

(b) The estimated foreign exchange earnings from tourism during the year 1994-95 was Rs.7365.61 crores. The estimates of foreign exchange earnings are not compiled State-wise and place-wise.

(c) The tourist spendings are received by the providers of services which are mostly in the private Sector. The Central Department of Tourism provided Rs.35.84 crores as financial assistance to State/UT Governments for the development of tourism infrastructure during the first three years of Eighth Plan period.

#### Impact of Inflation

4130. SHRI NITISH KUMAR :

SHRI BRISHIN PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether the impact of increase in the rate of inflation in the country during the last decade was more in rural regions in comparison to the urban regions;

(b) if so, the details thereof as per the consumer price index based on 1960-61; and

(c) the reaction of the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) to (c) The inflation rate based on wholesale price index which represents a broad cross-section of commodities reflects the price movements for the entire country without distinguishing between rural and urban segments of the economy. However, the movement in retail prices are monitored by three separate series of Consumer Price Indices for (1) Industrial Workers, CPI-IW (Base 1982) (2) Non-Manual Employees, CPI-UNME (Base 1984-85) and (3) Agricultural Labourers, CPI-AL (Base 1960-61). Annual inflation rates as based on these three CPI series during the last ten years are listed below :

End of the year	Annual Inflation rates (%)		
	CPI-IW (1982)	CPI-UNME (1984-85)	CPI-AL (1960-61)
1986-87	6.2	6.4	3.1
1987-88	10.9	10.3	14.8
1988-89	6.5	7.0	10.8
1989-90	8.6	8.0	1.0
1990-91	13.6	13.4	16.6
1991-92	13.9	13.6	21.9
1992-93	6.1	6.8	0.7
1993-94	9.9	8.3	11.6
1994-95	9.7	9.9	10.6
1995-96	10.4	9.7	14.1
	(Oct., 95)	(May, 95)	(Aug., 95)

The base year for CPI(AL) representing rural sector is under review by the Government.

[English]

#### Economic Editor Conference

4131. SHRI SHRAVAN KUMAR PATEL : Will the Minister of FINANCE be pleased to state :

(a) whether three-day Economic Editors Conference was held in New Delhi on September 6, 1995;

(b) if so, whether the Conference amongst other things observed that there had been a decline in generation of black-money since liberalisation policy adopted by the Government;

(c) if so, the details of the precise indicators leading to this conclusion; and

(d) the latest assessment of black money in the economy as compared to that in June, 1991?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY) : (a) to (d) While no study has been made on the assessment of black money in the economy at present as compared on the position prevailing in June, 1991, a moderate tax regime coupled with better tax compliance and increased revenue collections are indicators of decline in the generation of black money.

[Translation]

#### Interest on Investment made by State Cooperative Banks and Central Cooperative Banks

4132. SHRI PAWAN DIWAN : Will the Minister of FINANCE be pleased to state :

(a) whether the National Bank for Agriculture and Rural Development has framed any guidelines for the State Cooperative Banks and the Central Cooperative Banks for investing twenty five per cent and forty per cent respectively of their funds for loans in short term loans;

(b) whether these Central Cooperative Banks have to invest this capital at the nine per cent rate of interest by collecting it at eleven per cent;

(c) if so, the manner in which this loss of two per cent interest rate is compensated; and

(d) whether NABARD propose to withdraw such provisions to ease the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (DR. DEBI PROSAD PAL) : (a) National Bank for Agriculture and Rural Development (NABARD) has reported that it had introduced the Minimum Involvement (MI) norm from the year 1985-86 whereby State Cooperative Banks (SCBs) and Central Cooperative Banks (CCBs) are required to involve atleast 25% and 40%

respectively of their Net Lendable Resources (NLR) in short-term agricultural loans and avail refinance for Seasonal Agricultural Operations from Reserve Bank of India (RBI)/NABARD only to the extent of their *excess involvement in loans*. This norm was introduced with a view to reducing the dependence of cooperative banks on refinance support and promoting self reliance in them.

(b) The average cost of raising deposit resources by CCBs works out to around 11.5% and the rate of interest chargeable by them on short-term agricultural loans provided to Primary Agricultural Cooperative Societies (PACS) is 9% since November, 1991.

(c) CCBs, by and large, make up the shortfall of 2.5% by availing refinance from NABARD/SCBs at a concessional rate of interest ranging between 3 and 7% depending upon the proportion of refinance borrowed by them to loans outstanding against PACS.

(d) No, Sir.

[English]

#### Excise Duty on Aerated Water

4133. SHRI DHARAMPAL SINGH MALIK : Will the Minister of FINANCE be pleased to state :

(a) the rates of excise duty on aerated waters during each of the last three years till date;

(b) the effective rate of excise duty when the Government had changed the basis of levy of excise duty to ad-valorem is the Finance Bill presented in 1994;

(c) whether the rate of excise duty on aerated water (soft drinks) was lowered in the last Finance Bill presented in 1994;

(d) if so, the reasons therefor;

(e) whether the Government have once again changed the basis of levy of excise duty from ad-valorem to Tariff value with effect from November 1, 1995; and

(f) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHARA MURTHY) : (a) and (b) The effective rates of excise duty on aerated water during the last three years and the current year are given in the attached statement.

(c) Excise duty on aerated water was reduced in the Budget 1995-96 from 50 per cent to 40 per cent ad-valorem.

(d) The effective rate of excise duty on aerated water at 40 per cent ad-valorem was prescribed in the Budget for the year 1995-96, in accordance with the general policy of moving towards moderate rates of taxation.

(e) Levy of excise duty on aerated water continues to be on ad-valorem basis. Tariff values, however, have been fixed in lieu of the assessable value under Section 4 of the Central Excise and Salt Act 1944, with effect from November 1, 1995, for purposes of determining the amount of excise duty payable.

(f) Does not arise in view of (c) above.

#### STATEMENT

##### Rates of Central Excise duty on aerated waters during 1993-95

Heading No.	Sub-Heading No.	Description of goods	Rate of duty		
			1993-94	1994-95	1995-96
1	2	3	4	5	6
22.01		Aerated waters, not containing, added sugar or sweetening matter, not flavoured :			
	2201.11	For each bottle containing 200 ml or less	60 paise	50% ad val	40% ad val
	2201.12	For each bottle containing more than 200 mls.	60 paise + 5 paise for every 100 ml or fraction thereof in excess of 200 ml	50% ad val	40% ad val
	2201.19	Other	60% ad val	50% ad val	40% ad val
22.02		Aerated waters, containing added sugar or other sweetening matter or flavoured:			