Prime Minister that week after week, month after month, natural gas worth crores of rupees is being wasted in Assam. You have wasted crores of rupees worth natural gas in Assam by flaring it up. Why don't you use it for the purpose of giving relief to the common man. You make a criminal waste of natural resources and by another criminal actions put the liability on the people. What effort has been made by the Finance Minister, what effort has been made by the Petroleum Minister to make use of this natural gas. We in Assam have shouted for years together that kindly make use of this natural gas the precious natural wealth which can give relief to the common man of this country. But you are criminally wasting it and passing on the buck on the common man? I would like to have an assurance from the Minister concerned that he will take steps immediately to see that this energy which is being wasted with immunity in Assam is conserved...*(Interruptions)*.

SHRI PRIYA RANJAN DAS MUNSI : Will you spell out how much waste has been there?

SHRI DINESH GOSWAMI : You want to know because during the last few years you have been saying that the agitation is wrong, but the Prime Minister ultimately came to the conclusion...*(Interruptions)*.

SHRI PRIYA RANJAN DAS MUNSI : I said how much natural resources have been wasted.

SHRI DINESH GOSWAMI : After all, the Prime Minister had to agree that the agitation was correct.

The second point is that the Government has gone in for the expansion of motor car and scooter production to the extent of 60 per cent or 30 per cent. Do you think that these motor cars and scooters will run on water? After all, if you go in for expansion, people will purchase them. Do you think that the people after purchasing the motor car or the scooter, will keep it in the garage to show it to the other people that they have purchased it? Every new motor car or scooter will mean increased consumption of petrol.

I would like to know what is the policy of the Government. On the one hand you say, we want to cut down petrol consumption. On the other hand you give licences for expansion for making motor cars and scooters. What is the rational behind all these policy decision? How are you going to meet this point, we would like to know. And before we pass on the buck to the common man, we must be satisfied ourselves that we have done our best in Parliament to see that there is no other way to cut down consumption and therefore we have to take this extreme step.

Sir, you have rung the bell. I would not like to take more time except a Minister or bid. I would like to ask this for reply from the Finance Minister. You talk about raising the people above poverty line. Is it not a fact that by these imposts you are taking a substantial number of people further below the poverty line? You push people below the poverty line and then say I am going to pick you up. In this the way the Government function. There are people today who are marginally on the poverty line or above the poverty line and these people are being pushed below the poverty line by these measures. This is not the end. As it appears a very serious thing has happened. The Indian Express reported yesterday that the Railway Budget has been totally leaked out. I would like to quote from the Indian Express. This is what it says:

In what appears to be a sensational leak of the Railway Budget for 1986-87, a Calcutta-based vernacular contemporary has indicated that there would be an increase of 10-15 per cent in passenger fare and surcharge and another hike of 7-12 per cent in freight from April next.

I would like to know one thing.

SHRI BHAGWAT JHA AZAD : This could be a guess only.

SHRI DINESH GOSWAMI : It is not. This cannot be a guess only.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : Sir, if I confirm it or deny it, the budget will be leaked.

SHRI DINESH GOSWAMI : Events will show it; the budget will show it; details of the budget have been put here.

MR. SPEAKER : It happens every year. Somebody or the other says something. It is not to be taken seriously Mr. Dinesh Goswami, until and unless something is proved. It is not taken seriously.

SHRI DINESH GOSWAMI : I will put it to the Hon. Minister... (*Interruptions*). We can now easily assume that there will be further increase of freight and fare which will put common people to further disadvantage. And Mr. V. P. Singh seems to be in difficulty in his home front as we did see in Janvani programme above his wife was critical of him or add to his family difficulty. I do not want to go into it we are all in difficulty, everybody is in difficulty, so far as home front is concerned. Then, suddenly the country is informed that the prices were reduced suddenly and it was done because of the pressure of the Congress Party. Some of the anecdotest have come out on the excercise. I was asked by one : Is it that the President of the Indian National Congress Mr. Rajiv Gandhi very firmly told the Prime Minister, Mr. Rajiv Gandhi that you must reduce the price and very reluctantly the Prime Minister had to agree to the dictate of

the President of the Indian National Congress and to reduce the price ? May I ask the Prime Minister one thing ? Is it the Congress Party alone which raised is voice against this hike ? The entire country raised the voice of protest. The entire people raised their voice. At least the Government ought to have paid compliment to the common people and should have said, that it is on the pressure of the common people that Government reduced the price. I compare this happening to only one thing. An innocent person without trial is sanctioned to death by hanging. He protests and he appeals. The appellate authority gives the judgement and tell the poorman, I have heard your appeal and I reduce your sentence in this way, to this extant, that you are sentenced to death by the firing squad. This is the position now, that Government has taken. My learned friend Mr. Azad said about very hard decisions. I could see that he was in a very difficult wicket when he spoke and he had to take hard decisions. I have seen this.

SHRI SOMNATH CHATTERJEE : Now the gugli is coming !

SHRI BHAGWAT JHA AZAD : They could not put me out; I was on hard wicket.

PROF. MADHU DANDAVATE : That is why he has to talk about non-alignment !

SHRI DINESH GOSWAMI : We have been told, for a better tomorrow people must give something of today. We have been told that the people for a better future must give something of what it is today. I saw the same epitaph in Kohima on the graves of the II World War martyrs. So, the epitaph is today on the grave of even common man who from the grave are called upon to say—do not mind if we are dead because we have given our lives today for a better tomorrow. With these words I conclude.

[*Translation*]

SHRIMATI KRISHNA SAHI (Begusarai) : Mr. Speaker, Sir, due to paucity of time I would like to express my feelings in brief and would not like to repeat what the Hon. Members have said earlier.

[Shrimati Krishna Sahi]

Sir, an economic issue has been turned into a political issue and it seems that criticism has been made for the sake of criticism only. It is not bad to make criticism provided it is constructive.

Mr. Speaker, Sir, it has pained me that our veteran opposition leaders have not shown farsightedness. Shri Dandavate might not have forgotten the year of 1977 and neither have we forgotten it, when a conglomerate party came into being in the country. A number of opposition parties of the country changed their names and formed a new party called Janata Party.

I would like to remind him that at that time there was sharp increase in the inflationary trend and prices were skyrocketing. You might recollect that your wife Shrimati Promilla Dandavate and the wife of Shri George Fernandes organised a rally in protest against the price rise at that time which lasted for 2 hours. Then they submitted a memorandum to the Vice-President.

I would like to read out Indian Express of the 15th September, 1979 in this connection :

[English]

“Women’s rally against rising prices”

PROF. MADHU DANDAVATE : Sir, that establishes only freedom in our family.

THE PRIME MINISTER (SHRI RAJIV GANDHI) : How much ?

[Translation]

SHRIMATI KRISHNA SAHI : Mr. Speaker, Sir, that photograph is not available with me at the moment. If he wants, I can give it to him tomorrow. There were about 400 women including Shrimati Laila, wife of Shri George Fernandes and Shrimati Pramilla Dandavate.

[English]

“About 400 women from all over the city, holding rolling pins, empty

tins and thalis, gathered at the Boat Club this afternoon to protest against the rising prices of essential items.

They demanded immediate steps to ensure that essential goods are available at controlled prices at fair price shops.

At intervals, they beat their tins and thalis with rolling pins and shouted that prices had shot up.....during Mr. Charan Singh’s time.”

[Translation]

The second thing, I would like to point out :

[English]

“Among those who attended the rally were Mrs. Pramila Dandavate, Mrs. Kamla Chattopadhyay, Dr. Sushila Nayar and Mrs. Sarojini Mahishi.”

X X X

“The main organisations which initiated the rally were Mahila Dakshita Samiti, Indian Federation of Housewives Association, Gramin Mahila Sangh.....”

[Translation]

Similarly, in the end, I would like to say.

[English]

“The Delhi Pradesh Janata Party also joined it.”

[Translation]

SHRIMATI GEETA MUKHERJEE (Panskura) : Krishanji, you should do the same thing now.

SHRIMATI KRISHNA SAHI : Geetaji, if you organise “Bharat Bandh” and strikes, then it is beyond my comprehension how you expect the country to progress.

Sir, the opposition have raised an objection that there has been a violation of the convention due to announcement of price

hike immediately before the Budget session. This hike should have formed part of the Budget proposals. I think it is an administrative measure. This measure is intended to effect an increase in the prices and not in the taxes. Had it been a taxation proposal, it would have been brought in the Budget Session. What I want to say is that there are some basic things. The programmes and the policies of the congress party have been opposed ever since it came to power and initiated the process of planning to lead the country on the path of progress. But there are some elements in the country who have been criticising our good deeds as well. They have always opposed our programmes formulated for the welfare of the poor, since the time of former Prime Minister, Shri Jawahar Lal Nehru and Shrimati Indira Gandhi. The persons who opposed the programmes were the same who left Jan Sangh and joined Bharatiya Janata Party, or who left Swatantra Party and joined other parties such as Lok Dal and BJP. The same elements are raising such issues. There seems to be some sort of conspiracy.

We have been taking long term measures for the progress of the country. We have taken these measures to keep pace with the progress being made by other countries. The rise in prices is painful for everyone but the government resort to it when it is a must. This measure has been taken so that we may progress in the field of Science and Technology. It is a matter of pride for us that so far as progress is concerned, we are also keeping pace with the progress of other countries. We shall continue on this path till we reach our goal. The opposition always criticise our programmes and achievements. It should, therefore, be our endeavour to follow the right path.

Our Prime Minister has allocated sufficient funds for the public sector. Sometime back when discussion on the public sector took place, the opposition raised hue and cry and charged that the Congress is deviating from the path of socialism. And now when more amount has been earmarked, the opposition parties say that the amount earmarked for the public sector is on the high side. If the size of the plan is reduced, we shall neither be able to progress nor to check the price rise. We shall also have to discontinue

the programmes formulated for the poor, old age pension, pension to the freedom fighters and subsidy to the poor. The recent hike in prices is, therefore, a step in the right direction and it is a long term measure. So. I support it.

[*English*]

SHRI INDRAJIT GUPTA (Basirhat) : Mr. Speaker, Sir, this adjournment-motion is supposed to focus on the issue of the recent price rise brought about by the Government through its changes in the administered prices. Of course, this is an issue which cannot be divorced from the whole gamut of Government's economic and financial policies. I know that. But it is difficult to go into all those things on this occasion. One thing is, there is not enough time. Secondly, we have got before us forthcoming general discussion on the Budget which will be a more appropriate occasion to deal with the Government's general policies in the field of finance, industry and economy.

So, there are some other irrelevant things which have also been introduced by some people in the debate. We are not discussing Non-Alignment and anti-imperialism, here. But Mr. Bhagwat Jha Azad tried to perorate on that for a while. My young friend, Mr. Priya Ranjan Das Munsi tried to create a diversion, of course, by mentioning West Bengal and some of the alleged facts which he relied on have been publicly denied by the Chief Minister himself. But in any case, it is irrelevant in this debate. I do not want to repeat many of the things which my colleagues have already said. Firstly, no satisfactory answer has yet come from the spokesmen on that side of the House as to why it was necessary to do this trick behind the back of the Parliament. You may say that this is not a very big point but we consider it to be quite an important point. You could have done it after the Parliament assembled. You have got a huge majority here. You can pass anything you like. So, nobody is able to explain why it was necessary to do it just before Parliament session.

There were two reasons. One is that you do not have to go through the trouble of parliamentary sanction and secondly, you do not have to share any part of the proceeds

[Shri Indrajit Gupta]

with the States. That is the only reason you have done it in this particular way. There are many contradictions in the situation. We have got record food production bumper food harvest. The godowns are bursting at the seams. There is no place to keep the foodgrains. You go to Punjab. You see the foodgrains lying out in the open covered with tarpaulins. Just at this time, you have to increase the issue price of rice and wheat.

You gave Rs. 5/- increase per quintal for wheat to the farmer and the issue price of wheat has been increased by Rs. 18/-. What is the whole logic behind all this? We do not understand it. After all, it is the less affluent section of the people who rely on the public distribution system. They have to, because they cannot buy in the open market and the quality of foodgrains which are supplied in the ration shops very often and in many places I do not say in all places, is really shocking. You have increased the price very much. But you have given the farmers only Rs. 5/- extra and you are making the consumer to pay Rs. 18/- extra. So what is the logic? Please explain. It is a contradiction which I cannot understand.

Oil prices have been referred to. Your argument is that you want to cut down oil consumption. Oil prices are down everywhere throughout the world. 15 dollars per barrel of crude, for the first time in seven years. It may go down even more. Just at this time, you have put up the prices so sharply on the ground that you want to reduce the consumption of petrol.

You should reduce the consumption of oil because we are in a tight position, I know. But how do you do it by increasing prices? We are unable to understand. So many other people have posed this question too. If you are serious about consumption of petrol, then you must introduce rationing here. There should be rationing of petrol. Why not? Vayudoot is expanding its net work. It must use more fuel, I suppose, to fly its planes. All these fleets of cars are increasing. You are importing all these automobile components from outside in order to have broad band

spectrum of luxury cars now. The only thing which is not imported is the outside cover of the car. Everything else is being imported. It is so essential? For whom? Because Mr. Azad is very keen that these were transmission signals being given to the people. To which section of the people are you giving transmission signals? Those people have already tightened the belt so much, that it cannot be tightened any more. You want to give them transmission signals, all of you better get ready for more hard options. But why not a few transmission signals to the people whom you are allowing to go on squandering money on these luxuries which are not essential for the country at all?

Gas has been referred here because it is being flared and wasted in so many refineries, not only in Assam and plenty of gas is coming out from Bombay High also now which you are piping of course for fertiliser projects far away. Why don't you systematically plan to see that more and more gas is used for domestic fuel consumption so that you can save on petrol? You go to Bangladesh and see what a country like that is doing. Every house has its domestic gas pipe and how cheap it is! A family of four people can use the gas for a whole month and it would not cost them more than Rs. 25/-. Do you have a long-term plan or anything like that? You will never reduce the consumption that way. Because a number of automobiles or vans or vehicles or motorcycles and other two-wheelers or the Vayudoot airlines are being pushed up all the time. As somebody said, what are they going to operate on? On water? This is all a very contradictory position. And the savage hike which has been made in the fares, bus fares in Delhi. It is really something very savage. A 30 paise ticket is put up to 50 paise. A 40 paise ticket is put up to Re. 1 and a one rupee ticket is put up to Rs. 2. We have calculated that a commuter, an office commuter or a factory worker who has to travel by the Delhi Transport Undertaking everyday to his place of work and back, only on these increased fares, he will every month have to pay an additional Rs. 50 to Rs. 75. Who is travelling in the buses? Rich people? Where do you think they are going to get this extra Rs. 75 from? Which every month he has to pay on fares? Rs. 45 crores additionally the DTC want to net from the increased bus fares. Everybody knows that the DTC is a byword

for corruption, mismanagement and theft. Now the commuters have to pay for this. How do you expect them not to be angry ?

It has been said continually that this is a political game of the opposition. Why then so many people belonging to the ruling party and associated with the ruling party got upset ? Why ? They should not have got upset and they should have said that this is the game of the opposition and 'so we will not say anything about it.' Why Mr. Kamlapati Tripathi got upset ? He is not a member of the opposition. Why should Mr. H. K. L. Bhagat run to the Prime Minister ? He is not a Member of the opposition. Why is my young friend Mr. Kumaramangalam being quoted for what he said to the Government employees at the Both Club ? I congratulate him. He spoke the truth.

SHRI SOMNATH CHATTERJEE : Of course, we congratulate him. . (*Interruptions*). We are here to protect you. We shall all protect you.

SHRI INDRAJIT GUPTA : On this issue I do not think he will feel embarrassed. .

SHRI SOMNATH CHATTERJEE : Why should he feel embarrassed ? He is a young man with bright ideas.

SHRI INDRAJIT GUPTA : Not only individuals. I would like to quote the opinion of one organisation which is the Indian National Trade Union Congress, the INTUC. It has come out with the statement opposing the bandh which we have called saying that they are not in favour of the bandh. But this is what they said :

"At the same time, the Working Committee meeting which was held here under the presidentship of Mr. G. Ramanujam pointed out that the increase in the prices of petroleum products along with the earlier rise in the administered prices of wheat, rice fertiliser and coal would further aggravate the suffering of the working class and the middle class."

Are they members of the Opposition who are talking like this ?

"While the price hike in kerosene and cooking gas would affect almost every household, the additional revenue realised would be insignificant considering the damage it is capable of inflicting on the country."

The Committee said :

"It feared that a dearer kerosene and cooking gas would force the consumers to use more firewood force fuel resulting in indiscriminate cutting down of trees and denudation of forests. The increase in the levy on diesel and petrol would make transportation of people and goods more expensive and make a big dent in their pay packets and thereby reducing their purchasing power."

Mr. Kumaramangalam has not said anything which has not been approved of by INTUC, the organisation to which he belongs.... (*Interruptions*). You don't belong to it ? I congratulate you are for that also.

Sir, this is not the end of the matter. We know that is coming because on February 18, Mr. Bansi Lal, the Union Minister for Transport said in Calcutta :

"The present rise in coal and petroleum products would have a considerable effect on the Railways."

Speaking to reporters at the West Bengal Pradesh Congress Committee office which is the office of Mr. Priya Ranjan Das Munsi, after meeting several members, he said :

"The price rise in coal has affected the Railways by about Rs. 50 crores and the increase in price of diesel by another Rs. 30 crores."

Asked whether in this context, whether the railway budget would be a hard one for the common people. Mr. Bansi Lal said 'No comment'. So we know what we are going to be in for now....

PROF. MADHU DANDAVATE : He smiled also. That did not appear.

SHRI INDRAJIT GUPTA : These people are not members of the Opposition.

There is a report about Mrs. V.P. Singh. She is not a member of the opposition, I hope. It appears that she complained on the TV programme that her husband was taking away her second gas cylinder, to which Mr. V. P. Singh is reported to have said, "I shall take away your second cylinder and give it to some one who is poor". The newspaper reporter says, "He did not add, however, whether this privileged gharib beneficiary of his bounty would also be provided with Rs. 450 as deposit for the cylinder and Rs. 57.62 for the gas"....

AN HON. MEMBER : You are putting Mr. V.P. Singh to difficulty.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : There is a ban on the Members of the Opposition to believe reports of the press which are not correct. (*Interruptions*)

SHRI INDRAJIT GUPTA : We shall have to ask Mrs. V.P. Singh about it. Any-way, there are millions of Mrs. V. P. Singhs in this country and they are not so fortunately placed... (*Interruptions*)

PROF. MADHU DANDAVATE : This is going far beyond personal law.

SHRI INDRAJIT GUPTA : What I meant was: there are millions of Mrs. Singhs in this country who are not as fortunately placed as Mrs. V.P. Singh. (*Interruptions*).

May I point out another contradiction ? Always the Government is saying, "We have got a highcost economy in this country, it is keeping the country backward; we must try to develop and bring down the cost and have a lower cost economy". Is this the way to do it ? The hike you have made will affect agricultural inputs, transport charges, power rates' all industrial costs. This is the way you are going to get a lower-cost economy ! Or, are you taking it into a higher-cost economy than what it is already ? I do not understand this. This is full of contradictions. You do not know what you are doing and where you are going.

SHRI VISHWANATH PRATAP SINGH : I will tell you.

SHRI INDRAJIT GUPTA : Please tell us.

Somebody has already said : first you push more sections of people further down the poverty line and then say that you are going to raise them up by anti-poverty programmes.

I have said somewhere that in the name of balancing his own budget, he is unbalancing or destabilising the household budgets of millions of people. Whatever the fall-out of this is going to be as far as the people are concerned, that is your headache, but we are certainly justified in standing by the people in this attack on their living standards. I agree that there is no point in attacking these things without suggesting some alternatives because we have heard so much about hard choices, hard options and all that, but they are all reserved for the poorer sections. You have already come out with the long term fiscal policy which has closed your options as far as the richer sections are concerned-industrialists, company people and all that. You have already closed the options by declaring in your long-term fiscal policy that for the next two or three years or for the period of the Plan, direct taxes will remain frozen, they are not going to be increased. This is a new thing which has never been done before. This is forecasting of the budget for the next three or four years, giving assurance to the privileged sections that they are not going to be touched...

PROF. MADHU DANDAVATE : He has leaked out five budgets.

SHRI INDRAJIT GUPTA : Then what options are you left with ? If you are going to give more and more concessions to these people including also, I regret to say, the foreign multi-national companies, then there is no alternative left except to increase the burden on the poor people. There is another alternative. I am still taking you at your face value; you are constantly saying, "We are not going in for large scale commercial borrowing from abroad; we do not want to end up like Philippines or South America or some other place". But you are already doing commercial

borrowing. I am very apprehensive that ultimately you will be forced into that way because there is a limit to this taxation on the common man. Resources are not there in the common man's pocket. From where will the give you ? And you have already said that you are not going to tax the richer sections more. Then where will you go ? This is all I want to say. Let them think of some other hard decisions, hard option which can be taken to raise resources. Let us give a few transmission signals not only to the poor but also to the well off.

Now, about the foreign exchange reserves, Mr. Shukla said that our foreign exchange reserves are in excellent position and all that. I say that the foreign exchange reserves are being squandered. During the last two or three years and particularly during the last year they are being squandered.

What are the priority items on which 60 to 65 per cent of these import bills we have to pay ? Consumer electronics, synthetic fibres. Already our yarn manufacturers association in this country is expressing its alarm publicly that you will finish us off if you go on allowing the synthetic fibre coming in this way.

Coming to the automobile components, for whom and for whose benefit are they ? If you develop automobiles for the public transport, we are with you. Cut down on private automobiles, develop the public transport system as other advanced countries have done. You go to so many countries abroad. Don't you see what emphasis they have placed on the public transport system ? This is the way the foreign exchange reserves are being squandered. If you can take a hard decision to cut down on this, it will have you a lot of money. I would like to know during the last year how many items of machinery, capital goods you have put on the Open General Licence which were not there before ? What is going to be the fate of our machine building industries in this country on which we have spent hundreds of crores of rupees of investment on the understanding that these industries would expand further ? Hindustan Machine Tools or the Bharat Heavy Electronics or the Heavy Engineering Corporations, all these huge public sector projects are the

machine building projects of our country. What is going to happen to them and their expanding plans and all that if you are going to put import of machinery and capital goods on the Open General Licences.

The Private Sector will buy from abroad, even some public sector people also buy.

Then Sir, many economists are saying—I know that it is a controversial question. I am bringing it up again and now the Speaker gets annoyed with me—Is it high time or not that at least the affluent sections of the farmers, the rich people in the villages contribute something by way of taxation ? Please consider. Of course, it is a very political question for you. (*Interruptions*) Already some murmuring has started.

This morning in the reply to a question, a statement had been laid on the Table here that the income tax dues of one crore of rupees and above are outstanding against 119 companies. Why don't you mop them up ? Why these people are allowed to get away scot free and the poor man must pay more for his rice and wheat everything ? Please stiffen excise duty on luxury goods. Treat plantations as industries for taxation purposes. They are not at the present moment. Stop respective imports of screw driver technology. It is only an assembly work here. In all these television sets and other things, like consumer electronics, it is mostly screw driver technology, bring the parts, assemble here and pass them on as "Made in India". How much money is being wasted on this ?

Then I say that our exports are getting more and more hampered by the fact that we cannot enter those markets where protectionist barriers are being put up. Those are the countries from whom we are taking loans. We have to pay back. Why don't you think it over ? I know that the Prime Minister has said that we cannot support the idea of refusing to repay the debt. We cannot do it. It is not the thing to do which our country supports. But there should be some mechanism by which we link up our debt repayments with an access of our export to their markets. They are going to close their

[Shri Indrajit Gupta]

markets to our exports. From where will we get the foreign exchange to repay the debts to these very countries? Some struggle should be carried on. The Non-aligned countries of the Third World are fighting on these issues. We are also very prominent among them. (Interruptions)

There is roughly about Rs. 40,000/-crores black money, according to the estimate made recently in that Report. If you can unearth at least 10 per cent of that black money it will give you Rs. 4000/- crores and confiscate it totally. Then will you do it. It is a hard decision to take. This profligate public spending which is going on luxurious buildings, costly gadgets, fleets of cars, five star hotels and big parties—Government receptions and parties are given in those very hotels—is it all essential? You have not so much money and resources that you can waste money on these things and ask the poor to pay up.

Let us make the public sector work more efficiently. I am 100 per cent with you. But you cannot do it without the participation of the workers. Mr. Sathe is sitting there. He wrote a book about it. Without being able to enlist the meaningful participation of the workers—joint participation in the management of the public sector—the performance will not improve. We are all for that. But those schemes are held up. They are being held up. They are being obstructed by various people. I do not want to name them. Therefore, let that be done and the public sector will work more efficiently and give you better returns.

Lastly I would say that these prices have been raised. It is no use appealing to the Government that they should review the decision and try to reduce the prices again because, I think, the Government has gone too far and they are not going to retrace their steps now. Only this budget remains in front of us which is coming but option are closed by himself. So, let him at least consider how the vast mass of people in this country who are being made to bear more and more burdens can be given some relief if possible, and let them try to change this entire

policy which is a policy I do not know if we are sitting on a volcano and all that—which will certain de-stabilise the economy. In another year there will be serious de-stabilisation of the economy. I do not think India is going to collapse and go down the drain. I have more faith in such a big, old country as ours but at least you should go ahead. We are not going ahead because of the policies we are following. It is not a question of any party. We will have to launch a second war of Independence. The second war of economic independence will have to be fought in this country. We are coming to that. Let the Government ponder over these questions.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SJNGH): Mr. Speaker Sir, this debate on prices has led us to the debate on the economy and, I think, that is rightly so. We cannot debate prices unless we debate the economy itself. Some of the core issues that have been raised by members from this side and also from the banches opposite require very serious attention and concern. As to what would be the impact of hike in prices we were under no illusions. It was a difficult decision. It was a very very difficult decision. It was very clear that it will not be welcomed. We are elected people and want to be elected again. We have got that much of political sense that by annoying voters we do not get elected.

PROF. MADHU DANDAVATE: We are not nominated, Sir;

SHRI VISHWANATH PRATAP SINGH: And whom the voters chose, not to elect in such numbers. To them we will also give some ground to exploit to their benefit to woo some voters...

SHRI NARAYAN CHOUBEY: So the price hike.

SHRI VISHWANATH PRATAP SINGH: Yes. Because that was the only thing you could discuss here. There was nothing else you could discuss. So, we have given all these opportunities. But inspite of that do we save our own skin when the long term interest of the country is concerned? Do we care to risk our own seat if the future of the

country is concerned or are we ready and have enough love for the further of this country that even if our chair is taken we are ready to take the hard decision and go ahead ? That is a question we have to ask and that is the answer we have come to. About people and leaders who took soft options, who did not have the courage to hike up prices or take other decisions, not only decision about prices but other matters, between 1979-80, this soft option led to fall of national income by 4.7 per cent fall of industrial production by 1.4 per cent, increase of imports by 34.2 per cent and the prices, of course, as the Hon. Members have said, were rising by 21 per cent. Balance of payment position of the country was in crisis, infrastructure was in shambles, coal production was stagnant and thermal capacity utilisation had come down. When you talk of I. M. F. loans, this was the scenario that was left with this country, that it forced us to have external borrowings. That is the very scenario that we do not want to go into. As it happened in spite of all your soft options, you could not win your votes. Populism is not popular even with the people. This is one thing that we should understand; people do understand the long-term interest. It should not be forgotten that 94 per cent of the resources for development of this country has come from the people themselves. It was the sagacity of leadership of Pandit Jawaharlal Nehru and Shrimati Indira Gandhi that in spite of such a large population below the poverty-line, they could marshall the resources for the development of this country, not by soft options, but by hard work and while marshalling the resources for development it could yet maintain the ballot box and democracy which we can see around, hardly protected anywhere around. It is this trust in the people that we put, because for the future of our country, it is this faith that they have, which you don't have in the people. But you can have the courage to give that call. This party has given a call and the Congress has given a call and the people have come forward for the future development of the country and that is the trust with the people.

Sir, Shri Madhav Reddi mentioned that this Government should have resigned because it did not bring the price hike before the Parliament. There was a Government which, in August 1979, had raised the price but did

not resign. People threw it out. Those who were preaching then should not preach the same now. They should have learnt the lesson.

SHRI NARAYAN CHOUBEY : Are you imitating that ?

SHRI VISHWANATH PRATAP SINGH : There is no question of imitating. Sir, Shri Somnath Chatterjee has mentioned that "ours is the Government which delivers the goods to the people". What could it deliver in the Sixth plan period? In the Sixth Plan the estimate was this that Rs. 1874 crores will be raised from the State's own resources. What it could deliver to the people was— Rs. 28 crores, from its own resources—a negative contribution. The contribution from States' own resources and State public sector contribution which was envisaged in the Sixth Plan was Rs. 2177 crores. All that it could deliver was only Rs. 301 crores. Where did it come from ? I am not talking of Central assistance which was raised and it was much more than the Sixth Plan. Drawal from the Reserve Bank was Rs. 600 crores. I agree that kerosene is consumed by the poor. But in West Bengal, as I learnt just now from Mamata Banerjee and Priya Ranjan Das Munsi that water is consumed by the rich there and, therefore, it has been taxed...*(Interruptions)*

SHRI SOMNATH CHATTERJEE : You are being informed by ignoramuses. Things have come to such a pass.

SHRI VISHWANATH PRATAP SINGH : I will not refer to any price hike by the West Bengal Government... *(Interruptions)*. Shri Somnath Chatterjee is agitated. I respect him he is a senior Member of this House. I will not touch that angle; I will say that they did not raise the price, I concede that, but the future generations of West Bengal have paid a price and that is the price which they do not calculate in terms of development... *(Interruptions)*.

SHRI SOMNATH CHATTERJEE : What is the achievement of the first Six Five Year Plans of the Congress Government ? *(Interruptions)*.

SHRI PRIYA RANJAN DAS MUNSI :
While our Finance Minister replies, their Finance Minister ran away. (*Interruptions*).

MR. SPEAKER : Let us concentrate on the subject, no interruptions please.

SHRI VISHWANATH PRATAP SINGH :
Shri Somnath Chatterjee has asked me a question as to what this Government had done all these years. I want to answer that precisely. Today and even lately, the growth of our national income has been estimated to be 4.5 to 5 per cent. This is what we are envisaging for the 7th Plan also. Our overall revenues have gone up; tax collection has gone up by 23 per cent. We have been ruthlessly extracting money from the coffers of the tax evaders or black marketeers, big or small, the money which rightly belonged to the poor of this country. It is the performance of the Government of Shri Rajiv Gandhi. He had said that we would fight black money and we have fought against that.

SHRI SOMNATH CHATTERJEE : Who had opposed that ?

SHRI VISHWANATH PRATAP SINGH :
It was Shri Rajiv Gandhi's sole commitment that for poor people, for tribals and other weaker sections, we will do our best.

AN HON. MEMBER : There were voluntary disclosures also.

SHRI VISHWANATH PRATAP SINGH :
We will have involuntary disclosures also, not only voluntary disclosures.

PROF. MADHU DANDAVATE : You are referring to money only.

SHRI VISHWANATH PRATAP SINGH :
All sorts of things. Even political concealment we will disclose.

Today, look at the stock of foodgrains that we have. It was the determination of our Prime Minister that we would make the foodgrains available to the poor, tribals and others. Our commitment is there and we will continue with our efforts. And you talk of pro-rich and anti-poor attitude.

SHRI SOMNATH CHATTERJEE : An angry Finance Minister.

SHRI VISHWANATH PRATAP SINGH :
I am not angry. I am happy because our performance has been good, because growth in our industrial production in October and December has exceeded by 8 per cent.

SHRIMATI GEETA MUKHERJEE :
What about January to September ?

SHRI VISHWANATH PRATAP SINGH :
I am also happy because the power stations and railways have done well. I am happy, you may be angry. The thermal power performance has gone up by 16 per cent; the railway performance has gone up by 9 per cent. It is this achievement about which you asked, Mr. Chatterjee.

SHRI SOMNATH CHATTERJEE :
Please tell us : How many people are below the poverty line in India ? How many people are illiterate and half-starved ? How many people are born on the payments and how many people are staying and dying on pavements ? We want to know this, not your statistics.

20.00 hrs.

SHRI VISHWANATH PRATAP SINGH :
There are people who need more and precisely it is by their side that we stand and for their better future that we work. It is not as if we are not associating ourselves with these people. And yet, you will ask as to why in this scenario we raised the prices. Tax revenues are buoyant; the wholesale price index is in control and my life as a Finance Minister was also very happy, though you were saying that I am angry. Yet, we have chosen to take this decision.

There were two reasons which I want to share with you, without any arguments, and I want to confide in the House, and with the Members who are all concerned about the welfare of the country. There were two basic reasons. One is the balance of payments scenario and secondly for a greater thrust towards development. These were the two considerations on which we took this decision of price rise.

Now I want to share this with you. While we have managed our debt-servicing and our balance of payment in a prudent manner, it is time that we take more prudent steps so that we can continue the management that we have. IMF loans are due and payments have started from this year. Concessional flows as mentioned by Shri Bhagwat Jha Azad, are drying away. There is much pressure on commercial borrowings, which is high cost money. Oil was the main foreign exchange saver in the Sixth Plan and while there will be growth, perhaps it may not be in the same ratio and the same amount of foreign exchange may not be saved from this year. So, in this scenario we have to see not only POL, but also other bulk items like fertilizers, sugar, edible oils and other capital inputs also, which Indrajitji mentioned and in many collaborations we have to see whether we have to make an assessment as to how much is the foreign exchange saving. If there is outflow of foreign exchange on components and parts and the final net foreign exchange is marginal in some collaborations, we have to go into that also. There is no debate on these matters. We had made an analysis as to how this import bill had gone up. Many a time people have accused that the import policy is at fault. So, if there is some thing at fault it should certainly be corrected in national interest. There is no question of any ego here or any theorising. We did make an analysis of our imports in the last six months and we found that POL, fertilizer, sugar and machinery for Petroleum Ministry have constituted 80 per cent of the import rise. 20 per cent of the rise was on account of OGL items. So, that means bulk of the increase in our imports has been because of government's decisions. There has also been bunching of purchase of fertilizer during this period, because we released extra foreign exchange for purchases for the whole year and it was purchased this very year and it will taper off by the end of the year. And also, if you see the import content, about 70 per cent of it is, anyway tied up with, policies—liberal or restrictive that much you have to bring, the bulk items of imports to that level. The debate lies in only 30 per cent of it and out of that 15 per cent, if you see, half of it is genuinely needed. The whole debate boils down to 15 per cent portion which we should not be unmindful. If you are unmindful, then that can be harmful. But we are mindful and watchful. So that is

what it finally boils down to. And it had been made clear by the Prime Minister that technology is needed where critical inputs are lacking in production or for increasing the export base or in areas of agriculture—in the rural side—where we want--to make a break-through by increasing the production from productivity of various agricultural products. It further came to our notice that the POL imports which were envisaged in the Seventh Plan—in the Sixth Plan end, it was 31 per cent of our total consumption—it will rise to 38 per cent of our total consumption. In the very first year, it has crossed 40 per cent of our total consumption. So this is a point which does cause concern. We had two options, either to give a price signal or to go into rationing. Indrajitji says let us have rationing. I think many of us felt in our wisdom that rationing would cause more problem. We know the whole scenario of blackmarketing. We know the whole scenario of rationing. When it came to petrol, we have gone through that. At this stage, rather than going into drastic action of rationing, it is better to give a price signal. There are inefficiencies in the private sector. Those inefficiencies of the private sector can be due to cost of energy, which is costly in foreign exchange terms. So let it be costlier so that it can be more effectively and more efficiently used. But it is not only this price signal that we are thinking of; our Petroleum Minister has convened a meeting for Energy Conservation so that a massive drive for the Energy Conservation would be undertaken. The performance of the Railways will save our foreign exchange as most of our transport is run on diesel. That itself saves so much because diesel on the Railways is five times more efficiently used. So that would be a saving. The plan road factor has increased and this again will be our strategy for reducing the consumption of POL energy because if there is shortage of power diesel is used for generating sets at the plant site for pumping.

Then the other areas, where the farmers can give a big boost is self-reliance in the oilseeds sector and sugarcane sector for which again as we have said, the support prices have been increased. The Agriculture Ministry is geared for purchase, through NABARD, of oilseeds, and this mechanism I am sure this will help the farmer to come up.

[**Shri Vishwanath Pratap Singh]**

What we are embarking on will give us self-reliance. This is the gamut in which our problem lies. This strategy is not on the price of POL alone.

Regarding collaboration, I have already said that we will go into the details. For example, passenger cars.

Our trade with socialist countries has to be strengthened. About the scenario, I am very-very clear, because our foreign exchange outgo—free foreign exchange outgo—that is not there, and so in our balance of trade, for the amount that we import from socialist countries, that much of our exports is granted. I think in that scenario, we strengthened our ties, our trade with the socialist countries which in our Balance of Payments context becomes very-very important. There is no painless way to self-reliance. If we have to go through it, perhaps we should be ready for certain things. In Delhi, political parties have come on the streets. But economic independence is not a cheap thing. It is a costly thing.

SHRI INDRAJIT GUPTA : It has to be fought for.

SHRI VISHWANATH PRATAP SINGH : Yes, and those who have not fought for political independence are on the streets, telling us how to fight for economic independence. (*Interruptions*) We have a history of fighting and sacrifice, and of dealing with people and taking them along. (*Interruptions*)

PROF. MADHU DANDAVATE : You can look around and see how many freedom fighters are sitting around you.

SHRI VISHWANATH PRATAP SINGH : I am talking of the parties...

SHRI BASUDEB ACHARIA : Yours is a party of 17 years.

SHRI VISHWANATH PRATAP SINGH : I am proud of my party. Is there any other party in the whole world, which has such a glorious history ?

I now come to the debate. (*Interruptions*)

MR. SPEAKER : Order, please.

SHRI VISHWANATH PRATAP SINGH : Coming exactly to what Mr. Indrajit Gupta says about price level prices, if we compare price levels of kerosene and diesel....

PROF. MADHU DANDAVATE : Today you are playing to the gallery.

SHRI VISHWANATH PRATAP SINGH : The price of kerosene in India after the hike is Re. 2.25 per litre; in Pakistan it is 2.49 and in Bangladesh 3.56. It is cheapest here, among the three countries. (*Interruptions*) Diesel in India costs Rs. 3.50 a litre; in Pakistan 3.52 and in Bangladesh 3.56. (*Interruptions*)

I would make a comparison with the United Kingdom. I knew you would ask for it. I have got the 1985 prices of kerosene in the United Kingdom; but the average in 1985 was lower: 2.86 for kerosene and 5.76 for diesel. (*Interruptions*)

Let us come to real facts and see how far is the cry justified. There is a burden. I accept. But let us not amplify it to some out of the world figure. I admit there is a burden. But we have asked for the burden cautiously. I do not have to go into inflation figures. There are figures and data available.

The balance of payment scenario does not relate only to P. O. L. We are taking a whole spectrum of steps.

[*Translation*]

SHRI NARAYAN CHOUBEY : Nothing is going to click today.

SHRI INDRAJIT GUPTA : How can it click ?

[*English*]

SHRI VISHWANATH PRATAP SINGH : Here was a real challenge, viz. do we give more to public sector; do we give more to anti-poverty programmes; or do we fight shy in going that why ? Here, we have

a leadership which does not fight shy of challenges. We did decide in the past on the public sector. We did decide that we would take up anti-poverty programmes. Once having decided on them, various options we had to have.

A point was made that this measure was anti-poor and pro-rich. Let us not forget that last year, after the Budget Rs. 100 crores were allotted for the housing of SCs and STs.

It was after the budget that Rs. 200 crores were spent, allocated for expanded coverage of anti-poverty and tribal area subsidised food scheme. These are commitments of the poor; these commitments we want to continue. (*Interruptions*) There are two options. Do we go by a slower rate of growth? That would mean lesser job, lesser mobilization of resources.

SHRI K. P. UNNIKRISHNAN : What about Tatas and Birlas?

SHRI VISHWANATH PRATAP SINGH : Yes, we have dealt with them, whoever maybe. I am not taking names. Don't take names. You cannot take such names. We have to see our defence on our borders, the scenario. Their armaments across borders compel resources to be spent on them. Are we to take the risk on that account? In fact, the conclusion that we came to was that a weak India will be a costlier thing than any price rise would be. We are not ready to pay the price for our weak India. We shall make our country strong.

Of the various options that were there one point was made about long-term fiscal policy. We had said no tax hike. Therefore, our options are closed. The Hon. Member either should get up and make the point or if he does not do it, why should he grumble about that point? (*Interruptions*)

On this, now it is very clear. The overall tax buoyancy has gone up by 22 to 23 per cent and the personal tax buoyancy is much higher about which you were saying that personal tax would come down. There buoy-

ancy is much higher. So, we have not given it up; we have taken it up. You have seen during this period, one year, be it a rich man or be it any one, powerful or whatever he may be, he has not been exempted from the clutches of the law once we have seen that he has taken the share of the poor. We shall not exempt any one. The other was the borrowings group. The foreign borrowing was not open to us: internal borrowing now is about 20 per cent and the total expenditure is committed to past borrowings. There is some leeway but not much. So far as deficit is concerned, for that also people have to pay, but the quantum—of deficit that Prof. Madhu Dandavate was saying was increasing, I think, that deficit is not what it was last year and what you now compare, it has to bear a ratio with GDP. If your GDP is increasing, you can have larger deficit without its being inflationary. The other window was of mobilization from public sector. So, it is on all. We have mobilized on tax; we have mobilized on borrowings, foreign borrowings we do not want to tap. That is how this decision came about.

Now, if you mobilize by deficit, how far is it equitable, because by public sector mechanism that person who is using commodities or using services, he pays by the deficit route or the tax route and the person who is not using that commodity, even he has to pay. The equity is there that those who are using the services, they should pay.

Now the coal losses were Rs. 1 crore per day and for two-years, there was no price increase. About fertilizers by bringing down their prices, there has been a little respite. But if you take the prices of 1981 for 4½ years, there is hardly any price rise. When the wholesale price index has gone up, the procurement price has been increased so that the farmer is helped. There is still subsidy on petroleum products. LPG carries Rs. 13 subsidy. Do you think that the Government and the country should give a gift of Rs. 13 per cylinder? Subsidy on kerosene is understandable because it is meant for the poor. So far as subsidies are concerned, now on food and fertiliser, this year it has gone up to Rs. 3700 crores.

SHRI INDRAJIT GUPTA : How much on food and how much on fertiliser?

SHRI VISHWANATH PRATAP SINGH : On food Rs. 1650 crores and on fertiliser Rs. 2050 crores. Total subsidies have crossed Rs. 4000 crores. What is really before us ? Subsidies in certain areas are necessary. For the poorer sections we have to give subsidy because the trickle down effect is not there. The system is not delivering the poor the necessary resource. So through our programmes, by subsidies we will deliver the resources to them. That is necessary. We cannot totally write off. But the question has come and I will appeal to the opposition also that we should have a debate on this. Now the poser has come. It is subsidy versus investment. They are becoming so large that we have to choose between more investment and more subsidy. This is our dilemma here. Though income-tax buoyancy is there, it does not help the Central Budget in reducing the subsidy because 85 per cent of it goes to the States. By better implementation and buoyancy certainly there has been growth and there will continue to be growth. We will not come down. Basically what the Prime Minister had posed was how do we cut this high cost economy. And here we have to go into the whole gamut of areas—demand, supply, distribution, obsolescence of technology, size of units, inefficiency in various areas and various other things. In import substitution, sometimes more foreign exchange goes away taking profit of our own market. We have to go into that. Four elements like tax, administered prices, deficit and money supply which is in Government control, the whole gamut we have to tackle and we are going into all these areas so that we can come with a long term policy on prices.

Regarding curbing expenditure and ostentatious expenditure of five-star hotels and all that, we are considering austerity measures. We will be coming with a package of austerity measures.

SHRI INDRAJIT GUPTA : In your Budget ?

SHRI VISHWANATH PRATAP SINGH : Maybe before Budget or during Budget. We will be scrutinising various non-plan expenditures very scrupulously and wherever there is need be will be pruning those.

Regarding the policy on administered prices, a statement has been made in the Presidential Address. Here what we are aiming at is that certain norms of efficiency in the public sector should be fixed. And inefficiency of public sector should not be transmitted as prices to the people. Within the norms, we have to take into consideration the price of materials where there is a real rise in cost of inputs like fertiliser. Between 1982 and 1985 the cost of sulphur has gone up by Rs. 500 per tonne. These are costs which are not on account of any inefficiency. These costs we will have to adjust. Otherwise, there will be subsidy which we will not be able to control. These are areas where the question is whether we can have the option of keeping prices stable for some time or short intervals or periods of adjustment when burdens do not come in one go.

Here I must say that when we ask for stabilisation of the prices of public sector, while I am very clear that people should not pay for inefficiency, but at the same time, let it not be forgotten, that if we depress even the real inputs at the cost of public sector it is the private sector that will be subsidised by the public sector.

SHRI INDRAJIT GUPTA : It is being doing even now.

SHRI VISHWANATH PRATAP SINGH : And while we keep the prices down, of the public sector, by administrative action, the private sector will be mopping up its profits; the losses of public sector will be reflected as profits of the private sector which they do not transmit to the consumer and we will have to find a way whether these benefits are transmitted to the consumers and not mopped away by the private sector.

Otherwise, what will happen ? If we freeze it up at one point of time, over a period of time public sector will be wound up. We cannot allow this to happen. So, we will have to take a balanced approach of pricing of the commodities of the public sector allow it the real rises of costs inefficiencies need not be transmitted and by a mechanism we may have a short duration adjustment, or long term adjustment, we may have to go in for a policy where under this

exercise we can with some sort of formulation decide when and to what extent can administered prices will be raised.

Now, a point has been made that by raising the administered prices we are fuelling inflation. Some impact is there. We understand that about about 7 per cent will be the direct impact of the total rise that has been made on the wholesale price index. Some studies have been made; that while overall inflation in 1984-84 was 7.1 per cent the impact of administered prices on it was 1.2 and of non-administered prices it was 5.8 per cent—that is the difference. So, let us not always accuse the public sector and make it a beating boy or flogging boy and say that you keep down while private sector can go and make as much money as it likes.

So, here in the core sector the exercise is being made. Coal, power, steel, and also the overhead costs of the Food Corporation, and on freight, these are the areas where the Prime Minister is making an exercise where we are doing them, and a cyclic thing happens. This exercise is being made now, may be we will issue some guidelines on how this should be done.

PROF. MADHU DANDAVATE : Now come to the prices.

SHRI VISHWANATH PRATAP SINGH : I have come to the prices. The point is that either we continue with losses and subsidies, go on cutting our plans, or we take away out of this and see, plough it back to growth and our future and our commitment is to the future and it is with this courage that we have undertaken and also with the confidence of the people that we have taken the positive step of mobilising resources for more growth and greater development.

MR. SPEAKER : Shri V. Kishore Chandra S. Deo.

SHRI V. KISHORE CHANDRA S. DEO (Parvathipuram) : Mr. Speaker, Sir, as I rise to speak on this Motion, though it was mentioned earlier by many other colleagues from

this side, I must also express my resentment to the way this price rise has been resorted to by the Government on the eve of the Budget.

There was hardly three weeks time left before the Budget was to come and this Government chose to bring it up by raising the administered prices.

(*Interruptions*)

SHRI SOMNATH CHATTERJEE : Let there be silence.

PROF. MADHU DANDAVATE : Give them some time to go; the Prime Minister has left.

SHRI INDRAJIT GUPTA : It is an exodus.

MR. SPEAKER : Hon. Members, those who want to leave can leave quietly. I do not like this. (*Interruptions*)

I do not like this. Please go silently. Please do not stand in the aisles and talk.

PROF. MADHU DANDAVATE : They are following their Prime Minister.

MR. SPEAKER : Move on, or take your seats.

SHRI INDRAJIT GUPTA : Please go and order some coffee for us.

SHRI V. KISHORE CHANDRA S. DEO : The Finance Minister while intervening himself said that it was a hard decision that they had to take. He said that though he knew that this would not be liked, yet they had to take this decision.

Sir, we have heard these slogans.

MR. SPEAKER : Please do not have conference in the aisles. Move on.

SHRI V. KISHORE CHANDRA S. DEO : For the last six years, we have heard this slogan of "1977 and 1980."

[**Shri V. Kishore Chandra S. Deo**]

This Government has been ruling for the last Five or Six years now and it is not as a result of what had happened in 1977-80, but it is the result of the misguided policies of this Government that has forced them today to administer this prie rise to effect the common man rather adversely.

20.31 hrs.

[**SHRI SHARAD DIGHE** *in the Chair*]

Today, the prices of petroleum have been increased when their prices in the international market are crashing. This has been mentioned by several other speakers before me. Today it has come down almost to \$14 or \$15 per barrel from \$34 per barrel. The Finance Minister has said that this measure has been taken to control the consumption of petroleum products. I do not think there is any single instance where the consumption has been curbed as a result of hike in prices. If the petroleum has to be conserved or its consumption has to be reduced, then what is the necessity to give licences for production of thousands of cars and limousines that are being sought to be brought into the market? Likewise, the price of gas has also been increased when gas is being flared not only in Assam but also in the Bombay High. The prices of foodgrains have been increased when the agrarian sector has been really going through a recession. In fact, the prices of almost all the agricultural products have crashed and probably in the agrarian sector we have one of the worst recessions of recent times. Now, by decreasing the prices by Rs.5, the Government thinks that they have done a great favour to them. The Finance Minister also went on to say, "we do not want to indulge in populist measures."

I am glad that a party, whose Members are sitting on the other side, who are product of populism, at least realised the dangers that populism can portend in the future.

Several Members on the other side have said that the Opposition parties have got together, they have found an opportunity to say something against the Government. Certainly, we did get together on an issue. If the Opposition parties are united, it will certainly be on an economic programme. We

do not believe in the concept of Kingship and we do not have a king. We do not believe in being commanded. So, certainly on issues like this, when there is an affront to Parliament, when there is an assault on the people, we will unite.

A call for sacrifice has been made. Sacrifice by whom? We have been asked to tighten our belts. Whose belts are to be tightened? Everytime it is only the poorest of the poorer section of the people, it is either the tribals or the Scheduled Castes or the Backward communities or the poorest of the poor section who have always been the victims of this type of tightening. What has this Government been doing during the last one or two years? You talk of tightening of belts the one side, on the poor man has to bear the brunt of the whole thing, and on the other side, the Prime Minister goes out shopping electronic consumer goods items and automobile components. It was also reported in one of the papers that when the Prime Minister had gone to Muscat, while coming back he paid a customs duty of Rs. 24,000 for the imported goods that he brought. We are glad that he paid the customs duty, but what I am trying to stress is the ethos of this Government and the culture that these people posses. Mahatma Gandhi gave the call of 'Swadeshi', Pandit Nehru said 'Buy Indian', and today our Prime Minister says, 'Reject Indian', by foreign. This is the ethos with which this Government is functioning today. Unless this concept changes, our economy will not improve. Because of the concessions that were given to the big business houses, you have already lost about a thousand crores of rupees. You talk of curbing black money. We are not convinced by the raids that have been conducted till today. People are being hand picked and selected to be harassed. If raids are to be conducted on the actual people who are holding black money, then where will the funds for the centenary celebrations at Bombay come from? How many crores of rupees were spent there? Does the Prime Minister have any idea?

This is the ethos of the present government. This is how they are functioning. We have seen the statements of people like Patodia and Kirloskar who have demanded the complete removal of FERA and COFE-

POSA. They want this to be done away with. So, I would like to know the reasons which emboldened these people to even make such a demand. There are several hidden things which underlie such types of statements which are made by people from these quarters. When I think of this Government I am reminded of an advertisement that we saw in some newspapers. It has appeared in the Statesman and some other newspapers, which says, 'The only thing Indian about us is our name; the rest is all Sony !' This Advertisement reminds me of the Government and the ways and means by which they have been acting. You have to pay the IMF loans this year. You have no money. You will get your money but they will charge you commercial rate and you have to go to them with bended knees and mortgage the interest of the country to either these IMF and other international monetary institutions. Several Members said that inflation rate is only 4 9 per cent. This is at the wholesale level. I don't know what is the inflation rate at the retail level. They have been able to achieve this low figure because of the deflation that has been taken place vis-a-vis the agricultural products. It has been at the expense of the rural masses and agrarian community, the kisans and those who toil in the villages.

So, Sir, I hope that at least now this Government will learn from these mistakes which have been committed in the last one year and before that also and make amends, accept facts and be realistic in changing the entire attitude and concept which they have been following so far. Otherwise, I am afraid, if not now, but soon, a time will come when they will have to face hard and difficult days. Whatever happens to this Government and the Opposition is immaterial. Some one has to come to power. But the country and its economy will suffer. Once we get into the rut, will be very difficult to get out of it. The Finance Minister is waxing eloquent. Many of the things he said today appear to me like *sloras* which are oft-repeated. This is not what we are interested in. We want the Prime Minister to reply ultimately, but I hope he will come out with proper steps and tell us whether his Government is prepared to change the attitude that they have taken so far and strengthen our economy and see that this kind of inflation is not brought about to affect the poorer

sections in future. With these words, Sir I conclude. Thank you.

[Translation]

SHRI SHYAM LAL YADAV (Varanasi): Mr. Chairman, Sir, I congratulate the Hon. Finance Minister for his analysis of the economic situation on the Motion regarding the price rise and also for the way he made realistic appraisal of the challenges before the country which necessitated the price rise.

In fact it is not a matter of happiness for any Government to increase the prices but keeping in view the challenges we have been facing and our economic position, I think every one will agree that this price rise is correct. Shri Dinesh Goswami has said that in England or America there have been uprisings on the issue of imposition of taxes without the consent of Parliament. I think now the position of Government is quite different. Presently, the task of the Government is not limited to imposition of taxes, it runs many core industries and trades, and also distributes commodities. The Government can, therefore, increase or decrease the prices of certain commodities which it produces, purchases, sells or distributes according to the cost of production and demand and it need not form part of the Budget proposals. It does not involve any question of ethics. I think it is the responsibility of the Government which it has been fulfilling for years together, particularly in the matter of those products which are totally under the control of the Government, like coal, fertilizers, petroleum products and the distribution of foodgrains procured by it. The income accruing as a result of their price rise will directly come to the Government and the money so earned can be utilised for social welfare, development of the country and the industries. The price rise in the petroleum products alone will fetch about Rs. 530 crores more every year. The twin purposes mentioned by the Government for increasing the prices of the petroleum products, which have been explained in detail by the Hon. Finance Minister also are, to my mind, quite satisfactory. If the prices are increased its consumption will come down and we will be saving foreign exchange which we have to pay to the foreign countries. Last time, when the prices of the petroleum products were increased in 1979, there was significant

[Shri Shyam Lal Yadav]

decrease in their consumption and I hope that the price rise this time will bring the consumption of those products further down. I would like to point out, to which the Hon. Finance Minister also referred in his statement, that the consumption of petroleum by all the Government Departments or the undertakings is increasing indiscriminately. The Government will have to keep an eye on it. All efforts should be made to check its consumption and misuse. When you have increased the procurement price by Re. 5 to give fair price to the farmers and you have increased the selling price to consumers by Rs. 18, then it is necessary to streamline the working of the Food Corporation of India and to check their wasteful expenditure. The distribution system is so much affected by the Food Corporation of India that maximum amount is being spent on it. This is the reason that though the farmers are being paid Rs. 5 extra, the consumers will have to pay Rs. 18 for that. The Government will have to look into it. Power generation will have to be increased to achieve reduction in the consumption of petroleum products. Presently, the generation of power is in the hands of State Governments and I have no hesitation in saying that the functioning of the state electricity Boards is highly unsatisfactory. This is the reason that the consumption of diesel in the country is increasing very much. For cultivation, transport and all the big, medium and small industries, so much so, the small shopkeeper also have to keep diesel generating sets because they do not get adequate power. The Hon. Finance Minister has said that power generation capacity has increased, which is commendable but we have not to stop at that. If adequate power is generated and the target fixed in the Seventh Five Year Plan is achieved, I am confident that consumption of diesel will come down. If power is not generated adequately, then your effort to bring down consumption of diesel will not succeed to the desired extent.

Another thing I want to say is that we should keep a strict vigil on the functioning of the Public Sector Undertakings. Presently, the majority of these undertakings are lagging behind, be it performance, capacity

utilisation or generation of income. Transport units are notorious in this respect.

The Delhi Transport Corporation also recently increased the passenger fares. I have seen the figures. Productivity has increased in every field in Delhi Transport Corporation, whether you take it passenger-wise or vehicle-wise or in the matter of maintenance. But on the other hand, all the state Road Transport Corporations have been working unsatisfactorily. We shall have to gear up the State Road Transport Corporations further and bring down their losses. If they do not earn profit, they should at least run at break even point and should be able to purchase vehicles and maintain the old vehicles. Only then there can be some saving.

I want to submit one more thing. Many of our friends on this side have said that INTUC has condemned this price hike. They have mentioned one name also but they perhaps forget that the trade union leaders have to placate the people who work in the organised sector, whether in an industry, factory, public undertaking or Government office, so that they remain members of their unions. But when they come to power, then only they realise how difficult it is to mobilise resources. Today, in West Bengal and in some other states also non-Congress Governments are in power. They have gained good experience as to how Governments are run and how salaries to the employees are paid. Therefore, all efforts should not be directed to placate the organised sector only.

A mention has been made here of the farmers and one of our Hon. Members has said that for those people whose pay is Rs. 1000 provision of bonus and other facilities is made but in the case of farmers we think on other lines. We talk of imposing taxes on them, who toil hard round the clock, in scorching sun as well as in the rain. The facilities which an ordinary bank clerk enjoys today are not available even to the biggest farmer of any village. He has no gas cylinder and articles of luxury because he has no union to fight for his rights or stage daily demonstrations at the Boat Club and pressurise the Government. When the prices rise, demand is made for payment of D.A. to the organised sector. According to

an estimate, the Government has to pay Rs. 70 crores every year as D A. instalments. On the other hand if the farmer gets even Rs. 5 more, our friends start suggesting imposition of taxes on him, which is totally unfair. I think Government is fully aware of this and that is why it has not levied taxes on the farmers, though in another way rates for supply of canal water, tubewells and electricity are being increased. The price of the fertilisers and agricultural implements are increasing and in that way our farmers are paying more than what they were paying earlier. But there is no proportionate increase at any time, objections are raised time and again.

Sir, I do not want to take more time. I just want to say that in those sectors which are fully controlled by the Government, you can set the things right by increasing the prices but in those sectors which are controlled both by the Government and the private sector, the price rise results in more profits to the private sector. For example, by increasing the prices of steel, the Government will only make up its losses whereas the private sector will be benefited without any effort on its part. The Hon. Finance Minister also referred to this aspect and I am hopeful that he will keep this thing in mind. In the case of the industries on which both Government as well as private sector have control, price hike by the Government brings windfall for the private sector. You should keep this thing in view so that the Government may benefit.

With these words I want to thank the Hon. Prime Minister for his right and courageous decisions on this occasion to tone up the economy of the country, and to mobilise resources for the Seventh Five Year Plan.

An regards anti poverty programmes and distribution of cheap foodgrains to the people living below the poverty line, I would talk in greater detail about them on some other occasion. I want to emphasize at the moment that more allocations should be made for the all round development of villages whether it is in respect of power or any other thing.

I would like to submit to the Government that they should particularly ask the non-Congress ruled states to utilise their funds fruitfully. A watch should be kept on West Bengal and other States to ensure that the funds are not misused.

With these words I oppose this Adjournment Motion.

[English]

SHRI ANANDA GAJAPATHI RAJU (Bobbili) : Sir, I would like to touch a few aspects relating to the increase in administered prices of petroleum products. It is not my intention to outright criticise the Government nor to support them but to bring before them certain aspects which they might consider useful at this stage because I have the feeling that some more thought should have gone into increasing these administered prices. Some more homework should have been done in the sense that when the fiscal policy demands that direct taxes are going to be frozen for five years, then it tantamounts to an increase in indirect taxation for the next five years and if indirect taxation is increased, that means the poorer sections of the people are affected and, therefore, there is a need to understand the perspective in which revenues are raised, revenues are expended and the manner in which it affects different segments of society. Internationally, the petroleum products have crashed. Today the price is less than 15 dollars a barrel and there is a chance that it will be further reduced because of the trouble that is going on in the OPEC countries and when one wants to remain receptive to international prices, when one speaks about high cost economy in the country, increase in administered prices of petroleum products will definitely make our economy high price and out of tune with international economic condition. One aspect of it is that if administered prices are raised, then more revenues are mopped up to increase the plan outlay. But on one side, while the plan outlay has increased, on the other side, it is reduced because the factor prices of the plan outlay have gone up. Petroleum products is also factor price. Hon. Finance Minister some time back mentioned that there was a choice between investment and subsidy and also between rural and urban dichotomies. I feel that this increase in prices has not been

[Shri Ananda Gajapathi Raju]:

well-conceived and requires a greater introspection and a greater examination. Today the rationale is not very convincing. The Finance Minister at no point has mentioned except saying that outlay should be increased, that there is a justification for increase in petroleum products. I see another justification, namely, an increase in exploration in view of the fact that the cost of rigs exploration has come down and our petroleum reserves would last from 15 to 17 years to 30 years. So this rationale has not been given consideration. And the increase in the administered prices is your defeat of the notion of public finance and the public sector. The public sector is there to ensure distributive justice, to see that more funds and more gains go to the weaker sections of the people. But by this measure not only the weaker sections but also the middle classes have been very badly affected.

Then, again, shadow pricing is something on which the administered prices are based to see that the *laissezfaire* policy does not affect the poor and the weaker section of the public. But the philosophy of the public sector is not being utilised properly. The very aim of the public sector is defeated. There is a free play of the market forces and a free flow of the gains of the rich as against the miseries of the have-nots. For coal, steel and fertilisers there is no rationale to increase their prices. I would not like to go into details because anyway it would be coming up for further discussion during the session. But, just to mention one point and I would close up—namely, the increase in fertiliser and food prices. It looks as a very good package to increase the food prices on the one side and also to increase the fertiliser prices on the other. But the increase in fertiliser prices has a greater ramification and an all-round effect on the agro-industrial economy. The increase in food prices does not settle the rural-urban dichotomy. Therefore, as everybody has had a gruelling day, I would not like to proceed with these points but I would only like to say that ad-hocism is the order of the day. The Government could have as well consulted the opposition. They could have as well taken different sections of the people into confidence and decided on some measure and when it has not done so, the effects will have a long-term ramification. To-day it may seem a very

silly issue but in the days to come this will show up a lot of new blunders or new white elephants that will be created by the Government.

SHRI P. R. KUMARAMANGALAM

(Salem) : I have been quoted from newspapers literally. I find that both the right and the left are missing. However, what surprises me is the amount of credence they have started giving to the veracity of newspaper reports. It is a pleasure to see that they believe everything that they read in the newspapers.

It is true that the price rise does hurt the middle class people and has hurt the middle class people. But the question that arises is different. The question is not whether it hurts or does not hurt. It is uniformly agreed in this House that the price rise hurts the people. One cannot say that a price rise does not hurt. But it is a question of sacrifice. The question that arises is whether the object for which the sacrifice is being sought is justified or not justified. I would have expected the opposition to plead with the Government because they claim to stand by the down-trodden, they claim that they are the representatives of the down-trodden and we are the representatives of somebody else. I do not know—maybe that the majority of this country is well above the definition of down-

21.00 hrs.

trodden. Mr. Chairman, the question is this. When the whole exercise is for anti-poverty programmes, for the upliftment of the down-trodden, they should welcome rather than oppose unless, of course, their intentions are that the down-trodden should remain down-trodden so that they have something to talk about. If that is their intention, then it is fine.

Mr. Indrajit Gupta, when he was here, spoke of war of economic independence. I do not know if he believes that the war can be carried out by means of Government-sponsored bandhs. If they think that that is the way the war is going to be conducted, then I am not surprised because that is the way they have been running their economy. Undoubtedly it is true that the war of economic independence is in full form, that is,

to wipe out the tear from every eye, especially of the poor, is possible only by more productivity and more progress and not by Government-sponsored bandhs. One does understand if they protest against price rise. But one is not able to understand when they have more bandhs and create more economic losses rather than contribute effectively in any form. As for the question whether people die on pavements, I am sure—I can go on record to say this—that more people die on the pavements in Calcutta than anywhere else in the country. When that can happen in Calcutta under there ervalutionary left Government, one is a little surprised. Even more surprising is that those who did not participate in the freedom struggle in 1942, who suddenly ran away and did not stick on, are now talking of economic independence. (*Interruptions*) Mr. Chairman, the question that arises is this. Does the Opposition want us to proceed and have progress in this country ? Do they want development or do they want this country to stagnate and go backwards ? When they levied taxes in 1978-79, I suppose the prices reduced then and that is why they are talking today in terms of price-rise ! What above the above 20 per cent inflation that was there when they ruled in their rather inflation that was there when they ruled in their rather heterogeneous from which existed ? The short question that arises is this. It is surprising to note that the Opposition criticises without even realising the impact or the seriousness of the reply which the Finance Minister has given to this house. In fact, I heard my friend, Mr. Kishore Chandra S. Deo speak immediately after the Finance Minister spoke. I think, he missed the fact that the Finance Minister has very categorically stated that we are taking steps to curtail consumption and Energy Conservation Conference is being called. He also missed the fact that Finance Minister stated that one car project had been stopped. I am surprised to note that the Opposition becomes deaf when it is inconvenient to them and suddenly becomes very sharp in hearing when it is convenient to them. Adopting this sort of double standards is the reason because of which they are in such small numbers here, nothing else.

One thing I would, however, like to submit humbly is this. I can understand if those in the Opposition criticise with certain credibilities behind them. In fact, Prof.

Dandavate Saheb himself was in Government, and if one looks at his Budget one will find that borrowings...

PROF. MADHU DANDAVATE : Do you mean the Railway Budget ?

SHRI P. R. KUMARAMANGALAM : Both. 'Borrowings' was their main plank. They never thought of incomes or revenues. They never thought of any other method except taking money and begging. If at all the IMF loan was required, even according to the Finance Minister's words, it is because of the legacy they left for the Congress party.

Mr. Chairman Sir, if I may submit very frankly, the situation is that the price rise is heavy, it has hurt the middle class undoubtedly. I am sure, the middle class in this country would bear it, but that does not mean that this should be used as an excuse for economic chaos, this should be used as an excuse to destabilise the country.

They talk of price rise. I would like to know how many Members of the Opposition are willing to criticise their colleagues who fan communalism day in and day out. Why is it that they are not taking up that cause ? Why is it that they are not talking of the unity of this country ? Why are they sitting with those friends, making common cause with those who are openly fanning the communalism, openly fanning the division of this country ? Why is it that they are not talking of them ? Why is it that only a small price rise is becoming a major issue ? There are the main questions.

(*Interruptions*)

Mr. Chairman Sir, the question that arises is whether this adjournment motion in a form of censure is justified. Undoubtedly this is not justified, unless the intention of the opposition is to say that it is wrong for the Government to think of providing money for anti poverty programmes. Of course, if they feel it so, then let them say it so, so that let it go on record for them to say that they want the down-trodden to become more so and not to get any upliftment.

[Shri P. R. Kumaramangalam]

I would like to say that even among the middle class there is that portion of the middle class which will find it difficult to bear the price rise. There are, in fact, many Government servants, for example those who are in West Bengal, who are struggling and finding it difficult. Similarly there is also a problem with Central Government servants. Their Pay Commission Report has been waiting for a long time. I would like to take this opportunity to ask the Finance Minister to use his best offices—because he is not here, I think I will have to ask Mr. Buta Singh to use his best offices to see that the Report comes early, so that there is immediately some financial benefit, for the Central Government servants who would be then able to bear this price rise and the increase in the fares of the DTC.

Lastly, while concluding, I would like to say one thing about the bus fares in Bombay. Professor Saab would know it. In the BEST—the transport system in Bombay which is the counterpart of the DTC in Delhi—in so far as the lead kilometre goes, it is higher. He knows it very well; but that is what he does not speak about.

[Translation]

*SHRI PALAS BARMAN (Balurghat) : Mr. Chairman, Sir, I want to speak in Bengali. Sir, I support the adjournment motion moved by Prof. Madhu Dandavate and I want to make some points for the consideration of the Government. On account of the liberal import policy of the Government and as a result of IMF loan we are in need of crores of rupees today. There has developed an economic crisis in the country as a result of these wrong policies. The root cause of this crisis is the wrong economic policy of the Central Government.

During the last Budget session and also time and again we have protested against this wrong economic policy, which is anti-poor and pro-rich. That is why they have adopted such a policy to the great disadvantage to the common people. Had the Government paid any heed to our protests and

warnings, there would not have been any such price hike. It is no exaggeration to say that there has been a price rise in all essential commodities. The increase in the administered prices of wheat, rice and petroleum products is a burden on the people. As stated by the Government, rise in prices of these commodities was necessitated to curb the consumption of petroleum products. The Government always speak of greater thrust for development. But is it the way to take recourse to resource mobilization? As a result of increase in the prices of petroleum products, prices of all other essential commodities have gone up. Transport has been more costly. In short we can say that the Government is functioning arbitrarily. This Government is committed to safeguard the interest of the rich and multi-nationals. The country as a whole has protested against such price hike. It was an unprecedent event in the history of Parliament that in order to express their resentment against price rise almost all the opposition parties boycotted the joint session of Parliament addressed by the President of India on 20th of this month. If this Government is at all sympathetic towards the common man, this price rise should be withdrawn immediately.

Lastly, I want to caution the development that they should refrain from such anti-people policy. They should try not to penalise the poor and spare the rich. The Government should withdraw the price rise with immediate effect to give some relief to the poor. In case the Government failed to bring the prices down, the people all over the country will start agitation. Because the people have no purchasing power to meet their needs. To avoid such a situation the Government should come forward to bring down the prices of essential commodities.

SHRI RAM PYARE PANIKA (Roberts-ganj) : Mr. Chairman, Sir, views have been expressed by Hon. Members from both the sides of the House—whether they belong to the opposition or the ruling party—and the Hon. Finance Minister has intervened in the debate on behalf of Government.

Sir, Prof. Madhu Dandavate while initiating debate on the adjournment motion, discussed about the country's economy at length besides price hike and levelled several

*The speech was originally delivered in Bengali.

charges against government. I do not want to enter the jugglery of statistics but I would like to remind him of the days when his party was in power in 1977. You may recall that during the 2.5 years of their regime, maladministration resulted in tremendous decline in agricultural and industrial production. The industrial growth rate which was 10 per cent during the Congress rule fell steeply to minus 0.14 per cent due to their inefficiency. I would also like to remind the House that their Government had raised petrol prices twice in a bid to curb petrol consumption—once in 1973 and then again in 1979. But the price hike in 1979, which Shri Dandavate might be remembering, resulted in long queues for petrol and kerosene. Just now he pointed out to the reaction of Mrs. V. P. Singh, wife of Hon. Finance Minister to the recent hike in prices but he forgets his own reaction. He forgets about his shortcomings. Our late Prime Minister had said that she would provide a government that works and since 1980 we have never looked back and have made tremendous progress in every field whether it is transport, railways, Iron and Steel, Cement, Power and Coal. We have increased production in the core sector. Not only this, there has been record foodgrain production of 15 crore tonnes in the country and all of us are aware of the storage problem that was created as a result thereof. The credit of increased production whether in agriculture or industrial sector goes to us. Even in developed countries inflation has not declined below 20 per cent, whereas as we have contained it at 4.9 per cent.

So far as price rise is concerned, Hon. Prime Minister and the Hon. Finance Minister have stated that their sympathies are with the people of the country but this difficult decision had to be taken keeping in view the interest of the poor. I would like to remind the people of the country, through the House, that whenever the need has arisen, it has been the Congress Party which had always taken such difficult decisions in the larger interest of the country.

But it seems that the Hon. Members sitting on the other side of the House do not want us to take good decisions in the country's interest. The members of opposition while speaking on the Budget last year had

repeatedly demanded from the Planning Commission to allocate more funds for the construction of roads and improvement in the Railways. I would like to ask them now as to wherefrom will the money come?

Even in the present economic crisis, we have not taken any loan from any international financial institutions and we have also stopped taking loans from the IMF. This speaks volumes for the success of our Government, the leadership and our economic policy. Today our foreign exchange reserves stand at Rs. 6000 crores. This has never happened before.

The opposition is threatening the Government with nationwide agitation on this issue. While increasing the prices of petroleum products we had clarified that we wanted to bring down the consumption of petrol by 1.25 per cent. The Government have also taken many steps to reduce this consumption, both in the industrial as well as agricultural sectors. You must have observed how media is being used to propagate reduction in consumption of petrol.

As regards subsidy, we gave it to the tune of Rs. 700 crores in 1981 and now we are giving subsidy of Rs. 1600 crores. Not only this, we are granting subsidy on food items as well, which are being imported. We are giving a subsidy of 71 paisa per litre on Kerosene and Rs. 13 on each LPG cylinder.

This is the right picture of our country today. We have resolved to strengthen the country's economy and make it self-reliant. We shall have to take certain difficult decisions to achieve this end. Needless to say, it would mean some hardship to the people but we are sure that the people are prepared to bear it in the larger interest of the country.

It is true that the Public Distribution System in the country is not functioning properly. I would like to submit that the State Governments are not lifting the entire stocks allocated by the Centre.

You would be surprised to know that today power generation is lowest in West

[Shri Ram Pyare Panika]

Bengal. There is need to increase production in every sphere and only this would help in accelerating the pace of development in the country.

I would like to tell Shri Dandavate that we have not deviated from our path but he must see his own image. I thank the Government for taking effective steps in this regard.

The opposition parties believe that they can make a common cause of this issue. But we saw this very morning that they had parted ways on this very issue. They cannot unite because they have different ideologies and different paths. If they want to start an agitation let them try. We are providing cheap wheat to the tribals and rice at Rs. 1.85 per Kg. I demand that additional revenue proposed to be realised from price hike should be invested in poverty alleviation programmes and the target of 10 million should be further increased. New technology should be introduced in agriculture, rice research and more such programmes should be formulated so that we are able to increase our production and the people are able to realise the importance of the price hike. Dandavateji, I would like to remind you that every commodity is in abundance now whether it is oil, fertilizers etc. and there is no scarcity, whereas during two and half years of your rule which received Shri Choubey's support also, price rise was very high. The price of salt went upto Rs. 2 per Kg. and the same was true of other commodities like onion etc. You may have forgotten it, but the people of this country can never forget it. We did what we promised and, therefore, I would advise you not to launch agitations to gain cheap popularity by raising populist slogans. Today, when the country is passing through a critical phase you should have talked of national unity and integrity and of communal harmony but you did not mention it. You are not in favour of national unity. How can you move in that direction when some of you symbolise casteism and others communalism? Jana Sangh stands for casteism and communalism and the people can never forget it. Your utterances can weaken the country and keep it backward. You should, instead, lay emphasis on communal harmony and nation-building. We should try and up-

lift the people above the poverty line. What do the Hon. Members of CPM want? Do they want that our country should not become strong. Many Hon. Members have said a lot of things and I would not like to repeat them. I would only like to submit that let the Government take the people into confidence and assure them that every rupee that is being realised from them would be fruitfully utilised in the Public Sector. The Government have already taken steps to develop irrigation projects and eradicate corruption and the efforts should continue. So far as Opposition parties are concerned I would remind them to improve their ways lest there be no opposition in Parliament in the 1990. elections.

With these words I thank you.

[Translation]

SHRI MOHD. MAHFOOZ ALI KHAN (Etah) : Hon. Chairman, Sir, we have amongst us big economists and learned persons who have dwelt on all the issues in detail. I have only two to three points to make.

Today, we are being repeatedly reminded of the 1977 days. I feel, we are going back to the days of 1977. If the present situation continues in the country and if the prices continue to rise at this rate, I can assure you that period is not far off... (Interruptions).

Just now, one of our friends has hinted towards Prof. Dandavate, but I am afraid, it may go contrary to that. You just listen to me. Let all Hon. Members sitting here go to their respective constituencies and meet the people to know what their reactions are. But they dare not visit their constituencies... (Interruptions). Why do they not go to their constituencies when the prices have gone so high. They are only speaking here in the Parliament. Just go to the rural areas and see what are the conditions there. What has been the impact of the prices raised by you. You do not know under what conditions the farmer is working, he has no clothes to put on, no bread to eat, no house to live in and you are sitting here. Today, the power is in the hands of big people, and the

capitalists. The Rajas and Maharajas have become the Ministers. You do not know what kind of life the people in the rural areas are leading. (*Interruptions*). We take dinners here and indulge in gossiping. But they do not have blankets or chadars during the winter... (*Interruptions*). The government have started the 20 Point Programme no doubt, but who gets its benefits (*Interruptions*). Since you are making noise here, I am sure you cannot go and face your constituency. Do not worry, the days of 1977 are ahead... (*Interruptions*).

*Pehle bad to khud karen, lanat karen
shaitan ko.*

You have raised prices even before the presentation of the Budget, at least you could have waited till the Budget was presented. But at the time of presentation of the Budget, you will say that you have reduced the prices. Do not just watch the interests of the rich, have a look at the poor. Just go out and listen to the criticism of this price rise. You are sitting here in the House, but it is difficult for you to face the people.

Tuk tuk deedam dam na kasheedam.

You do realise the gravity of the situation, but you dare not speak against the government... (*Interruptions*).

This is a death warrant for you. The opposition is fighting for a just cause. Just now, an accusation has been made against Choudhary Charan Singh. First, listen to me... (*Interruptions*). You see the price of bricks. The price of bricks is about Rs. 340 to Rs. 360. When you talk of coal, you must tell where the coal disappears... (*Interruptions*). I would request the Hon. Finance Minister to go to his constituency and listen to the criticism of the common man... (*Interruptions*). Just have a round of your constituency before you present the Budget and try to find out what the opinion of the public is... (*Interruptions*). You believe me, I have visited my constituency and deserved the impact of price rise on the people. The farmer and the poor are weeping. There is a great resentment all round against the price rise.

It is true that you have to take up developmental works and other works. We also agree that you should take up developmental projects and some works has, no doubt been done in this field. But you should also see the condition of the people and the conditions through which they are passing. Every body is agitated due to price rise. You only make speeches in the House, this is a House of the big people. You also look at the poor and see how miserably they are leading their lives. Since we have been elected to the Parliament, should we forget those who voted us and elected us to this House. You should also pay attention to the villages.

With these words, I would request the Hon. Finance Minister to visit his constituency before the presentation of the Budget to have an assessment of the impact of this price rise and present his budget accordingly.

[*English*]

SHRI HAROOBHAI MEHTA (Ahmedabad) : Mr. Chairman, Sir, a lot of heat has been generated without generating the slightest amount of light by those who sponsored the Adjournment Motion, Sir, I regret my inability to agree with the Adjournment Motion for more than one reason.

At the out set, I must clear the constitutional grounds, which they have sought to raise. That is, that before increasing the price, the Government has not approached the Parliament. May, I point out that the whole rationale behind the Budget being placed before the Parliament rests on Article 265 of the Constitution which provides that "no tax shall be levied or collected, except by the authority of law". It is based on the principle no representation. No tax. It only implies that, when you want to tax the people, you should get the consent of Parliament. It does not apply to administered price, especially when it was not raised by way of taxation, but it is sought to be raised in order to either off-set the losses or in order to meet the cost of inputs or such other reasons not amounting to taxation. In the present case, it has been made amply clear that the price rise that has been very

[Shri Haroobhai Mehta]

reluctantly effected in certain items like foodgrains, coal and petroleum, has been necessitated in order to reduce large amount of subsidies which were spent at the cost of the poorest and in order to discipline consumption. It has been shown very aptly that in foodgrains, we are spending Rs. 1650 crores, on subsidies to be paid to FCI.

Similarly on fertilizers, we were paying subsidies to the tune of Rs. 450 crores on imported fertilizers and Rs. 1600 crores on indigenous fertilizers.

On Petroleum, it has been justified on the ground of necessity to cut imports when we are marching towards self-reliance, is it not natural that we should cut consumption ?

Similarly on coal, it has been made clear that the Coal India Limited itself is making losses to the extent of about Rs. 1 crore per day. How long shall we go on paying subsidies on these prices when we need lot of discipline in our finance.

Therefore, this is not a taxing provision. It is a provision in order to meet certain exigencies, in order to cut subsidies and in order to reduce the imports. Therefore, Article 265 is not applicable. This is not therefore a case, where a grievance can be made on the basis that Government has not come to the Parliament before raising the price. Now, even if the Government had come to Parliament and introduced these measures, when Parliament was in Session, it would not have been required to obtain sanction from Parliament. This is not a tax. Therefore, mere informing the Parliament about the notification of price increase would have served this purpose. Therefore, there is no justification or rationale behind these provisions.

Now, Sir, secondly, I wonder whether there is an unanimity of approach on behalf of the Opposition. I see a lot of confusion among the Opposition, when they are speaking on the adjournment motion. Unfortunately, their situation is that they are

divided. Those who subscribe to the capitalist theory among them think that this Government is socialist. Those who subscribe to the socialist theory among them think that this Government is capitalist. Therefore, there is no unity on the assessment about this Government. That is why this confusion.

I would just ask them whether they would come forward with a joint economic programme to suggest to the Government, so that price rise could be avoided with that programme. For example, will all of them agree on socialist planning ? Some of my friends will cite the example of East Germany or USSR where there may not be price rise thanks to total socialist planning. But many other friends in the Opposition will not be to that. Some of the Opposition friends stand by forum of free enterprise and *laissez faire*, and many of the Leftists in Opposition will not agree to this. Therefore, the Opposition has clearly displayed a clear lack of united, single or common approach towards the question of price rise. The demand is common, that there should be no price rise; but the solutions offered are not common. They have no united approach on a solution as to how national economy can be served without effecting this price rise. This is the queer position in which the Opposition is put.

I am sorry to note that there is a double talk noticed among the Opposition. When they approach the rural areas they say that farmers must get higher price for their produce agricultural produce must get higher procurement prices and support prices. When they go to urban areas, they speak in the same breath that consumers must be given relief, and urban consumers must get relief in the prices of foodgrains, edible oils, etc.

[MR. SPEAKER *in the Chair*]

21.37 hrs.

This double talk cannot solve the problem. You have to pay sufficient remunerative, reasonable prices to the agriculturists, and be ready to meet the same by increasing the consumer prices, if necessary.

I am reminded of a Biblical story : A crowd had collected at some place. They

were pelting stones at a woman. At that point of time, Jesus Christ said : 'Hold! The first stone will be pelted by one who has never committed any sin.' Then the entire crowd stopped. Similar is the question arising here. Who is the Janata Party to attack, to assail this price increase ? Between 1977 and 1979 what happened ? The price of coal was increased on 17th July 1979. The pithead price of Coal India's coal was increased from Rs. 64.92 to Rs. 101.18. Similarly, the price of steel was increased four times—on 1st March 1978, 5th June 1978, 12th September 1978 and 7th April 1979. The price of petrol had an unprecedented hike during the Janata regime, even before the collapse of the first Janata Government and the rise of the second Janata Government—which, of course, had to fall within a few days.

Therefore, I am sure that my learned friends on the other side would agree that whoever else may criticize this Government, the Janata Party friends have no right to assail this Government on the count of price rise. That being the situation, I may point out that there is neither the ethical force, nor a factual force behind the adjournment motion.

Now I may point out that in view of the very candid and effective explanation rendered by the Finance Minister to the House, there should be no difficulty in accepting the inevitability of price rise. However, that does not deter me from making a few humble suggestions to the Government for consideration :

(1) The price rise in fertilizers and food-grains should not be a permanent feature, and it should be taken as an inevitable evil, so that the first available opportunity is seized to review the same. If the economy permits, a favourable review of the price rise should be undertaken.

(2) There are two options which have been stated ; (a) a Plan cut or (b) an increase in price. It is like a doctor's dilemma either the doctor has to be ready to amputate a limb of the patient, or he has to administer very heavy doses of medicine. Therefore, the Government was put in a doctor's dilemma. The same is the explana-

tion given by the Finance Minister. However, there are certain points which can always be considered over and above the said two options.

For example, Finance Minister is very much right that increase or enhancement of the income tax will not add any appreciable revenue to the Central Budget, because 85 per cent of it goes to the States. But there is a surcharge on the income tax and the corporation tax, which can be tapped as a source in order to help the Central Budget.

So far as petroleum is concerned, government should try to consider whether there can be any direct action in order to curb consumption. In some countries, some consumption curbs have been managed. As for example, we can say, once a week vehicles should be off the road; it is not rationing; odd number vehicles may be off the road on Sundays and even number vehicles may be off the road on Saturdays. If that can be introduced, it is a petroleum consumption discipline without introducing rationing. Therefore, some demand management in the matter of petroleum products should also be considered.

With these submissions, I submit that the adjournment motion does not hold water and command to the House that it should be rejected.

[Translation]

SHRI ABDUL RASHID KABULI (Srinagar) : Hon. Speaker, Sir, I rise to support the Adjournment Motion. The first thing which I want to say is that the Hon. Finance Minister, Shri V. P. Singh has not taken the House into confidence while announcing the policy of the government on the subject and we are not satisfied with that. In the first place, you have compared the policy of your government, the progress achieved by your government with that of the Janata Government, which ruled only for two and half years and, perhaps, fell due to contradictions in its own constituents and due to their weaknesses. But, this is no standard to which Government are making comparison. No opposition Government has been able to rule

[**Shri Abdul Rashid Kabuli**]

the country for a long time. Secondly, wherever the comparison has been made, it is with the neighbouring countries like Bangladesh and Pakistan which are very poor countries. Even America has admitted in today's newspapers that India is a power. It has emerged as a new power. Therefore, I think, when we talk about our standard, we must also keep in view the standard set by other countries with regard to their progress. While preparing a Budget of this magnitude, the government ought to have kept in mind that it is the poor who voted them to power and that they represent the poor of whom 60 per cent are leading a hand to mouth existence. I think even Government do not refute it. You may put this figure between 50 and 60 per cent, but the fact is that 60 per cent of people in the country are so poor that they hardly get a square meal. Whatever be the policy of the Finance Minister, increase in fare and increase in the price of diesel and petrol and the steps taken by him before the commencement of the Parliament session are all very harsh steps and they will affect those poor and hapless people the most who have voted you to power. I would ask the ruling party to go through its election manifesto and then peep into their conscience, because it is from the man in the street that you as well as the opposition had sought votes. No political party can win elections on the strength of support from the Tatas, Birlas or the big multinational companies. You as well as we shall have to admit it. Therefore, I want to submit that there is no scope in it for further discussion, **Shri Bhagwet Jha Azad**, who is a prominent and revolutionary poet of the country, should have admitted that whatever work has been done in the country for the poor, whatever progress has been achieved in this field is not satisfactory. What kind of progress is this, what kind of future you are promising for us whereby the entire burden would be thrown on the working class, and the unemployed youth. Thus, their back bone will be broken and they will be no more to see the promised future. I want to tell you that this increase in prices has set in motion a debate which will prove an eye opener for you. You have seen the reaction of the people on this price increase on television and I would like to tell the Hon. Finance Minister that he himself might have felt that he was unable to answer the questions put to him by

his own wife. She had rightly queried that will there be an end to these rising prices ?

MR.SPEAKER : Are you able to answer to the questions of your wife ?

SHRI ABDUL RASHID KABULI : Therefore, I want to submit that you have increased the bus fares in respect of the entire working class, the labourers working in the factories and the government employees, who have fixed income, by Rs. 50 to Rs. 100 per month. They have no option but to bear it. They have been directly hit with this increase.

I agree that you have ambitious plans; you want to mobilize maximum resources and at the same time you also want to bring down the consumption of petroleum products. But you will have to admit that the most of the bus users are factory workers. Tatas and Birlas would not travel by bus, they are not at all affected by this increase. This fare hike will affect only those to whom Government have not paid any attention for the purpose of increasing their income and nor have Government chalked out any plan for this purpose.

I would like to draw your attention to the state of Jammu and Kashmir to which I belong. Tourism has been hit very badly during the last three years in our State and it has shattered our economy. Jammu and Kashmir used to benefit from the inflow of foreign tourists, but we have suffered heavily due to political turmoil in Punjab.

Due to this, the situation is very grim there. I would like to know from the Finance Minister how he proposes to help the States which do not have railway lines ? I do not know to what extent the fares will be increased in the ensuing Railway Budget, but I would like to inform the Finance Minister that the entire business in our state is carried on through buses and Trucks. Similar is the case with Himachal Pradesh, U.P., NEFA and several other north-eastern states. In our state buses and trucks ply from Srinagar to Delhi, Srinagar to Ladakh or Poonch and Rajouri. You can understand that the increase in the prices of diesel and petrol will result in the enhancement of fares which would upset our

entire economy. All the commodities are supplied to our State through trucks. It is the policy of the Central Government to develop hill areas. You can understand the serious repercussions which the increase in the prices of diesel and petrol will have on our State. What have you to say on this? Due to the increase in the fares, the prices of all those items will go up which are being transported from other areas to our State. Have you ever thought our this situation? We want that you should take this factor into account. The enhancement in the prices of diesel and cooking gas has created a serious problem in the states like Jammu and Kashmir and Himachal Pradesh. Jammu and Kashmir, Himachal Pradesh and NEFA abound in forests. These are in the danger of destruction .. (*Interruptions*).

We assure you that we are more loyal to the nation than you are. We have become citizens of India after making great sacrifices and not because of you. We neither need a certificate from you nor have we to prove to you that we are Indians. We are Indians more than you and we have made more sacrifices than you.

So, I would like to urge you to pay special attention to hill areas which depend on tourism and fruits. Every year fruits worth crores of rupees are despatched to Delhi and Madras and other areas in plains from Jammu and Kashmir and Himachal Pradesh. Already, their prices have increased so much due to the enhancement of freight rates that the growers are not getting remunerative prices; they are rather sustaining losses. The fruit growers, who are totally dependent on fruits, which is an important industry, have been ruined. Now the transports would increase the freight rates for transporting fruits from Srinagar, Sopore, Baramula to distant places like Delhi, Bombay, Calcutta, Madras. I would like to tell the Government that a slight raise in taxes affects the prices of all items. The increase in the prices of petrol and diesel results in the enhancement of the prices of a number of commodities. The businessmen, who have an upper hand, raise prices of all items. So, I would like to say to the Government to pay attention in this respect. I am not satisfied with the reply given by you in this regard. May be whatever

opposition parties have said here contains an element of political bias but there has been reaction in the whole of India on this score. The Prime Minister is popular in the country but the recent measure taken by him has given a setback to this image as well as his party's image. I would like that you should pay attention in this respect and the Prime Minister should intervene in regard to the increase in prices. You must concede the points raised by us and make an effort to reduce the prices. This is my request to you.

[*English*]

SHRI R. L. BHATIA (Amritsar) : I heard Prof. Madhu Dandavate very carefully. But I could not find any new points in his speech. All these words he has been repeating every now and then.

Prof Dandavate emphasized on black money. Our Government has been taking measures to curb black money. I congratulate the Finance Minister for taking stringent measures against black-marketeers, smugglers and all that. But I would like to ask Prof. Dandavate, when his party was in power, what action did they take against black-marketeers, smugglers and all that? He also warned us that because of the rise in prices, the people would turn against us and they would rise in revolt. I wish he could have heeded the warning of the people during the period when his party was in power. We have been governing this country since independence except for the period 1977-80. Even thereafter, we have still there. But they were shunted out by the people without allowing them to complete their full term of five years.

In the same way, Shri Somnath Chatterjee talked about rise in prices and failure of the Government to tackle this problem. He has said that this Government works at night. Whether the Government takes decisions during the day or night, the Government works and takes bold decisions. It takes the responsibility and faces the people.

He also said that Mr. H. K. L. Bhagat particularly was against the rise in prices, and that some other party members also requested the Prime Minister in this regard. He has

[Shri R. L. Bhatia]

also said that there was a kind of revolt in our party. There is nothing of that kind. In our party people have the right to express their opinion. I would like to ask Mr. Somnath Chatterjee : Do you do it in your party ? There was a Minister of Finance who spoke against the party and he was turned out. In our case, Mr. H. K. L. Bhagat is still there.

Then there were other friends who were just repeating the same points. I was surprised to listen to Mr. Ramoowalia's logic. It was a strange logic of Mr. Ramoowalia. He said that the difficulties of the people have increased and one finds as if there is no Government. But is there any government in Punjab ? What is happening in Punjab since they have come into power ? What is the condition of law and order there ? People are being murdered everyday and the government is sleeping. Mr. Barnala has not been able to keep his chickens in the basket. And they are telling us where is the government ! The same question he should put to his own government. The strange logic he said was that the Government should not have raised these prices and collected the money like this, and since they have collected, therefore, they should pass on part of it to Punjab. Very strange !

Our friend Mr. Kabuli said a few points. He said why we are always comparing ourselves with Janata. With whom should we compare then ? Was there any other Government in this country since independence except Janata ? So, we have to compare with them and, of course, bring out their failings. He said that their tourism has failed and they have suffered tremendously because of that. We have sympathy with them but then they should also create conditions in their State by which people should go there. Tourism can be flourished only if there is peace in the State. If you follow practices like coming to the streets and making noise and creating such situations, no tourist will go there.

We are all concerned with the rise in prices and the problems which the people are facing. There are no two opinions about this, and rightly the people, whether on this side or on the other side, have shown their con-

cern. It is a hard decision which the Government had to take. Nobody is happy. Nobody wants to take such measures unless he is compelled. But there is the other side of the picture also that we are a big country with a population of about 70 crores people. We are a poor nation, we are a backward nation and all these measures have to be taken by which we can remove the backwardness, by which this nation can progress. So, in this regard, we have a planned economy and for that we need resources. For raising the resources the Finance Minister had a few options. The first option he had was to raise the prices. This country has already reached a stage where further loans will not be good in the interest of the nation. Even the people on the opposite side also will not approve it. They will also feel that more and more borrowings will take this country to a stage where the South American countries like Columbia and Argentina have already reached. They are unable to pay their debt service. Their total exports are much less than the amount they have to pay. In such a situation, the countries which are giving them loans can dictate terms, for instance, that they must devalue their currency and all that. We do not want to get into that situation, therefore, we have not exercised that option. So, that option is ruled out. The other option the Finance Minister had before him was that he should cut his plan. The States demanded Rs. 30,000 crores for their 1986-87 plan, but after the discussions with the Planning Commission, it was brought down to Rs. 20,000 crores. Now, this is the national commitment and for carrying on this commitment, it is important that we must raise the funds. Now, where will these funds come from unless we go in for taxation ?

22.00 hrs.

Therefore the Finance Minister had to go for raising these taxes to get more money. The third option is, these taxes should be levied and the resources from the country should be taken. Now we have no option but to borrow. We cannot cut our Plan. So, the only alternative or the only option left before us was to raise the taxes. So, this is what he has done. It is a hard decision, as I have said already. But it will be ultimately to help us in carrying out our programmes and our policies.

In this situation we have to see one more thing. The country spent Rs. 2,000 crores in the 6th Plan for drought as well as for flood. But in this year—only in one year—Rs. 1,000 crores have to be spent. It is due to natural calamity which is beyond our control. We have to collect money to meet all these natural calamities. So, while taking into consideration this situation, all of us must see one thing. Our neighbouring countries are having a race of arms. This country, in order to defend itself, has to equip itself accordingly. Defence is our top-most priority. We have to spend on defence also. So, while taking all these aspects into consideration, we should be united in this situation. The foreign powers are trying to de-stabilise this country. There are many ethnic troubles and all that. They are creating all kinds of troubles for us, for our country. Now, in this context, if we do not move forward, if we do not plan and grow more, if we do not satisfy our people, it will be an added trouble for us. So, keeping in view the circumstances in which this country is placed internally as well as from outside, it is necessary that we, the people of India, should unite and pool our resources. We should see that these Plans are successful, that we satisfy our people, that we do not relax in this matter. We should see that necessary progress is made to satisfy our people. If internally we are strong, we can meet any challenge. We know that the people of this country are strong enough to meet all these challenges. The price-rise which has come about is a hard decision. People are suffering no doubt. But we know our people. They have always stood by us in the difficult times. They have faced all these calamities and the result is, the country has marched forward. In the same manner, in this situation, in what has been done I am sure the people will co-operate with us, and we will march forward and see that all these Plans become successful and we get out of the rut.

I oppose the motion moved by Prof. Madhu Dandavate.

With these words I conclude.

[Translation]

THE MINISTER OF AGRICULTURE (S. BUTA SINGH) : Hon. Speaker, Sir,

when I was a child and used to go to school, our teacher Maulvi Sahib used to rebuke us whenever we did not do our home work and made excuses. He used to tell us that he was reminded of the proverb : 'A thrashed army resorts to rampage.' Today, I was reminded of that childhood incident. When Prof. Madhu Dandavateji initiated this discussion, he was in the same position. I am painted to repeat the same thing which our teacher used to say to us, i.e., a thrashed army resorts to rampage (*Interruptions*)

To-date, I did not know its meaning but today when I listened to such a dull debate, I came to know of its meaning. (*Interruptions*) Your speech has also clarified its meaning.

The Adjournment Motion which has been moved today, has revealed the intention of the Opposition. On the one hand our country is waging war against poverty courageously under the leadership of Shri Rajiv Gandhi and is engaged in the task of development of the undeveloped areas and on the other hand the leader of the Opposition, the former Railway Minister, Prof. Dandavateji is trying to revive the Opposition which is derailed. He wants to sustain the Opposition by raising any matter....(*Interruptions*)

As a matter of fact we should have taken lesson from this Adjournment Motion and we have taken lesson from it. When the people come to know that we have taken this difficult decision for the development of the country and for the upliftment of the poor and the downtrodden then I think, the people who are organising 'Bandhs' may receive a severe jolt. The people of the country know them well. This decision has been taken by the Government in all seriousness and at the most difficult time. It is a test for our countrymen. In the present context, our patriotism demands that we should take measures for the welfare of those crores of people of the country who do not get even two square meals and who have no roof over their head, who have no medical facilities and no means for development and also who have no means to take care of the health of their children. The Hon. Finance Minister and Shri Bhagwat Jha Azad have clarified the situation in their speeches by outlining

[S. Buta Singh]

the measures taken by the Government for their welfare. I feel further discussion on the Adjournment Motion should have concluded with the speech of Shri Bhagwat Jha Azad but the Opposition had no other option but to prolong the discussion. As the Finance Minister has dealt at length with the situation prevailing in the country, I do not think that now in this discussion Professor Dandavate has much to say. However, I would like to place some facts before you. If some facts were left, Shri Indrajit Gupta has already thrown light on them. I would like to repeat the last four sentences spoken by Shri Indrajit Gupta.

[English]

"We are not sitting on a volcano"

[Translation]

Now Prof. Dandavate ji, what you have said is :

[English]

"We are sitting on a volcano".

[Translation]

SHRI NARAYAN CHOUBEY (Midnapore) : What you have noted down is wrong.

S. BUTA SINGH : I have noted down what he has stated.

Secondly, he has said

[English]

"We shall not go down the drain."

[Translation]

This is what Shri Indrajit has said.

[English]

"We shall not go down the drain."

[Translation]

PROF. MADHU DANDAVATE : I have not said this.

[English]

I never said that we will go down the drain. I said that you may go down the drain.

[Translation]

S. BUTA SINGH : What you said was still worse. Thirdly, he said :

"Let us forge ahead." Fourthly, he said,—

[English]

"Second war of economic independence."

[Translation]

Under whose leadership they propose to forge ahead—whether under the leadership of the organisers of bandhs or under the leadership of those who want to take the country forward ? I would like to ask from Shri Indrajit Gupta. He has said, 'Let us forge ahead'. The people of the country from Kanyakumari to Kashmir have said with one voice that the country wants to progress under the leadership of Shri Rajiv Gandhi. I would like to recount the efforts made by Shri Rajiv Gandhi and his Government in the present context. Our Prof. Sahib has left. Prof. Somnathji has asked.....

[English]

SHRI BASUDEB ACHARIA : He is not a professor, he is a barrister.

(Interruptions)

[Translation]

S. BUTA SINGH : Well, Barrister Somnathji had asked what had we gained. So, I would like to say something in this regard.

I take up one issue and that is 'Poverty Alleviation Programme'. Here is an index which has deliberately been coloured green for the sake of clarity. (Interruptions)... I shall send it to Professor Sahib. In this index if we see the figures for 1979-80, when the respected Professor used to sit on this side, I do not know under whose leadership—Shri Charan Singh's or Shri Morarji Desai's, we find that at that time the number of

people in the country living below the poverty line in the rural areas was 53.3 per cent of the total population and now when we are working under the leadership of Shri Rajiv Gandhi, the percentage has come down to 39.9....(*Interruptions*). A tough battle has been fought with poverty in this country which is being appreciated not only in our country but in the entire world. All the prominent economists, of whom Prof. Dandavate is enamoured of, and all the big leaders of the World Bank,... (*Interruptions*), including its President say that if they have seen any country grappling with poverty, it is India under the leadership of Shrimati Indira Gandhi, which has made a dent on poverty. Last month in the annual meeting of the FAO, homage was paid to Shrimati Indira Gandhi. The leaders of the entire world paid homage to her in FAO Assembly stating with one voice that the world had lost a leader who had set an example before the world as to how to fight against poverty and starvation. This achievement perhaps may not be visible to our opposition parties but to us it is visible. We are concerned for those people who often go to bed hungry, who have no roof over them and for whom medical care and school facilities are out of reach. Alongwith this, I would like to mention one more achievement and that is that in our country there were 2,31000 villages which had no source of drinking water. For quite a long time, particularly in my constituency in Rajasthan, the female members of the family used to go to far of canals and ponds to bring water and they used to spend the whole day to do this chore and were unable to do any other work. They had to trudge a distance of 10 kms to fetch a pitcher of water and that too used to be contaminated, with the result that all the members of the family used to fall ill after drinking it. This Government under the leadership of Shrimati Indira Gandhi and with the inspiration and efforts of Shri Rajiv Gandhi has made available potable drinking water in 1,92,000 villages out of the 2,31,000 villages. These figures are not our figures. These are the figures sent by the Governments of West Bengal, Andhra Pradesh, Karnataka and Maharashtra to the Planning Commission, which I am presenting before you. Do you not consider even this an achievement? Now we have made a commitment that by 1991 there will not be a single village in our country having drinking

water problem. We shall say it with pride that we have made available drinking water to our countrymen. For this scheme, an amount of Rs. 2007 crores was allocated in the Sixth Five Year Plan and the actual expenditure was Rs. 2485 crores that is Rs. 478 crores more were spent. Because of resource constraint we could raise a limited number of people above the poverty line last year. But, as you all are aware, our Prime Minister toured many undeveloped areas; he went to Orissa, Bihar, Madhya Pradesh, Kerala and Rajasthan. He discovered there that among the people who were given one dose to bring them above the poverty line, there were many who in spite of being provided assistance could not rise above the poverty line because of acute poverty. In such a situation we had one option before us and that was, either we should write off their loans because we had done our duty; we had given them a dose and had covered them under a scheme or the other way out was to make another effort by providing more funds to them so that they may show courage and try to come above the poverty line. We had already assisted them by giving the first dose. By giving another dose we wanted that they may cross the poverty line with renewed vigour. To implement this decision we needed extra funds because we could not have got a single paise more than what had been allocated in the Plan. We, therefore, requested the Hon. Finance Minister and he acceded to our request and provided Rs. 75 crores more this year. He assured us extra funds if we helped those undeveloped people who in spite of the assistance have not come above the poverty line, by giving them a second dose. In accordance with his assurance, we have got more than the allocated funds. We were not in a position to mobilise the extra resources we have got this year. Therefore, Mr. Speaker, Sir, we had no other alternative and for us it was impossible to do this work with our own resources.

Reference to public undertakings has been made here repeatedly. I am of the view that during the last one year the extent to which the Government have effected improvement in the functioning of the public undertakings is unprecedented. You may see the fertiliser sector or any other sector, you will find the same position. There were several

[S. Buta Singh]

units which were utilising only 40 to 50 per cent or at the most 60 per cent of their capacity, but today we can say that our fertiliser plants are utilising 80 per cent of their capacity. In all the cooperative sector, units, be it IFFCO or 'Kribhko', capacity utilisation is more than hundred per cent, and because of this we are making more fertiliser available to the country. No doubt the prices of fertilisers have increased somewhat but I do not take it like this. I am of the view that the farmers were earlier getting more subsidy, now they will get a little less subsidy. If earlier the farmer was getting subsidy of Rs. 56 per bag of urea, it has now come down to Rs. 50 which means a reduction of Rs. 6. You call this reduction in subsidy as increase in price. Similarly, on D. A. P., earlier a subsidy of Rs. 120 was given which has now come down to Rs. 108, which means a reduction of Rs. 12 in subsidy. At the moment, the rates of the fertilisers being made available to the farmer remains the same irrespective of the distance between the farmer's residence and the place of despatch. In this way, the entire expenditure from production to distribution is borne by the Government, i.e. by our fertiliser units. We call it subsidy. Today, the situation is that agricultural production is heavily subsidised. You are yourself a 'Krishi Pandit' and are fully aware that in our country at present a subsidy of Rs. 4525 crores is being given. We give a subsidy of Rs. 5845 crores on foodgrains and in all we provide a subsidy of Rs. 10370 crores. I am of the view that the easiest way is to stop the production of foodgrains and import wheat and rice from Brazil. We do not need anything more. The year 1985-86 is the golden year of agricultural development in India because except oil-seeds and pulses, import of all other agricultural commodities has been stopped. We do not need import of any commodity. Rather, today we are in a position to export cotton, wheat and rice.

Recently, in Africa there was a severe famine and India, which some 10 to 15 years ago used to beg for wheat from other countries, is supplying it to these famine-stricken people. You will thus come to know how the farmers of our country have enriched the nation in the field of agriculture.

In the field of agriculture, not only in Asia but in the entire world. India is the country whose agricultural experts and scientists serve outside the country in maximum number. It is a matter of pride that we have so much technical manpower that even the biggest country cannot match it.

Mr. Speaker, Sir, you are aware that in spite of spending crores of rupees on major irrigation projects, we have hardly 30 per cent irrigation resources available in our country. Even now 70 per cent of our farmers remain without irrigation facilities, i.e. they have to do dry farming. For this, we have encouraged minor irrigation schemes. In the Sixth Five Year Plan, in all Rs. 3355 crores were spent on minor irrigation and in the Seventh Five Year Plan Rs. 6300 crores have been provided for this purpose. From this you can guess how we have to allocate huge funds for the welfare and development of our farmers.

The Hon. Prime Minister has directed that first of all those areas have to be developed where dry farming is done. Those undeveloped areas are to be developed first which have lagged behind. Recently, we convened a meeting of four big Eastern States in which Chief Ministers of West Bengal, Orissa, Uttar Pradesh and Bihar participated. Mr. Speaker, Sir, you will be happy to know that if these 4 big States progress in the field of agriculture in the same way as Punjab, Haryana, Maharashtra and other states have done, then we can provide foodgrains not only to India but also to a major part of the world. To-date, these areas have not been developed. For this purpose a scheme is being prepared under which the undeveloped parts of the country will be able to progress.

Sir, now I shall refer to those schemes with which we are trying to uplift the poor through rural development and agricultural development. Sir, you are very well aware that the number of small and marginal farmers in our country who have between 2.5 acres to 5 acres of land is very large. To uplift them we have Block Development Programme under which the poor farmers are provided Rs. 3000 as subsidy for sinking a tube well. Similarly, the marginal farmers

are provided cent per cent subsidy of Rs. 4000 for this purpose. For Adivasis, we provide Rs. 5000 as subsidy. In this way we want to make available minor irrigation facility to the very poor farmers of the country. So if you see the efforts made by the Government for the welfare of the farmers, you will find that the resources being mobilised by the Government of India through price rise or taxation are going to be made available to the poor of the country which will benefit them in a big way. The people of the country are seeing for the first time that after all some Government has tried to mobilise resources for the poor and the marginal farmers and who are the people opposing it? They are the persons who profess to be radicals and socialists. Their socialism has been exposed today. When attempt is being made to help poor farmers, Adivasis, the Scheduled Castes, they are resorting to Bharat Bandh. I want to give a small warning to Prof. Madhu Dandavate, through you. You have given a call for Bharat Bandh but are you aware of the circumstances prevailing in the country and what type of atmosphere have you created in the country? Any movement or agitation started by you takes a violent turn. Therefore, Professor Sahib, you have the right to do whatever you want. You can have the luxury of resorting to strikes and 'Bandhs', but kindly keep one thing in mind that violence and communalism are increasing in the country in a subtle way which is being fanned by your party... (*Interruptions*) I want to submit humbly that whenever you take any step... the same thing I used to say to my brethren when they had purposed to stall construction of the canal. At that time it was said in this very House... (*Interruptions*)

[*English*]

PROF. MADHU DANDAVATE : What allegation is he making? Economic struggle leads to communalism? Is that the great prophesy that he is making?

S. BUTA SINGH : If we have any experience of what Prof. Madhu Dandavate or Mr. George Fernandes has been doing in this country, we should be forewarned, and I am warning the country through this medium.

PROF. MADHU DANDAVATE : I can learn everything from him, but not patriotism.

S. BUTA SINGH : It is not a question of patriotism. The atmosphere in the country is heavily surcharged with communalism, with violence. For Heaven's sake, whatever you may do, please see that in your strikes and bandhs the innocent people are not misled to indulge in all kinds of acitivities which may ruin our country. We are proud that we are today in an India which can boast that we have solved our problem of poverty, that we have solved the problems in respect of agricultural production. But definitely our heads will hang in scheme if people in the world remember that India which is torn by communalism, which is torn by violence. That is all I want to submit to my friend, Prof. Madhu Dandavate I know he is a man with great nationalist feelings, but often the situation does not remain under the control of those who give only a slogan. You have given a slogan, but be careful. You have to be responsible for what happens on that bandh. This is the only warning I want to place before you.

I am sure, by and large, the people in the country will understand that the Government has taken a difficult step. Only those who are determined can take a difficult step. Those who only sit and criticise cannot take a difficult step. We have taken a difficult step and we are proud of it.

PROF. MADHU DANDAVATE (Rajapur) : Mr. Speaker Sir, only in a few minutes I will reply to the debate. I don't want to take much of your time as well as the time of the House.

Sir, listening to the speeches in this debate, particularly of the Ruling Party Members, I felt that instead of we bringing an adjournment motion to protest against the rise in prices, they probably expected that somebody should bring a resolution of congratulation to congratulate the Government on the steep rise in prices. That was my impression.

[Prof Madhu Dandavate]

My second impression was that when some members were not able to reply to the specific points that were raised by the Members of the opposition, they went at the Janata Party and the Janata Government and for a moment it appeared to me as if, with retrospective effect, they had moved a no-confidence motion against the Janata Government.

SHRI VISHWANATH PRATAP SINGH : That was also an adjournment. Between 1977 and 1980 was an adjournment of development

PROF. MADHU DANDAVATE : That was my frank impression and I don't think that I can change my impression.

I will take only four or five minutes to tell the House that some of the basic questions that some of us on this side raised remained completely unanswered. No. 1. Why the levies were actually resorted to before the budget, without taking the Parliament into confidence ? No reply. No. 2. Is it not a fact that to show that the budget is a soft budget providing no taxation, you tried to finish up the exercise of increasing prices before the budget ? No reply. No. 3. Why rise in prices of petroleum products when the world prices crude oil have come down and in the decade they have come down to minimum of 15 dollars per barrel ? For this question, no reply. No. 4. Why is it that the inadequate surpluses were being generated in the public sector, is it not a fact that people who are not committed to the philosophy of public sector are kept in charge of the public sector ? To that question, no reply. No. 5. Why is it that the increase in the trade gap in the country that has created the foreign exchange crisis and will it not ultimately affect the entire economy ? For that question there is no reply. No. 6. Why is it that the Government had accepted IMF's humiliating conditions ? To that question even obliquely there is no reply. No. 7. Is it not a fact that while you talk about not pruning the Plan, invalidity by shifting the base year of the 7th Five Year

Plan you have reduced the entire plan outlay by 6 to 8 per cent ? To that question, there is no reply. No. 8. Is it not a fact that the burden of levies is more on the poor and not on the affluent section ? To that question which a number of opposition Members raised, there is no reply at all.

Since you have refused to reply to some of the basic questions related to the rise in prices I insist on moving my adjournment motion as my right and I hope the entire House will join us in adopting the adjournment motion unanimously.

MR. SPEAKER : The question is :

“That the House do now adjourn”

The motion was negatived

BUSINESS ADVISORY COMMITTEE

[*English*]

Eighteenth Report

MR. SPEAKER : Now the Minister of Parliamentary Affairs may present the Report of the Business Advisory Committee.

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : Sir, I beg to present the Eighteenth Report of the Business Advisory Committee.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : Sir, I beg to move....

MR. SPEAKER : Not now. The House stands adjourned to meet again on Tuesday, the 25th February 1986 at 11 a. m.

22.35 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, February 25, 1986/Phalgun 6, 1907 (Saka)