

offices and field level, adopting systematic approach to lending, toning up pre-lending appraisal system and post lending supervision techniques involving, inter-alia, constant contact with the beneficiaries to ensure that the defaults are brought down to minimum and launching of recovery drives with the help of State Government officials. The banks have also been advised by Reserve Bank of India to create a separate recovery calls for a cluster of nearby branches for continuous and effective supervision and recovery where overdues exceed 50% of demand and agricultural advances are sizeable.

Pig Iron Plants in Karnataka

315. SHRI SRIKANTHA DATTA NARASIMHA RAJA WADIYAR: Will the Minister of STEEL AND MINES be pleased to state:

(a) the number of pig iron plants set up in Karnataka;

(b) whether Government have examined the proposal to set up some additional pig iron plant at Bellary in the State; and

(c) if so, whether the plants would be set up in the public, private or joint sector?

THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI BASAVARAJ PATIL): (a) to (c). Pig Iron Industry having been delicensed, subject to certain locational restrictions, entrepreneurs have the discretion to select a location of their choice. According to the information available in the Department of Steel, M/s. Uni Metal & Ispat Ltd. have a proposal to set up a Pig Iron Project at Bellary in Karnataka State. Presently, Department of Steel has no information regarding any other proposal for setting up of Pig Iron plants in Karnataka either in the Public, Private or Joint Sector.

Consignment Tax

316. SHRI MAHENDRA SINGH MEWAR: Will the Minister of FINANCE be pleased to state:

(a) the manner in which it is proposed to check the illegal avoidance of Central Sales Tax (CST) through the medium of consignment of goods from one State to another, on which CST is not levied;

(b) the recommendations of the Law Commission other than those incorporated in the Constitution (Forty-sixth Amendment) Act, 1982; and

(c) the recommendations of the Committee of Chief Ministers and when was its last meeting held in this regard?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):

(a) The proposal to levy tax on inter-State consignment of goods is intended to check large-scale avoidance of tax through the medium of inter-State consignment of goods, since central sales tax cannot be levied on such consignments.

(b) No specific number of the Law Commission's report has been referred to. However, the Constitution (46th Amendment) Act, 1982 was based on the recommendations contained in the 61st report of the Law Commission which was placed on the Table of the Lok Sabha on 21st March 1978.

(c) The Committee of Chief Ministers held its last meeting on 15th July 1989, but its recommendations remained inconclusive.

Cut on Expenditure

317. SHRI B. DEVARAJAN: Will the Minister of FINANCE be pleased to state:

(a) whether Government have recently announced a cut of 10 per cent on the balance of expenditure to be incurred in the remaining months of the current financial year out of the sanctioned budget estimates for 1990-91 of the various Ministries and departments;

(b) if so, whether some areas have been excluded from the purview of the cut and if so, the details thereof; and

(c) the details regarding the cut, Ministry/department-wise?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):
(a) Yes Sir.

(b) Yes Sir. The areas of expenditure excluded from the purview of the cut are as follows:

- (i) Pension payments including Defence Pensions.
- (ii) Interest payments including interest on compulsory deposits and repayment of loans.
- (iii) Provisions to pass on external assistance.
- (iv) Payments to international agencies/institutions and payments to foreign Governments.
- (v) Statutory grants to State Governments recommended by the Finance Commission.
- (vi) Block loans and grants to States for State Plan Schemes,
- (vii) Small Savings loans to State Governments.

(viii) Accounting entries like interest subsidies.

(c) The details regarding the cut imposed, Ministry/department-wise would be reflected in the Revised Estimates for 1990-91 to be presented alongwith Budgeted for 1991-92.

Typewriter Ribbons Imports

318. PROF VIJAY KUMAR MALHOTRA: Will the Minister of FINANCE be pleased to state:

(a) whether attention of Government has been drawn to the news item captioned "Typewriter ribbon imports threaten domestic industry" appearing in the Economic Times of November 15, 1990;

(b) if so, reaction of Government thereto;

(c) the number of times the customs authorities checked the invoice prices and compared the declared prices with published prices of international manufacturers to stop duty evasion during the current year till now;

(d) the discrepancies noticed;

(e) whether similar checks are also proposed to be carried out in respect of the import of other items; and

(f) if not, the reasons therefor?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE AND DEPUTY MINISTER IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI DIGVIJAY SINGH):
(a) Yes, Sir.

(b) to (d). Very few importations of computer/typewriter ribbons have been noticed in the recent past. In such cases declared prices are compared with those of contemporaneous imports. The declared