

# LOK SABHA DEBATES (English Version)

Fourteenth Session  
(Eighth Lok Sabha)



सत्यमेव जयते

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## LOK SABHA DEBATES

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### LOK SABHA

Friday, July 28, 1989/Sravana 6, 1911  
(Saka)

*The Lok Sabha met at Eleven of the Clock*

[MR. SPEAKER *in the Chair*]

#### ORAL ANSWERS TO QUESTIONS

[*Translation*]

#### **World Bank Loan for Importing Technology and Capital Goods**

\*166. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of FINANCE be pleased to state:

(a) whether deliberations are being held by Government for getting loans from the World Bank in order to import technology and capital goods;

(b) if so, the amount of loans required therefor;

(c) whether the World Bank has agreed to give loans;

(d) if so, the details thereof; and

(e) if not, the reasons therefor?

[*English*]

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (e). Negotia-

tions were held with the World Bank between 11 and 17 July, 1989 for a loan of \$ 200 million for an Industrial Technology Development Project. However, the loan is yet to be approved by the Board of Directors of the Bank.

DR. CHANDRA SHEKHAR TRIPATHI: Sir, I congratulate the hon. Minister that for the industrial development of our country he is very much serious and vigilant. But may I know the name of the countries from where the loans are to be obtained or technology is to be imported and how it will be used and when it will be used within the country?

SHRI EDUARDO FALEIRO: Sir, the loan is not to be obtained from any particular country. The loan is to be obtained from the World Bank. It is to the tune of \$ 200 million, as I have already mentioned. The purpose of this loan is to modernise our industries, to reduce costs and to increase efficiency. The purpose of the loan is in line with the purpose of the loan that we generally obtain from abroad i.e. to improve and strengthen our self-reliance and strengthen our indigenous technology by improvement and upgradation.

DR. CHANDRA SHEKHAR TRIPATHI: Sir, keeping this in view, Government had introduced or established the scheme known as the Technical Development Fund Scheme in 1976. The purpose was the same as the hon. Minister had distinctly clarified now. May I know that this particular Technical Development Fund Scheme which was introduced in 1976 under certain provisions had done a remarkable job as regards the development of industries and modernisation of the factories inside the country or not? Secondly, I would like to know whether this scheme has created any impediment in importing technology from outside as well as obtaining loan from abroad.

SHRI EDUARDO FALEIRO: We are at a preliminary stage in making any announcement about how the loan would be utilised before it is approved. However, we can say at this interim level that the loan is also intended to fund the Technical Development Fund.

SHRI SRIBALLAV PANIGRAHI: We have set up the quantum of the loan. But I would like to know from the hon. Minister of Finance, what are the terms of the loan and also the areas where, with this loan, technological advance and upgradation is intended to be made? I would like to know about the areas and the terms of the loan.

SHRI EDUARDO FALEIRO: I have already mentioned about the areas that the loan will cover and also about the purpose of the loan. As far as terms and conditions of the loan are concerned, broadly, I can say that, to a large extent, it is a soft terms loan.

#### **Central Debt of States/Union Territories**

\*169. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the Central debt of all States/Union Territories as on 1 April, 1989;

(b) the interest paid on the Central debt by each of them during 1988-89 and estimated to be paid during 1989-90;

(c) the total revenue receipt of each State Government, exclusive of Central loans and grants, during 1988-89 and 1989-90; and

(d) the percentage that debt repayment servicing forms of the total revenue receipts, State-wise and year wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) The total amount of Central loans outstanding against all States and Union Territories together as on 1st April, 1989 was Rs. 56312.07 crores.

(b) to (d). These information are set out in the Statements of I, II, and III respectively given below.

## STATEMENT

(Rs. In crores)

States	1988-89			1989-90		
	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans and grants	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans & grants
1	2	3	4	5	6	7
1. Andhra Pradesh	3768.86	401.28	4170.14	3947.14	728.86	4676.00
2. Arunachal Pradesh	113.71	7.44	121.15	98.57	10.98	109.55
3. Assam	788.75	586.94	1375.69	884.41	539.15	1423.56
4. Bihar	2918.94	260.65	3179.59	3194.43	313.61	3508.04
5. Goa	152.59	14.10	166.69	151.35	18.09	169.44
6. Gujarat	2671.71	1013.90	3685.61	2889.96	401.33	3291.29
7. Haryana	1304.44	186.29	1490.73	1480.21	425.48	1905.69
8. Himachal Pradesh	370.06	76.95	447.01	359.26	69.79	429.05

(Rs. In crores)

States	1988-89				1989-90		
	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans and grants	1	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans & grants
	2	3	4	5	6	7	
9. Jammu & Kashmir	466.54	159.27	625.81	496.99	107.01	604.00	
10. Karnataka	2670.65	934.09	3604.74	3026.57	964.65	3991.52	
11. Kerala	1648.14	944.96	2593.10	1787.87	474.54	2262.41	
12. Madhya Pradesh	2854.52	1060.59	3915.11	3122.69	933.45	4056.14	
13. Maharashtra	5553.13	745.57	6298.70	6195.04	1646.78	7841.82	
14. Manipur	139.38	13.53	152.91	114.46	14.91	129.37	
15. Maghalaya	124.03	27.48	151.51	103.89	29.55	133.44	
16. Mizoram	96.26	4.17	10.43	87.40	7.62	95.02	

(Rs. In crores)

States	1988-89			1989-90		
	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans and grants	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans & grants
1	2	3	4	5	6	7
17. Nagaland	151.33	25.48	176.81	128.42	25.13	150.55
18. Orissa	1105.53	898.32	2003.85	1259.16	909.58	2168.74
19. Punjab	1355.88	393.80	1749.68	1627.95	1073.89	2701.84
20. Rajasthan	1717.63	1540.93	3258.56	1984.76	756.30	2740.06
21. Sikkim	52.82	8.71	61.53	44.89	7.78	52.67
22. Tamil Nadu	2961.66	13131.19	4274.85	3465.67	733.25	4198.92
23. Tripura	153.99	17.73	171.72	137.06	19.80	156.86

(Rs. In crores)

States	1988-89			1989-90			
	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans and grants	Revenue Receipts excluding Central grants	Capital Receipts excluding Central loans	Total Receipts excluding Central loans & grants	
	1	2	3	4	5	6	7
24. Uttar Pradesh	433.46	1764.85	6098.31	4964.67	1558.58	6523.25	
25. West Bengal	2649.99	532.41	3182.40	3116.61	765.11	3881.72	
Total	40124.00	12932.63	53066.63	44669.73	12535.22	57204.95	

## STATEMENT-III

(Rs. In Crores)

		1988-89					
States U. Ts./	Repayment of Principal	Debt Servicing Payment of interest	Total Col. (2) & (3)	Total receipt excluding Centrla loans & Grants	Debt Servicing as % age of total receipts excluding Central loans & advances (Col. (4) as % age of Col.(5).		
1	2	3	4	5	6		
1. Andhra Pradesh	205.42	229.60	435.02	4170.14	10.43		
2. Arunachal Pradesh	17.90	7.59	25.49	121.15	21.04		
3. Assam	212.21	184.02	396.23	1375.69	28.80		
4. Bihar	261.51	313.51	575.02	3179.59	18.08		
5. Goa	36.04	39.56	75.60	166.69	45.35		
6. Gujarat	204.92	258.51	463.43	3685.61	12.57		
7. Haryana	112.59	93.26	205.85	1490.73	13.81		
8. Himachal Pradesh	23.63	32.14	55.77	447.01	12.48		
9. Jammu & Kashmir	78.79	142.86	221.65	625.81	35.42		

(Rs. in Crores)

1988-89

States U. Ts./	Repayment of Principal	Debt Servicing Payment of interest	Total Col. (2) & (3)	Total receipt excluding Central loans & Grants	Debt Servicing as % age of total receipts excluding Central loans & advances (Col. (4) as % age of Col.(5).
1	2	3	4	5	6
10. Karnataka	176.35	171.00	347.35	3604.74	9.64
11. Kerala	168.15	125.43	293.58	2593.10	11.32
12. Madhya Pradesh	180.06	207.57	387.63	3915.11	9.90
13. Maharashtra	230.81	451.37	682.18	6298.70	10.83
14. Manipur	13.20	9.80	23.00	152.91	15.04
15. Meghalaya	14.74	6.51	21.25	151.51	14.03
16. Mizoram	10.92	9.94	20.86	100.43	20.77
17. Nagaland	14.39	9.96	24.35	176.81	13.27
18. Orissa	114.65	131.17	245.82	2003.85	12.27
19. Punjab	137.15	119.78	256.93	1749.68	14.68

(Rs. In Crores)

States U. Ts./	1988-89					Debt Servicing as % age of total receipts excluding Central loans & advances (Col. (4) as % age of Col.(5).
	Repayment of Principal	Debt Servicing Payment of interest	Total Col. (2) & (3)	Total receipt excluding Central loans & Grants	5	
1	2	3	4	5	6	
20. Rajasthan	211.47	205.81	417.28	3258.56	12.81	
21. Sikkim	2.19	3.03	5.22	61.53	8.48	
22. Tamil Nadu	172.56	179.54	352.10	4274.85	8.24	
23. Tripura	8.11	7.96	16.07	171.72	9.36	
24. Uttar Pradesh	386.40	493.00	879.40	6098.31	14.42	
25. West Bengal	303.81	337.72	641.53	3182.40	20.16	
Total	3297.97	3770.64	7068.61	53056.63	13.32	

## STATEMENT

1989-90

States	Debt Servicing Repayment of Principal	Payment of Interest	Total (Col.2 + 3)	Total receipts Excluding Central Loans & Central Grants.	Debt servicing as percentage of total receipts excluding Central Loans & Grants. (Col. 4. as Percentage of Col.5).
1	2	3	4	5	6
1. Andhra Pradesh	219.12	263.67	482.79	4676.00	10.32
2. Arunachal Pradesh	18.75	15.81	34.56	109.55	31.55
3. Assam	237.43	224.58	462.01	1423.56	32.45
4. Bihar	282.58	345.89	623.47	3508.04	17.92
5. Goa	40.67	37.17	77.84	169.44	45.94
6. Gujarat	212.92	308.29	521.21	3291.29	15.84
7. Haryana	92.28	109.47	201.75	1905.69	10.59
8. Himachal Pradesh	25.98	42.12	68.10	439.05	15.87
9. J & K	116.33	144.01	260.34	604.00	43.10
10. Karnataka	191.31	194.84	386.15	3991.52	9.67

1989 - 90					
States	Debt Servicing Repayment of Principal	Payment of Interest	Total (Col.2 + 3)	Total receipts Excluding Central Loans & Central Grants.	Debt servicing as percentage of total receipts excluding Central Loans & Grants. (Col. 4. as Percentage of Col.5).
1	2	3	4	5	6
11. Kerala	158.35	135.77	294.12	2262.41	13.00
12. Madhya Pradesh	174.73	246.67	421.40	4056.14	10.39
13. Maharashtra	245.89	537.73	783.62	7841.82	9.99
14. Manipur	13.81	10.14	23.95	129.37	18.51
15. Meghalaha	14.24	8.45	22.69	133.44	17.00
16. Mizoram	10.00	14.25	24.25	95.02	25.52
17. Nagaland	15.77	10.75	26.52	153.55	17.27
18. Orissa	132.10	151.52	283.62	2168.74	13.08
19. Punjab	149.40	114.26	263.66	2701.84	9.76
20. Rajasthan	163.23	221.85	385.08	2741.06	14.05
21. Sikkim	2.61	3.61	6.22	52.67	11.81

1989-90					
States	Debt Servicing Repayment of Principal	Payment of Interest	Total (Col.2 + 3)	Total receipts Excluding Central Loans & Central Grants.	Debt servicing as percentage of total receipts excluding Central Loans & Grants. (Col. 4. as Percentage of Col.5).
1	2	3	4	5	6
22. Tamil Nadu	185.36	182.46	367.82	4198.92	8.76
23. Tripura	8.95	9.28	18.23	156.85	11.62
24. Uttar Pradesh	472.98	626.13	1099.11	6523.25	16.85
25. West Bengal	268.93	387.53	656.46	3881.72	16.91
Total	3453.72	4346.25	7799.97	57204.95	13.64

SHRI SYED SHAHABUDDIN: Mr. Speaker, Sir, the picture that emerges from the reply and the statement tabled in the House is a cause for serious concern. I find that the total Central loans are just over Rs. 56,000 crores and the total receipts on revenue and capital account taken together of all the States and Union Territories for 1988-89 is just over Rs. 53,000 crores and in 1989-90, it is estimated at just over Rs. 57,000 crores. So, roughly, the picture is that the States and Union Territories are indebted to the Central Government to the extent of one year's total revenue and capital receipts. Now, Sir, this is indeed a very serious picture. I would like to know from the hon. Minister the state-wise break-up of the outstanding loans as on the 1st of April, 1989. If he prefers, he may like to place it on the Table of the House. But, I would like to know from him now is the period over which this balance has accumulated. What were the total grants to the States and the Union Territories during that period? And what is the rate of interest payable on these loans?

SHRI B.K. GADHVI: Sir, the hon. Member has clubbed many questions into one. So far as State-wise break-up is concerned...

MR. SPEAKER: He had been a diplomat, he knows how to do that.

SHRI B.K. GADHVI: Naturally, because he was in the Indian Foreign Service. So far, State-wise outstanding loans as on 31st March, 1989 are as follows:

Andhra Pradesh —Rs. 3341.09 crores

Arunachal Pradesh —Rs. 327.10 crores.

Should I repeat for all the States?

SHRI SYED SHAHABUDDIN: You can lay it on the Table of the House.

SHRI B.K. GADHVI: In 1984, these loans were all clubbed together. There are various types of loans on the Plan side, on the small savings side and others. The inter-

est rate varies from figure to figure. But, by and large, it is 9.75% and something more than that. The re-scheduling of the loan is also being done on the recommendation of the Finance Commission. Some of the loans are also being written off taking into account the particular situation of a particular State. I do believe that burden on the State Exchequer by way of loans is a little heavy. But that is because the States also have to perform their own part of raising their resources. One of the reasons for more States not being able to raise their resources is that the contribution of their public sector undertakings to the Exchequer is not coming up to the expectations. We very much wish and we are trying to impress upon the States that they also have to play a very vital role in augmenting their own resources. Now, I believe, States are aware of that situation also.

SHRI SYED SHAHABUDDIN: I also asked about the total grant during the same period, that is from 1984 to 1989.

SHRI B.K. GADHVI: So far as the grants are concerned of that period, I am sorry, perhaps I may not have the figures presently with me because there are two types of States the special category of States like Assam and J&K which are on a different footing as well as the other general category States. If the Hon. Member so wishes, I will furnish this information to him.

SHRI SYED SHAHABUDDIN: I asked that question because I am concerned about some of the States, especially those in disadvantaged circumstances. They are concerned about the mix, the proportion between the grant and the loan from the Central Government.

I come to the other two Statements. I presume that in addition to the loan that the States take from the Central Government, they also raise public loans. They are borrowing from the commercial channels. They have also overdrawn from the Reserve Bank of India. On all of them they have got to pay a certain amount of interest. Now the interest rate, as the Hon. Minister has just now

mentioned, on the Central loan is of the order of 9.75%. I would certainly like him to consider whether this rate of interest is not very high.

After all, since he referred to my being a diplomat, I must remind him that all the debt countries are always arguing that the rate of interest on the loans taken by them from the developed countries must be much lower than this level. It should be of the order of 2% to 3%, just about the servicing charge. In our own country we should certainly be far more compassionate towards the less fortunate States and Union Territories than what we expect the developed countries to show towards the developing countries.

I would like to point out that the debt servicing charge as stated in the Statements 2 and 3 is reaching a critical proportion of the total receipts in many States. I would particularly like to draw the attention of the Hon. Minister where it has already crossed the safe limit of 20% - in the case of Arunachal Pradesh, Assam, Goa, Jammu and Kashmir and Mizoram. Bihar, my State, is not very far behind, in a year or two it shall cross the safe limit. It is already around 18% now. In the case of Arunachal Pradesh it has reached 31.5%, in the case of Assam 32.5% in the case of Goa 46%, in the case of J & K 43%. Just imagine, 43 rupees out of 100 raised by them on capital revenue account to be paid to be Central Government alone, not counting what they have to pay on other borrowing! The States will go totally bankrupt.

So, I would like the Hon. Minister to let me know what measures the Central Government have in mind in respect of their total borrowings—not only on their borrowings from the Central Government—in order to ensure that at least those States which have crossed the safe limit of 20% are saved from financial bankruptcy.

**SHRI B. K. GADHVI** I agree that so far as the debt servicing ratio is concerned, in some of the States it is a little high. But on an average it comes to 13.64%. But individually

some States have a larger debt servicing ratio.

With a view to reducing this, it would not be proper to say that they should always depend upon the concession to be given by the Central Government because Finance Commissions time and again are looking into the debt position of every State, they are trying to give some relief by way of rescheduling of the loans as well as by way of writing off the loans.

To compare that the developing countries should receive at a concessional rate from the developed countries is no more a valid and cogent argument in this case because we are a part of the same country. Of course, Central Government also is equally a developing country. We are also borrowing at a very high rate and then we are repaying to the States at a concessional rate.

Recently in small saving they have to pay 13% and on others 9.75%. Our borrowing varies from 13% to 15%. Even the external borrowing which is coming in terms of rupees is also a high cost borrowing. Therefore, what I would submit is that the States also should not totally throw out their own responsibility of managing their fiscal affairs. They have also to be very diligent about it. They have also to be very prompt about that and they should manage their financial aspect in a much better way.

**SHRI SYED SHAHABUDDIN** That is precisely what the country and the financial institutions can ask for.

**PROF. N. G. RANGA** What does not the Centre do? You express the Centre's point of view.

**SHRI RAM SINGH YADAV** Mr. Speaker, Sir, the hon. Minister has just pointed out that there are two categories of States. One is the special category and the second is the general category. Assam and Jammu & Kashmir are in the special category. There are some States which are constantly facing natural calamities and

Rajasthan is one of them. Rajasthan has incurred heavy debts and the financial position of the State is very much deplorable today. I would like to know whether the hon. Minister would assure the House that the loan which has been incurred by the Government of Rajasthan for natural calamities will be written off.

SHRI B.K. GADHVI: Sir, I understand that some States—because of their geographical situation and because of their natural conditions—are being visited by the natural calamities like drought and famine. A part of Rajasthan is facing such a situation. But the hon. Member should appreciate that while we take into consideration their augmentation of resources, we also take into consideration their scope and potentiality for augmenting the resources. Therefore when there is a serious drought or a famine, there is a different mechanism by which we try to help the States; then our Central team will go there, they assess the damage and then we give them relief, etc. They are not to be clubbed with this, because this is on the Plan side. We are trying to meet the maximum possible, the plan side resource augmentation deficit of the States. But, so far as the writing off of the loans is concerned, in some States, in the past, Finance Commission has done it. We are also referring the matter to the Finance Commission about the indebtedness of the States and the Finance Commission would also take into account, what relief can be given. I hope that the second report that would come, would take into consideration these aspects of the States also, because this is one of the references made to the Finance Commission.

SHRI P. KOLANDAIVELU: Sir, in Statement No. : 2 it has been stated that the capital receipts, excluding Central loan for 1988-89, for Tamilnadu was Rs. 1313.19 crores, whereas for 1989-90, it has been stated as Rs. 733.25 crores. So, the capital receipts have been reduced by more than Rs. 400 crores. My submission is that the Chief Minister of Tamilnadu, as soon as he assumed Office as the Chief Minister of Tamilnadu on 28th Jan., has stated that the

treasury was empty and the granary was also empty. May I know whether the State Government is in a crisis of financial bankruptcy and whether they have asked for a loan from the Central Government? Recently, he has announced Rs. 400 crores for the NGOs, which is an addition to what they were being paid. When the position of the State Government is very bad and when there is a financial bankruptcy, how can it announce? Unless it raises the resources, how can it announce? May I also know whether this fact has been brought to the notice of the Central Government or not?

SHRI B.K. GADHVI: The hon. Member has drawn a comparison between the capital receipts excluding the Central loans and grants. It is quite noticeable that in 1989 it has fallen down to Rs. 733.25 crores. This reflects the State's own capacity to have the capital receipts and also reflects their management of the fiscal mechanism of the State. So far as the States are concerned, as you know, we have got a feudal structure and if any State is resorting to prodigalism, then it is very difficult for us to say anything. I am not casting any aspersions on Tamilnadu or any other State. But sometimes, we do find that the States go in for very cheap populist measures, thereby resorting to prodigalism. We would wish that better sense should prevail upon them so that the financial aspect is not imbalanced.

### **Bank Loans to Entrepreneurs**

\*171. SHRI SOMNATH RATH: Will the Minister of FINANCE be pleased to state:

(a) the number of entrepreneurs to whom loans have been advanced by the State Bank of India and the nationalised banks during the last three years, year-wise;

(b) the average time taken to give loan after receipt of application; and

(c) the measures taken by Government to reduce the time gap between submission of application and receiving the amount by the entrepreneurs?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI

EDUARDO FALEIRO): (a) to (c). A Statement is given below.

### STATEMENT

(a) to (c). The Reserve Bank has reported that the existing data reporting system by banks does not generate information in the manner asked for. However, information relating to the number of borrowal accounts which is available only in respect of priority sector advances is indicated below:

	<i>Number of borrowal accounts (in lakhs)</i>	<i>Amount outstanding (Rs. in crores)</i>
1	2	3
December, 1986	261.57	23811
December, 1987	297.88	27810
December, 1988	330.97	32564 (Data Provisional)

The amount of total outstanding advances of public sector banks to all categories of borrowers during the last three years is indicated below:

	<i>(Rs. in crores)</i>
December, 1986	56,780
December, 1987	63,522
December, 1988	76,205

As per the existing guidelines of the Reserve Bank of India (RBI) in regard to priority sectors, banks are required to enforce strict time discipline in dealing with all credit proposals in the priority sector. These guidelines enjoin upon the banks that all loan applications up to a credit limit of Rs. 25,000/- should be disposed of within a fortnight and those for over Rs. 25,000/- within 8 to 9 weeks from the date of receipt of the application. The Boards of Directors of the banks have also been enjoined to periodically review the position.

SHRI SOMNATH RATH: My question

was about the number of entrepreneurs to whom loans have been advanced by the State Bank of India and other nationalised banks. Instead the answer is about the number of borrowal accounts as on December 1988. It was 330.97 lakh and the amount outstanding is Rs. 32,564 crores. The amount of total outstanding advances in public sector banks as on December 1988 is Rs. 76,205 crores. The loans and advances to the entrepreneurs are linked with subsidy and are at a lower rate of interest and the loans are advanced in a phased manner. I would like to know is there any agency to check the loans that are given at the first instance and also to ensure before the second doze of loans is given as to whether the loan given in the first instance has been utilised for the purpose for which it was granted. If so, what is the measure taken for that and how best the subsidies are advanced to these entrepreneurs in time so that the industries come up in right time and also to see that sufficient money has been advanced?

SHRI EDUARDO FALEIRO: In his original question the hon. Member wanted to know the number of entrepreneurs. I have

said in the answer that the number of entrepreneurs is not available. The number of accounts are available. He wants to know why only the number of accounts are available. The reason is one entrepreneur can have more than one account. Therefore, what really matters with the bank is the number of accounts and this is the reason why number of accounts as well as outstandings have been given.

The hon. Member is rightly concerned about the delays in disbursement of loans and subsidies and also credit utilisation. In October I have reiterated the instructions giving the time—frame in consultation with the Reserve Bank within which these loans must be disbursed. Banks have been advised to follow the practice of issuing an acknowledgement with the date of receipt for loan applications and after the receipt of the application a definite date has to be indicated for discussion, clarification, etc. if considered necessary. For monitoring timely disposal of cases the banks are required to introduce an appropriate system. The Regional Manager would review the cases every month. Further the credit proposals from small scale industries not decided within three months from the date of receipt are to be reported at an early date to the Board of Directors for review and effective follow-up action. The Regional Managers are also required to visit nodal branches in such a manner that every nodal branch is visited by an officer once in three months. The concern of the Member is right on delay. I have myself discussed with the MPs and got feedback that there are delays. We have issued instructions. We have also asked the banks to monitor implementation of these instructions and, I hope, the things will improve.

**SHRI SOMNATH RATH:** Is any supervision made as to whether the credit advance is properly utilised before the second dose is granted?

**SHRI EDUARDO FALEIRO:** It is always there not only in the case of small loans but also subsidy linked loans. It is a fundamental thing in bank loans that the bank will

first verify whether the loan has been properly utilised or not. That is a fundamental thing in every banking operation. It is their duty to do so. If you have any case in which it has not been done, we will definitely check up that.

**SHRI SOMNATH RATH:** The hon. Minister has replied that there is some existing guideline to enforce the time discipline. He has also mentioned about this in the reply. But, in fact, the entrepreneurs are not able to get the credit in time. And on account of price escalation, either the industry is not able to come up or it turns sick. This has now become a common phenomenon.

As such, will the Minister constitute a committee to supervise this aspect and inform the House what specific steps are being taken? The outstanding amount mentioned there is Rs. 76,205 crore. So, what specific steps are being taken for realisation of this amount and for the industry to come up in a right manner and in right time so that it does not turn sick? The entrepreneurs have an eye on the subsidy part of the loan and about the lower rate of interest on the loan or credit they take.

**SHRI EDUARDO FALEIRO:** The hon. Member has mentioned the outstanding amount but there is some misapprehension that outstanding amount means an amount which has been defaulted. There is a very sharp and clear distinction between outstanding amount and overdue amount. An outstanding amount is an amount which has not been paid but may have become due, but not that all this money is defaulted.

The time may or may not have come for the entrepreneur to pay. So, no conclusion can be drawn from this figure in a negative manner.

However, the hon. Member is right, firstly, for his concern about the delay in disbursement of capital to industry and, secondly, insufficient amount being given to the industry. If a person asks for an amount 'X', if that amount 'X' is really necessary for

that particular industry, giving an amount less than that will definitely not meet the purpose and, in fact, may contribute to non-viability of the industry and to sickness. If we realise all these aspects, the Reserve Bank of India has been regularly monitoring the performance of the banks.

Recently, we have introduced a very innovative measure and that is that Members of Parliament will be invited, for the first time, to the review meetings of operations of the banks at the district level. So, all the Members of Parliament will have an opportunity to see really what is happening at the grassroot level and to come up with suggestions. I think it is very innovative and very useful.

[*Translation*]

DR. PRABHAT KUMAR MISHRA: Mr. Speaker, Sir, the rural Banks have been established with a view to provide financial assistance to the farmers and other rural people but their applications for small loans are rejected on petty technical grounds and they do not get any benefit from these Banks. Small loans ranging from Rs. 5,000 to 10,000 are sought by the villagers who want to earn their livelihood in the village itself. Has the hon. Minister received complaints from the rural people that they do not get loans unless political pressure is exerted? I would like to know what steps are being taken by the Government in this regard.

[*English*]

SHRI EDUARDO FALEIRO: Sir, as far as small loans are concerned, we have given 15 days time within which they must sanction the loan or take a decision on the loan. What is required from the bank is, number one, that when the man approaches the bank, he should be given an acknowledgement saying that the application has been given on a particular date and the acknowledgement slip must also indicate the date on which the loan will be finalised one way or the other so that the man does not have to go again and again.

So, far as small loans are concerned, up to Rs. 25000, the work must be completed within 15 days. But as far as the applications from Scheduled Castes and Tribes are concerned, they are not to reject them unless they get the preliminary approval of the senior man. They can approve them on their own but they cannot reject unless they have seen and the course of action has been approved by the senior officer. As far as others are concerned, even those who are not Scheduled Castes and Tribes, in case of rejection, the matter must again go to the senior officer after the rejection and it is for him to scrutinize whether the rejection is valid or not.

Secondly, we have again taken a very important step recently and that is to this effect that in respect of small loans at the rate of 4 percent, we had a distinction between working capital which could be given up to Rs. 1500 and the remaining amount which goes up to a total of Rs. 6500, for capital investment. Rs. 1500 may not be sufficient for working capital. So, we have said that the discretion must be given to the Branch Manager or to the officer who is dealing with it to be more flexible and if necessary, more than Rs. 1500 for working capital, can be given within a ceiling of Rs. 6500 so that the operation will become viable. This is also a major step to help the weaker sections and given them further financial support.

[*Translation*]

SHRI BALASAHEB VIKHE PATIL: Mr. Speaker, Sir, a sum of Rs. 76,000 crore is outstanding against the defaulters, but I would like to know how much amount is outstanding against the small scale sector and how much against the big industrial houses? How many cases are there which have been resettled by the Government but are still being shown in the outstanding list? In regard to time discipline in dealing with credit proposals has to be done regionwise by the banks? What is the percentage of rejected cases? Our experience in this regard is that they neither reject the cases nor sanction the loan and simply go on making queries.

Tehsildar and other Revenue officials also go on asking irrelevant things and do not either reject or approve the application. The hon. Minister has rightly said that there is no need to visit the offices time and again to get the loan sanctioned but the general atmosphere is such that without going one cannot get the work done. I would like to know as to what steps does the Government propose to take in respect of monitoring and an sanction so that people may get some relief?

[English]

SHRI EDUARDO FALEIRO: Sir, all this statistical information which the hon. Member wants such as amount overdue by small industries and large industries, is not available with me at the moment. I will collect the same and give it to the hon. Member. He has raised a question as to how sometimes people are harassed and I am not prepared to accept or admit in totality this general statement. But, it does happen sometimes. I would like to say that when I met the hon. Members of Parliament, this issue was raised by them. The DICs approve a certain number of people to be given this benefit but when they go to the bank, according to the MPs, sometimes the banks do not really accept the pleas and they have their own assessment. They have found that a single-window concept must be brought into the scheme. Therefore, time must be given to the banks to scrutinize before a decision is taken by the DIC. The banks will be present at the DICs meeting. The decision taken by the DICs will be final. We are working on this and we have recommended this to the Reserve Bank of India. We are awaiting their concurrence in this matter.

[Translation]

#### Indo-Australian Trade

\*172. SHRI MADAN PANDEY:  
SHRI LAKSHMAN MALLICK:

Will the Minister of COMMERCE be pleased to state:

(a) whether efforts are being made to increase trade between India and Australia;

(b) if so, the broad details of the efforts made in this direction;

(c) the names of items, the trade with regard to which is likely to increase between these two countries; and

(d) the extent of additional foreign exchange which India is likely to receive as a result thereof?

[English]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) A statement is given below.

(c) There is a possibility of increase in imports of coal, wool, and mining machinery and equipment from Australia to India while Indian exports of engineering products, leather products, precious and semi-precious stones, textiles and garments, spices, chemicals and other items are likely to increase over the years.

(d) No exact figures of additional foreign exchange earnings can be given.

#### STATEMENT

(b) The following steps *inter-alia* have been/ are being taken to promote trade between India and Australia:

(i) Holding of seminars on various aspects of trading with India in Australia.

(ii) Increasing contacts between Indian and Australian businessmen through forum of regular meetings of the India-Australia Joint Business Council.

(iii) Increased participation in international exhibitions held in Australia.

- (iv) Holding of exclusive displays of Indian products in Australia through the Assistance of Market Advisory Service of Australian Government.
- (v) Holding of Buyer-Seller Meets in Australia.
- (vi) During the visit of Prime Minister of Australia in February, 1989 both the countries have signed Memoranda of Understanding for cooperation in sectors of Railways, Telecommunication and Concessional Finance which *inter-alia* include the establishment of Joint Ventures.
- (vii) Establishment of a Joint Ministerial Commission with Australia which would *inter-alia* consider measures to strengthen relations between the two countries in all areas particularly in the field of, commercial, economic, scientific and technological cooperation etc.

[Translation]

SHRI MADAN PANDEY: Mr. Speaker, Sir, the efforts made by the Government to promote trade with a developed country like Australia is a welcome step but my submission is that besides Australia, Government should also pay attention towards other South East Asian countries with whom scope for promotion of our trade is very wide.

Mr. first submission in this regard is that though both the countries come to an understanding at the moment but is there are mechanism like joint commission or such other body which will continue the process, meet from time to time to review the progress and explore new possibilities to boost the mutual trade further? If so, kindly give the full details regarding the composition of the commission and its objectives?

SHRI P.R. DAS MUNSI: It is true that our trade relations with Australia are further improving as compared to the past. So far as the question of mechanism to solve trade

problems between the two countries is concerned, I would like to inform that earlier there was a Joint Trade Committee, but it is a matter of happiness that after the visit of our Prime Minister Shri Rajiv Gandhi to Australia and the consequent visit of Australian Prime Minister to India in the beginning of this year, a Joint Commission has been constituted. The first meeting of the Joint Commission started in Canberra yesterday where our Minister of Commerce Shri Dinesh Singh was also present. Yesterday we received a message from Canberra after the end of First day's meeting that an agreement had been reached that the trade between India and Australia would touch the mark of 1.2 billion U.S. dollar by 1992 i.e. during the course of next three years. Another happy news is that now it has been decided by the MMTTC that the ships coming from East Coast of Australia, which is away from the mainland, will henceforth carry iron-ore from India to the steel mills in that country on their way back after unloading their cargo at Paradeep. Australia is one of the leading exporters of iron ore otherwise.

SHRI MADAN PANDEY: Mr. Speaker, Sir, my second supplementary is that in view of the experience of the hon. Minister about the trade talks with Australia, which is very encouraging, will the Government explore the possibility of increasing our trade with other countries like Thailand, New Zealand, Philippines and other big and small countries of South East Asia which are developing? Is there any such matter receiving attention of the Government?

SHRI P.R. DAS MUNSI: Yes, Sir.

SHRI MADAN PANDEY: The reply is only yes, Sir.

MR. SPEAKER: What a positive reply.

[English]

SHRI LAKSHMAN MALLICK: May I know from the hon. Minister what is the present turn-over of Indo-Australian trade? Just now the hon. Minister replied that our

Prime Minister visited Australia in 1986 and signed an agreement for trade between the two countries. In the statement, it is also stated that the Australian Prime Minister visited India in February 1989 and both the countries have signed a memorandum of understanding for cooperation in sectors of railways, telecommunication etc. He also stated that conference is at present going on in Canberra. May I know, what is the present turn-over of the Indo-Australian trade and whether any decision has been taken in that regard in the Joint Ministerial Commission at Canberra and whether any agreement has been signed in that regard? If so, what are the details thereof?

SHRI P.R. DAS MUNSI: Sir, through you, I would like to convey to the hon. Member that if you trace the history of Indo-Australian trade, it started right from the East India Company but the actual trade agreement between India and Australia was signed officially after the independence. Thereafter the trade between the two countries started following the line of Joint Trade Committee which considering the trade and technological aspects was at a little lower level. Thereafter we had a Joint Business Council at the private level. During the first visit of our Prime Minister to Australia, and before the Australian Prime Minister came to India, a Joint Business Council was formed and it started functioning. It is nice to mention here that when the Australian Prime Minister, His Excellency Mr. Hawke, came to India he also attended the Joint Business Council meeting and responded to Indian trade just as our Prime Minister Rajivji responded to Australian trade. Thereafter a Joint Commission was formed. The first meeting of the Joint Commission was held in Canberra yesterday. The message that I received yesterday evening from Canberra through our High Commission is that the concluding part of the agreement will be signed today. So, I cannot exactly say whether the agreement has been signed between the two trade Ministers. But hopefully I may inform the hon. Member that an arrangement to provide 1.2 Billion U.S. Dollars trade by 1992 in order to double the trade turnover has been envisaged and

possibly in this regard some official declaration will be made today in Canberra. The provisional figures for trade turnover for the year 1988-89 shows that the export figure stands at Rs. 266.04 crores and the import figure is a little over Rs. 700 crores. So, obviously there is a trade balance in favour of Australia. Therefore, we are trying to find out what more new items can be added in our export basket so that we can neutralise the bulk import of cooking coal for which we are mostly dependent on Australia.

Apart from this a Memorandum of Understanding was signed between the two countries which identifies a few areas like the Railways and others. A Memorandum of Understanding was also signed between the National Dairy Development Board and Australian Centre for International Agricultural Research on 15th October, 1986. The purpose of this Memorandum was to increase the food production and to promote research, this involves exchange of missions, exports and delegations so as to exchange views in the field of research. So, these are the broad areas where we are thinking of expanding our trade.

So far as our export is concerned, we are mainly depending on machinery, transport equipment, chemicals and other related products and our import is mainly confined to coking-coal and raw-wood. These are the areas where we feel that the trade between India and Australia can be further expanded. We hope that the agreement which will be signed today will open new doors for the Indo-Australian trade.

#### Export of Tea

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\*181. SHRI BALASAHEB VIKHE  
PATIL:  
SHRIMATI PATEL RAMABEN  
RAMJIBHAI MAVANI:

Will the Minister of COMMERCE be pleased to state:

(a) the quantity and the value of tea

exported to various countries during 1 January, 1987 to 30 June, 1989, country-wise, year-wise;

(b) the foreign exchange earned, country-wise;

(c) the steps taken to increase export of tea;

(d) the facilities and incentives given at

present to tea exporters and whether Government propose to give more incentives in the further; and

(e) the steps taken to check the inferior and adulterated qualities of tea before it is exported?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (e). A statement is given below.

### STATEMENT

(a) and (b). As per Tea Board statistics, Export of tea from India earned an overall foreign exchange of Rs. 621.72 crores (Prov.) during 1987-88 and Rs. 644.26 crores (Estd.) during 1988-89. Value of export of tea for the period April-May, 1989 is provisionally estimated to be Rs. 59.60 crores as compared to Rs. 57.09 crores during the corresponding period last year. Export of tea to some of the principal countries during the years 1987 to June, 1989 are as follows:

<i>Name of the Countries</i>	<i>(Qty - M. Kgs.)</i>		<i>(Fig. Licences issued)</i>	
	1987	1988	1988	1989 (Jan-June)
1	2	3	4	
U.K.	24.63	26.52	1.61	
Poland	10.32	9.48	4.39	
U.S.S.R.	91.08	95.76	33.04	
U.S.A.	2.49	2.92	0.98	
Iraq	2.15	12.52	2.85	
A.R.E.	8.37	14.91	6.66	
Iran	28.11	11.77	1.24	

(c) and (d). Government from time to time on the basis of merits are giving facilities and incentives to exporters. Some of the important step initiated to enhance exports of Indian teas include:

1. Assistance to exporters for loan in foreign exchange for brand promotion.

2. Shift from generic promotion to uninational campaign for value added teas.
3. CCS on tea bags, packet tea/tea caddies, instant tea and quick brewing black tea has been sanctioned.
4. To counter misbranding of other

- teas as Darjeeling teas, a logo for Darjeeling tea has been launched.
5. Tea bags have been exempted from excise duty.
  6. Customs duty on filter paper used in manufacture of tea bags has been abolished.
  7. Rebate of Excise duty on packet tea exports.
  8. A provision of 10% of FOB realisation for advertising and promotion by individual companies abroad had been sanctioned.
  9. Small scale packeters upto a annual turnover of Rs. 1.5 crores have been exempted from Excise duty.
  10. Exports of tea under bond has been allowed.

(e) Checking adulteration in respect of any saleable tea for domestic or export purpose is primarily the responsibility of different state governments in accordance with the provisions of the Prevention of Food Adulteration Act and rules framed thereunder.

In addition, Tea Board implements the provisions of the Tea Waste (Control) Order, 1959 to check any misuse of Substandard Tea or Tea Waste as adulterated to tea.

SHRI BALASAHEB VIKHE PATIL: Sir, in Poland and USSR the trade is in Indian currency. So, I do not know how much foreign exchange we are earning from these countries. At the same time our trade with Poland and Iran is declining very fast. Some countries are doing well in trade. There is no doubt about that. I would like to know how the Government is thinking of increasing the tea trade abroad so that we can compete in the international market. You have given a number of exemptions but at the sametime you are going to re-consider the small scale packeters upto an annual turnover of Rs. 1.5

crores. That limit can be increased so that the margin of profit can be more and they can export. You calculate the total subsidy per Kg. after giving all your concessions to the tea exporters and see how you will stabilise tea export market so that, particularly the tea garden labour, does not suffer and the production can go up.

SHRI P.R. DAS MUNSI: The entire mechanism of tea export precisely depends on (a) the productivity and production of the country, (b) the supply and demand ratio in the domestic market, and (c) finding out whether there is any export surplus and also whether there is any market.

The hon. Member expressed his concern about the profit margin in the rupee earning area as well as earning profit margin fro the hard currency areas, and finally whether we can increase the limit of small packets and all these things. I may inform the hon. Member that though India is the largest producer of quality tea in the whole world I may claim that India produces the best quality tea which nobody in the whole world produces—the difficulty that we are facing today is that the domestic demand is going up and the matching production ratio for making available the surplus for the export basket is not gaining momentum. This is precisely the fact. It is a fact that from 1951 to 1986, though our productivity had gone up by 67 percent, and the area under plantation had gone up by a little over 28 percent, still the domestic consumption is going up at a galloping speed. This year, we had estimated a production of a little over 700 million Kgs, while according to our information, about 470 million Kgs. would be consumed in the domestic market alone. The remaining, i.e. the surplus, which we will have in our hand usually will be around 200 million Kgs. or a little over that. In that there is also a black CTC tea.

We have a very steady market in the Soviet Union. We don't like to get out of that area because we feel that Society market is a very steady and a regular market for Indian tea. So, the Indian tea must go as much as

it can. We are giving 18 percent of C.C.S. if the tea is actually packed in the form of a packet and are exported by finding a market. The problem is—I would not include subsidy or cash compensation that many State Governments are not registering their small scale units. We have made a provision that if there is a small scale packaging unit, it will also be exempted from the Excise Duty. So, many State Governments are not actually registering those units. That is the new problem. We are sorting it out. Regarding finding new market area, as I had stated earlier, we have started gaining new ground. I may inform the hon. Member that West Germany is now the best market for the quality tea while the other kinds of teas are usually liked by the entire Europe. But in the United States, the type of flavored tea that they would like to consume is of a very inferior quality which India never stepped into. We are fighting in the international forum for the quality promotion only because it is here that India can get a better rate.

**SHRI BALASAHEB VIKHE PATIL:** My second supplementary is this. In reply to part 'e' of my question, you have mentioned about Food Adulteration Act and the misuse of sub-standard tea. I do not know how many cases you have registered. We have been getting cases about the foreign exchange earning. The Government is trying to increase the production of tea but at the same time, can the Minister inform the House as to which are the other areas in agricultural products where we can earn more foreign exchange so that we can substitute the tea with other agricultural product. By doing so we can earn more foreign exchange. If we can do that, we may not in future due to domestic consumption lose foreign exchange.

**SHRI P.R. DAS MUNSI:** First of all as far as adulteration is concerned, it is a fact that sometimes, cases are reported to us about the export of adulterated tea. And we

caught a few cases. But the actual problem is that checking adulteration of any saleable tea, whether for domestic consumption or export, is primarily the responsibility of the State Governments, as per the provisions of the Prevention of Food Adulteration Act. It is precisely their responsibility.

Finally, the export arrangements for tea are like these: for a long time it has been the practice that unlike in other commodities where a regular inspection agency e.g. export inspection agency is there, for tea they are between the buyer and the seller, through a surveyor, subject to the satisfaction of the buyer. If I buy tea from India or from England, I will buy tea through a particular party many times through a surveyor appointed by me or by him, subject to my satisfaction.

The quality itself has reached such a level that hardly any complaint comes, of this nature, except from the domestic market, and the domestic market is under the total surveillance of the Enforcement Department of the State Governments. But it is precisely within the ambit of the State Governments.

In regard to substitution of tea by other agricultural commodities, I would request the hon. Member not to plead for it, because tea is required for India. I feel that if we cannot increase productivity by the end of the 8th Plan, the situation may be very difficult for India, even to look after the domestic market. The consumption is going up, because it is the only beverage for the common, poor people. Therefore, we do not like to plant like that; on the contrary, our ambitious target is to expand the tea-growing areas to a greater extent, with the help of the State Governments, and provide a lot of support from our side. We are gaining ground in this direction.

**SHRI CHINTAMANI JENA:** I would like to tell the hon. Minister that the figure given in his reply shows that in some of the coun-

tries importing our tea, the quantity of such import has declined. What is the reason for this? May I know whether it is a fact that our tea is not being very much appreciated in the international market, due to adulteration and the deteriorating quality of it, day by day? If so, what are the measures taken by Government to see that such adulteration of deterioration in quality are not there?

Besides, may I know whether it is a fact that our Darjeeling tea is much more appreciated in the international market? Is it a fact that there is scope for growing such quality tea in some of the area in our country like the Nilgiris and others? Has this aspect been surveyed; and if so, what are the results?

SHRI P.R. DAS MUNSI: First of all, I would like to inform the hon. Member that it is not at all a fact that Indian tea is losing the market due to poor quality. On the other hand, the quality of the Indian tea is so good that the Kenyan tea and the Sri Lankan tea whose quality is very inferior are grabbing the market at any price, to charm the common consumer in the whole world. That is we have taken a very consistent position in the international forums, that only quality tea should be encouraged. It has started giving results in West Germany. You cannot sell bad quality tea in West Germany. That is why the Kenyans are losing. It is mainly India whose tea is going to their departmental stores. In England, we are trying our best to do this. In Japan, a new culture has started. Inferior quality tea is being supplied by some other countries I do not like to mention those names—at throw away prices. India will never try to compete at that level. Even if we sell a little less, we do not mind; we will not compromise our price and quality.

Secondly, Darjeeling tea is produced in a limited quantity. It is earning the highest value in the whole world. The Darjeeling logo campaign is now a precise campaign for the country. That is why in the whole interna-

tional market, nobody can sell any damn, bad tea in name of Darjeeling tea, without our logo. This is the second step. Finally, we have introduced a number of systems in our tea production arrangements, both in the Nilgiris as well as in the area to which the hon. Member belongs, viz. Orissa in Kalahandi, which, people feel, is a desert-prone area. In a part of that area also, we have been able successfully to show that we can produce tea; and Orissa has given its first tea production last year; we have sold that tea at the auction as well. So, we are really improving.

I would like to inform you with happiness that the position of India today is that if the quality campaign gets strong, except India, nobody is there in the whole world to supply quality brands. That is the position in the international market.

MR. SPEAKER: The Question List is over. Now, I am going over it again. Shri Kumaramangalam.

SHRI P.R. KUMARAMANGALAM: Q. No. 165.

### Foreign Aid

\*165. SHRI P.R. KUMARAMANGALAM: Will the Minister of FINANCE pleased to state:

(a) whether the attention of Government has been drawn to the news item captioned 'Indian can no longer bank on aid' appearing in the Times of India of 25 June, 1989;

(b) if so, the details thereof; and

(c) the steps proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) (a) Yes, Sir

(b) and (c) The meeting of the Aid India Consortium endorsed India's overall development thrust and the continuing need for external assistance at concessional levels

Government do not regard foreign borrowings as a substitute for resource mobilisation through domestic efforts and have taken a number of steps to ensure that the need for foreign financing is progressively reduced. These include increasing domestic exploration and production of Oil & Natural Gas, efficient import substitution in major areas and achievement of better export performance.

SHRI P R KUMARAMANGALAM I would like to know from the hon. Minister what is the present position of balance of payment and the outstanding foreign debt including the repayment schedule?

SHRI EDUARDO FALEIRO I would like to give to the hon. Member whatever figures I have got. I would like to say that the total debt service as percentage to export and gross invisible earnings has gone down. Our position has improved from 1987-88 to 1988-89. In 1987-88, the percentage of total debt service to percentage of export and gross invisible earnings was 23.6 percent. It had been reduced last year in 1988-89 to 22.8 percent. So the position has improved on this front. Taking the total debt service as percentage of export only, again there has been an improvement from 36.2 percent in 1987-88 to 33.9 percent in 1988-89. These are the figures available at the moment.

SHRI P R KUMARAMANGALAM I hope rest of the figures will be supplied later. Now this assurance is coming from the hon. Minister. The second question is if the situ-

ation is what it is in terms of percentage, if we take it to consideration the overall figures for the last ten years of the balance of payment, we are not in as good a shape as we should have been. If it is so, is the Department of Economic Affairs going to tighten up in so far as imports under OGL are concerned, especially for consumer items?

SHRI EDUARDO FALEIRO Yes, Sir (B) We are going to tighten it, we have tightened the consumer items, luxury items import, that is being monitored very regularly and we are concerned about the balance of payment position. While saying this, I must add that our foreign borrowings have been used to build up infrastructure. This year, we have improved on the targets fixed for Seventh Plan, as far as they appear. We have improved not merely our targets but maintained them in spite of very difficult circumstances like the continuous drought, unprecedented drought. However, we have achieved the targets. We have improved on them. The improvement in the targets was 5 percent. We have achieved already 5.2 percent at this point of time, and there has been the overall growth of GNP over the last ten years. The percentage of increase from 198 to the present day has been 5, while all the time before from 1950 onwards the GNP was growing under 3.5 percent. This is how we have utilised the foreign assistance and foreign borrowings. The built up economy has shown the result. We must go further on this and at the same time we must tighten imports and improve the balance of payment position, and that is what we are doing, we must do more, and we commit to the House we will do more.

MR SPEAKER The Question Hour is over.

**WRITTEN ANSWERS TO QUESTIONS***[English]***Promotion of Export Oriented Units in Uttar Pradesh**

\*174. SHRI HARISH RAWAT: Will the Minister of COMMERCE be pleased to state:

(a) the number of industrial units in Uttar Pradesh which are exporting more than fifty per cent of their products and the year-wise amount of foreign exchange earned by these units during each of the last three years, year-wise;

(b) whether his Ministry is formulating a special scheme for promoting and encouraging export oriented industries in this State; and

(c) if so, the amount likely to be spent thereon during 1989-90?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Export statistics are not maintained industrial unit-wise or State-wise for any State except in respect of units located in Export Processing Zones.

(b) The general package of export promotion measures are available to all States including U.P.

(c) Does not arise.

*[Translation]***Extension of Budget Concessions to Public**

\*175. SHRI SARFARAZ AHMAD: Will the Minister of FINANCE be pleased to state:

(a) whether he had announced that a vigilance cell would be set up to ensure that

the concessions given in Budget reached the public;

(b) if so, whether this cell has been constituted;

(c) if so, the details thereof; and

(d) if not, the time by which it will be constituted?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). A group has been constituted in Department of Revenue to monitor the impact of the concessions in central excise duties given to various commodities in the 1989 budget, on the prices of those commodities and to submit periodical reports to the Government.

(d) Does not arise.

**Committee of Judges on arrears in Courts**

\*176. SHRI BALWANT SINGH RAMOOWALIA:  
SHRI PARASRAM BHARD-  
WAJ:

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

(a) whether Government have constituted a Committee of Judges to suggest ways and means to reduce and control the arrears of cases in Supreme Court, High Courts and subordinate courts;

(b) if so, the composition and terms of reference of the Committee and whether the said Committee has started its work; and

(c) the time by which the report of Committee is to be received?

THE MINISTER OF LAW AND JUSTICE (SHRI B. SHANKARANAND): (a) to (c). Yes, Sir. A Committee consisting of

- |  |                 |
|--|-----------------|
| <p>1. Shri Justice V.S. Malimath,<br/>Chief Justice, Kerala<br/>High Court</p> <p>2. Shri Justice P.D. Desai,<br/>Chief Justice, Calcutta<br/>High Court</p> | <p>Chairman</p> |
|--|-----------------|

Members

3. Shri Justice P.C. Jain,  
Chief Justice, Karnataka High  
Court

has been constituted to study the problem of arrears in the High Courts and Subordinate Courts and to suggest remedial measures, and it has been asked to submit its report to the Government as soon as possible.

[English]

**Inter-Bank Communication Network**

\*178. SHRI VIJAY N. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether some of the public sector banks have expressed disagreement with the Reserve Bank establishing the proposed inter-bank communication network;

(b) if so, the reasons offered by the public sector banks for differences with the RBI;

(c) whether no important information can be transmitted on the proposed system of the RBI; and

(d) if so, the manner in which Government propose to remove disagreement on inter-bank communication network?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). The proposal relating to setting up of BANKNET to improve communication linkage amongst banks is being developed in consultation with all concerned. The network, when fully operational, will facilitate message transfer, file transfer, electronic fund transfer and common data base access amongst the member banks.

**Import of coaches from U.K.**

\*179. SHRI Y.S. MAHAJAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether the British Rail Engineering Ltd. are demanding higher prices for its latest generation coaches;

(b) how much more money in terms of foreign exchange will have to be shelled out to BREL because of price hike; and

(c) whether any safeguards were provided to meet contingencies of breach of contract at the time of signing of the agreement?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) The demand made for higher prices was subsequently withdrawn by BREL Ltd.

(b) Does not arise.

(c) No agreement has been signed with the firm.

[Translation]

**Central Clearance for Orchha Power and Irrigation Project in M.P.**

\*180. SHRIMATI VIDYAVATICHATURVEDI: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Orchha Power and Irrigation Project, which has been approved by the Government of Madhya Pradesh is pending with Union Government for a long time; and

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

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) and (b). Orchha multi-purpose project received in December, 1981 was examined and comments were sent during January, 1982 to September, 1984. In the absence of response from State Government, the project was returned in October, 1985 for modification of the project proposals.

*[English]*

**Smuggling of Petrol Diesel and Kerosene to Nepal,**

1628. SHRI K.S. RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware about the smuggling of petrol, diesel and kerosene to Nepal; and

(b) if so, the action taken by Government to check smuggling of petroleum products and other essential commodities to that country?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) The Government are aware that petroleum products like petrol, diesel and kerosene are being smuggled into Nepal across the Indo-Nepal border. There is an acute shortage of petroleum products in Nepal consequent on the expiry of the Indo-

Nepal Treaty on Trade & Transit on 23rd March 1989, which has resulted in smuggling of petroleum products from India to Nepal.

(b) The anti-smuggling machinery on the Indo-Nepal border has been strengthened. Coordination Committees have been set up by the State Governments of U.P. Bihar and West Bengal for concerted action against smuggling of petroleum products from India to Nepal in the U.P., Bihar and West Bengal sector.

**Incentives for Tea Industry**

1630. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of COMMERCE be pleased to state:

(a) whether Government is reviewing the policy with regard to the incentives extended to the tea industry; and

(b) if so, the changes proposed to be introduced in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) At present no such review has been initiated.

(b) Does not arise.

**Additional Coaches for South Eastern Railway**

1633. SHRI CHINTAMANI JENA: Will the Minister of RAILWAYS be pleased to state:

(a) whether the number of coaches of passenger/express trains running on South Eastern Railway has been reduced, resulting in heavy rush on these trains;

(b) whether any request for augmentation of coaches has been received from

zonal railway and public; and

(c) if so, the action taken by Government to increase the number of coaches to reduce the rush on these trains?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). Composition of some trains have been reduced due to poor occupation. Requests received for augmentation of trains for occasional fluctuations due to local festivals/fairs etc. are catered as operationally feasible.

#### **Pension Scheme for Employees of Nationalised Banks**

1634. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) whether Government have examined the demand of the nationalised banks for introduction of pension scheme to the employees especially when the State Bank of India has started such a scheme for the employees since 1921;

(b) if so, the decision of Government on the demand; and

(c) if not, the reasons for not taking such decision on the demand which has been under negotiation with the bank employees union for a long period and the likely date by which a decision would be taken?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The matter is being looked into.

#### **Export to Gulf Countries**

1635. SHRI AMARSINH RATHAWA: Will the Minister of COMMERCE be pleased to state:

(a) the names of the Gulf countries to whom Indian goods are being exported annually;

(b) the items being exported and the value thereof;

(c) whether despite great demand for Indian goods in the Gulf market there is a slump in their export due to the poor quality and high price of such products; and

(d) if so, the steps Government propose to take in the matter and to increase the export to Gulf countries?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (d). Indian goods are exported to all the countries in the Gulf region viz; Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates. Major items of export include engineering goods, chemicals, drugs and pharmaceuticals, textiles, processed foods, spices, tea etc. Export to Gulf countries have increased from Rs. 848.60 crores (provisional) in 1987-88 to Rs. 1048.57 crores (provisional) during 1988-89.

[*Translation*]

#### **Smuggling of Narcotic Drugs**

1636. SHRI KAMLA PRASAD RAWAT:  
SHRI KAMAL CHAUDHRY:

Will the Minister of FINANCE be pleased to state:

(a) the gangs involved in the preparation of heroin from opium and smuggling of narcotic drugs apprehended this year;

(b) the quantity of drugs seized from them and the value thereof;

(c) whether Government propose to

provide for deterrent punishment for such smugglers; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). Reports received and the available information indicate that there have been some stray attempts to manufacture crude morphine and heroin. In the drive against drug trafficking, 614 persons had been arrested upto 30th June, 1989, including 8 persons, who were arrested in the course of unearthing of 5 clandestine laboratories engaged in the manufacture of morphine/heroin.

The total quantity of various drugs seized during this year (upto 30th June) are given below:

<i>Name of drug</i>	<i>Qty. (kgs)</i>
	<i>(Provisional)</i>
1. Opium	576
2. Morphine	16
3. Heroin	1,262
4. Ganja	23,727
5. Hashish	2,531
6. Methaqualone	283

No precise value of the drugs seized can be estimated or determined as this is dependent upon various factors like purity of the drug seized, place of origin, local demand and supply position, etc.

(c) and (d). The Narcotic Drugs and Psychotropic Substances Act, 1985 already provided for deterrent punishments for drug

trafficking with a mandatory minimum punishment for term of 10 years' rigorous imprisonment and rupees one lakh fine which may extend to 20 years' R.I. and Rs. 2 lakh fine for illicit traffic offences. The Act has since been amended, inter alia, providing for capital punishment on second conviction in certain cases and for forfeiture of property of drug traffickers. The offences have also been made cognizable and non-bailable. A separate enactment providing for preventive detention of drug traffickers for a maximum period of 2 years in certain cases has also been brought into force.

[English]

#### Trivandrum Model Railway Station

1637. SHRI A. CHARLES: Will the Minister of RAILWAYS be pleased to state:-

(a) whether the project regarding the construction of the 'Trivandrum' model Railway Station has been completed;

(b) if so, the details thereof; and

(c) if not, the reasons for delay?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No. Sir.

(b) Does not arise.

(c) Works relating to development of Trivandrum railway station as a model station have commenced and are being taken up in phases, commensurate with the availability of funds.

#### Financial Assistance to States

1639. SHRI GURUDAS KAMAT: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to

review the quantum of financial assistance given to States, especially drought-hit States with particular reference to the Ninth Finance Commission's recommendation; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) No. Sir.

(b) Does not arise.

#### **Outstanding Income Tax and Excise Duty**

1640. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) the details of individuals, Hindu undivided families, private and public limited companies from whom Income-tax amounting to more than ten crores is outstanding as on 1 July 1989;

(b) the details of companies and industrial houses from whom Excise Duty to the tune of rupees ten crores and above is outstanding as on 1 July, 1989; and

(c) the effective steps being taken to recover these arrears?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) As on 31.3.89, there were 4 individuals and 38 companies against whom Income tax arrear of Rs. 10 Crores or more was pending

(b) There are 7 companies as on 1.7.89 against whom Central Excise to the tune of Rs. 10 crores or above is pending.

(c) Legal, administrative and other measures as are considered necessary are

taken from time to time to recover tax arrears.

#### **International Container Depot at Alleppey Port in Kerala**

1643. SHRI P.A. ANTONY: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal to start an International Container Depot at the Alleppey port in Kerala; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Alleppey is one of the locations recommended by Rail India Technical and Economic Services (RITES) for setting up of a Container Freight Station in the country in its report on "A prespective plan for Development of Containerisation in India." As setting up of Inland Container Depot and Container Freight Station at any location is dependent upon the cargo offerings, economic viability and the overall resource availability, the Central Warehousing Corporation have been advised to conduct a detailed feasibility study.

#### **Requirement of Locomotives**

1644. SHRI H.B. PATIL: Will the Minister of RAILWAYS be pleased to state:

(a) the specific requirement of locomotives for the Indian Railways for the next five years and how do the Government plan to meet the same;

(b) whether it is proposed to meet a part of the requirement through imports:

(c) if so, the details thereof; and

(d) the comparative figures of cost/benefit ratio of the indigenous and imported

locomotives?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) The requirement for Indian Railways for the next five years would be about 753 electric locomotives and 1129 diesel locomotives. These requirements will be met mainly by Railways' production units at Chittaranjan Locomotive Works, Chittaranjan and Diesel Locomotive Works, Varanasi. Procurement of a limited number of electric locomotives through imports and some electric locomotives from Bharat Heavy Electricals Ltd. is also planned.

(b) Yes, Sir.

(c) It is proposed to import about 60 electric and about 54/40 diesels locomotives.

(d) 18 proto-type electric locomotives of 3 types of 6000 h.p. imported in 1988 are under cost/performance evaluation.

[*Translation*]

#### **Flood Water of Ganga**

1645. SHRI VIRDHI CHANDER JAIN: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Rajasthan Government have submitted a proposal to Union Government to provide 12 M.A.F. flood water of river Ganga and M.A.F. water of river Yamuna;

(b) if so, the number of districts likely to be benefited by the above proposal; and

(c) the reaction of Union Government in regard thereto?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND

MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) and (b). The State has made a proposal for diversion of surplus flood water of the Ganga and the waters of Yamuna river to benefit the districts of Bharatpur, Alwar and Jaipur.

(c) The Central Water Commission has been directed to study the matter.

#### **World Bank Loan for Programme under Export Marketing Fund**

1648. SHRI HARIHAR SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether Government had taken loan from the World Bank to implement a programme under the export marketing fund;

(b) whether the World Bank has recently sanctioned credit for a second programme to be implemented under the export marketing fund;

(c) if so, the difference between the first and second programme;

(d) when the first programme is going to expire; and

(e) the duration of the second programme?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes Sir.

(b) Yes Sir.

(c) The World Bank loan of \$ 250 million for the first Industrial Export (Engineering Products) Project was for assisting the GOI in its programme to increase competitiveness and exports of manufactured products, particularly in the engineering sub-

sector. The loan of \$ 295 million recently approved by World Bank for the 2nd Export Development Project is to assist ICICI, Canara Bank, Bank of Baroda and Exim Bank in financing the export oriented investment projects.

(d) 31st December, 1991.

(e) 6 years i.e. upto September, 1995.

#### **Hundred per cent Export Oriented Units in Punjab**

1649. SHRI KAMAL CHAUDHRY: Will the Minister of COMMERCE be pleased to state:

(a) the number and details of 100 per cent export oriented units (EOUs) in operation in Punjab;

(b) the products being exported by them country-wise; and

(c) the foreign exchange earned by them in the last three years?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). A statement is given below.

(c) The total value of exports by the four units during the last three years is Rs. 5.1 crores.

#### **STATEMENT**

<i>S.No.</i>	<i>Name of the Units</i>	<i>Item of manufacture/exports</i>
1.	M/s Magnetic Information Technology Ltd., SAS Nagar	Magnetic Heads for computers & its sub-assemblies.
2.	M/s Incomnet India Ltd, SAS Nagar	Micro Computer Display Graphic Device control
3.	M/s Magnetic Information Technology Ltd., SAS Nagar.	Floppy Disc. Drive
4.	M/s Buckingham Textiles, Ludhiana	Readymade Garments

Country-wise details of exports are not available.

#### **Tobacco Cultivation in Andhra Pradesh**

1652. SHRI SODE RAMAIAH: Will the Minister of COMMERCE be pleased to state the cultivation of tobacco in Andhra Pradesh during 1986-87, 1987-88 and 1988-

89 and the reasons for shortfall in production, if any?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): The production of VPC tobacco in Andhra Pradesh was as under:-

<i>Year</i>	<i>Production (Mkgs)</i>	
	<i>Target</i>	<i>Achievement</i>
1986-87	92.00	97.00
1987-88	65.00	47.47
1988-89	82.00	105.62

The shortfall in production during 1987-88 was due to reduction in area under tobacco cultivation and on account of drought and incidence of pests which resulted in lower yields.

### **Seizure of Silver**

1654. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) whether a huge quantity of silver was recently seized from a Pakistani trawler;

(b) if so, the details thereof indicating the quantity and the cost of the silver seized, the origin from where it came and the destination for which it was meant; and

(c) the details of the persons involved in this case and the action taken against them?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). On 2.6.89 the Coast Guard intercepted a UAE registered trawler 'Al-Redha'. This vessel was escorted to Port Blair and its search resulted in the recovery and seizure of contraband silver weighing 14 tonnes worth Rs. 10.00 crores (approximately). Investigations revealed that the seized silver was shipped from Singapore and was meant to be landed near Masulipatnam on the Andhra Coast.

(c). 10 Pakistani crew members have been arrested and detained under the provisions of the Conservation of Foreign Exchange and Prevention of Smuggling Activities Act, 1974.

### **Loss in Import Duty on Solar Crystals**

1655. SHRI BHADRESWAR TANTI:  
SHRI ABDUL HAMID:

Will the Minister of FINANCE be

pleased to state:

(a) whether the Customs Authorities have facilities to distinguish solar and non-solar crystals;

(b) if so, the details thereof;

(c) whether Government are aware that solar crystals are being imported in the name of non-solar crystals resulting in loss in import duty; and

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

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The Custom Houses do not have facilities to distinguish solar and non-solar crystals. The term 'solar crystals' and 'non-solar crystals' do not find mention in the technical literature available. Crystals are natural or synthetic piezoelectric or semiconductor materials. Piezoelectric crystals/semi-conductors are used in electronics or in solar cells but there is no separate classification as solar or non-solar crystals.

(c) and (d). No, Sir. There is no difference in the import duty based on classification as solar and non-solar crystals.

### **Conference of Chief Electoral Officers**

1656. SHRI SHARAD DIGHE:  
SHRI P.M. SAYEED:

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

(a) whether a two-day Conference of Chief Electoral Officers was held in Tirupati in June, 1989;

(b) whether the question of finalisation of electoral rolls, introduction of electronic

machines for voting holding of simultaneous elections to Lok Sabha and State Assemblies, issue of identity cards were also discussed at the said conference;

(c) if so, the decision taken; and

(d) the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) to (d). The Election Commission had convened the Conference of Chief Electoral Officers at Tirupati mainly to review the work done in respect of revision of electoral rolls in all the States and Union territories for including voters in the age group of 18 to 21 years and other preparatory steps in respect of the general election due this year. The Conference also reviewed matters like setting up of polling stations, scope for introduction of multi-purpose identity cards, and arrangements such as measures to be taken for educating the voters, identification of the constituencies etc. in regard to the pressing of electronic voting machines into service. The Conference did not discuss the question of holding of simultaneous elections to Lok Sabha and State Assemblies.

The Election Commission has not yet finalised the recommendations for further action; the question of Government reaction does not arise.

#### Highest Income-Tax Payers

1657. SHRISHANTARAM NAIK: Will the Minister of FINANCE be pleased to state:

(a) the names of the ten highest individual income-tax payers in the country;

(b) the names of the ten highest income-tax payers other than individuals in the country;

(c) the names of ten film actors and actresses paying highest income-tax;

(d) the names of the film actors, actresses, film producers and distributors against whom prosecutions for commission of penal offences under Income-tax, Wealth-tax, gift-tax and Foreign Exchange Regulation Act are pending; and

(e) the nature of their cases and the stage of their progress?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (e). Relevant details are contained in the statement given below.

#### STATEMENT

(a) According to the information available with the Central Board of Direct Taxes, the ten individuals who have declared the highest income in the country are the following:-

- (1) Shri Ashwani Khurana, New Delhi
- (2) Shri Inder Kumar Chawla, New Delhi.
- (3) Shri B. Raghunath Prabhu, Mysore.
- (4) Shrimati M. Pushpalatha, Mysore
- (5) Shri R. Kumaravelu, Coimbatore.
- (6) Shri M.A.C. Monnal, Dehradun.
- (7) M. Suresh Rao, Mysore.
- (8) Smt. M. Arthi Shenoy, Mysore
- (9) Janardhana Rao, Mysore.

(10) Smt. M. Vatsala Shenoy, Mysore.

India .

(b) According to the information available with the Central Board of Direct Taxes, the ten companies who have declared the highest income in the country are the following:-

- (1) Oil & Natural Gas Commission.
- (2) Life Insurance Corporation of India
- (3) Karnataka State Financial Corporation.
- (4) Indian Oil Corporation Ltd.
- (5) Air India.
- (6) Bharat Heavy Electricals Ltd.
- (7) State Trading Corporation of India Ltd.
- (8) M.M.T.C. of India Ltd.
- (9) A.E.G. Frankfurt.
- (10) International Airport Authority of

(c) According to the information provided to the Central Board of Direct Taxes by the Chief Commissioners of Income-tax at Bombay, Bangalore, Calcutta and Madras, the ten film actors and actresses who have declared the highest income are the following:-

- (i) Shri Dharmendra Deol.
- (ii) Shri Jitendra Kapoor.
- (iii) Shri Mithun Chakravarty.
- (iv) Shri Amitabh Bacchan.
- (v) Shri Vinod Khanna.
- (vi) Shri Anil Kapoor.
- (vii) Shri Chiranjeevi.
- (viii) Shri Sanjay Dutt.
- (ix) Mrs. Hema Malini.
- (x) Shri Amrish Puri.

## STATEMENT

(d) and (e). Relevant information in regard to cases where prosecution has been launched under the specified enactments is given hereunder:-

Sl.No.	Name of the person	Section under which prosecution launched	Present position
1	2	3	4
1.	Ms. R. Jayaprada	276 (i), 277 & 278 of Income-tax Act.	Trial stayed by High Court.
2.	Shri Rajesh Khana	276 C, 277 of Income-tax Act:- 35A & 35 D of Wealth-tax Act.	Trial stayed by Supreme Court.
3.	Shri Amjad Khan	276 C, 277 of Income -tax Act:- 192, 193 & 191 of India Penal Code.	Hearing in progress
4.	Shalimar Exhibitors	276 B of Income-tax Act.	No effective hearing so far.
5.	Shri Kadar Khan	276 CC of Income tax Act.	— Do —
6.	Miss Tina Munim	276 CC of Income-tax Act:- 191, 192 & 193 of India Penal Code	— Do-
7.	Mis Rekha Ganeshan	276 C & 277 of Incoem-tax Act: 35 A & 35 D of Wealth-tax Act: 193 read with section 192 of India Penal Code.	Case Pending in the Trial court.
8.	Mrs. Hema Malini	276 C & 277 of Income-tax Act.	Trial stayed by High Court.
9.	Shri Dharmendra Deol	— Do—	Pending in special Court
10.	Shri N.N. Sippy	— Do —	Pending in Trial Court

Sl.No.	Name of the person	Section under which prosecution launched	Present position
1	2	3	4
11.	Shri Prakesh Mehra Combine	— Do—	— Do —
12.	Shri Mohd. Yusuf Khan alias Dilip Kumar	277 of Income-tax Act.	Hearing in progress
13.	Mrs. Asha Parekh	277 of Income-tax Act.	— Do—
14.	Padmalya Films	276 B/278B of Income-tax Act.	Trial stayed by High Court.
15.	Shivaji Films (P) Ltd.	276 CC/ 278B of Income -tax Act.	Trial stayed by High Court.
16.	Shri S.P. Balasubramaniam	276 c & 277.278B of Income-tax Act and under Indian Penal Code also.	Trial stayed by High Court.
17.	Shri Man Mohan Desai	276 C and 277 of Incocome-tax act.	Pending in the Trial Cour.
18.	Shri G.S. R. Krishnamurthy	276 C & 277 of Income -tax Act.	Pending in the Trial Court
19.	Shri O.P. Ralhan	36 (2) of Wealth -tax Act.	— Do—
20.	Bombay Picture Circuit	277 of Income-tax Act.	Effective hearing to start.
21.	Shri Narinder Kumar Bedi	276C of Income-tax Act.	Pending in the Tribal Court
22.	Shri K.K. Murlidharan	465, 468, 471 of Indian Penal Code & 277/278 of Income tax-Act.	— Do—

Sl.No.	Name of the person	Section under which prosecution launched	Present position
1	2	3	4
23.	Shri N.T. R. Rama Rao (HUF)	35 B of the Wealth-tax Act	— Do—
24.	Shri N. T. Rama Rao (Indl)	— Do—	— Do—
25.	Shri N. Jayakrishna (HUF)	— Do—	— Do—
26.	Shri N Jayakrishna (Indl.)	— Do—	— Do—
27.	Shri N. Sai Krishnana	— Do—	— Do —
28.	Smt. Vijayalalitha	193 of Indian Penal Code & 277 of Income-tax Act and 276C of Income-tax Act.	Trial in progress
29.	Miss. A.B. Shanthi	276 D D of Income-tax Act.	Stayed by High Court.
30.	Laloo Parshad Dhamani	276 CC of Income-tax Act.	Pending in Trial Court.
31.	Shri Satinder Paul Chowdhary	276 C/277 of Income -tax Act.	Pending before Court.
32.	M/s Rohini Combines, Bangalore.	276 C/277 read with 278 B of the Income -tax Act. read with section 200 of Criminal Procedure Code.	Pending before Court.
33.	Shri M.H.Amarnath, Mysore	276 C C and 276 D of the Income-tax Act read with section 200 of Criminal Procedure Code.	Pending before Court.

Sl.No.	Name of the person	Section under which prosecution launched	Present position
1	2	3	4
34.	Dasari Narayan Rao, Madras	276 CC of Income-tax Act.	Pending before Court.
35.	Jagdish Singh Sachdeva, Bombay	277 of Income-tax Act, reas with 192 Indian Penal Code.	Hearing in Progress.
36.	Ram B.C., Bombay	276 CC of Income-tax Act.	Pending before Court
37.	Tilak Movies, Bombay	276 CC of Income-tax Act.	Pending before Court
38.	Smt. Vidya Sinha, Bombay	276 CC of Income-tax Act.	Pending before Court
39.	M/s. Nadiadwalla Sons, Bombay	276 B, of Income-tax Act.	Pending before Court
40.	M/s. Supreme General Film Exchange, Bombay	276 (b) and 276 B of Income-tax Act.	Pending before Court
41.	M/s. Chadiwali Outdoor Location, Bombay	276 B and 277 of Income-tax Act.	Hearing in progress.
42.	Producer-firm M/s. Sunlight Films and its partner Shri Tapan Kumar Guha	Contravention of Section 8 (3) of the Foreign Exchange Regulation Act, 1973.	Pending before Court

**Inter-State Control Board for Joint Irrigation and Hydro-Electric Projects**

1658. SHRIG.S BASAVARAJU: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Inter-state control board for joint irrigation and hydro-electric projects of Madhya Pradesh, Maharashtra and Karnataka cleared projects worth Rs. 300 crores;

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

(c) the estimated cost of each project; and

(d) the irrigation schemes to be covered by these projects?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) There is no Inter-State Control Board for joint irrigation and Hydro-electric projects of Madhya Pradesh, Maharashtra and Karnataka.

(b) to (d). Do not arise.

**World Bank Loan for Setting up of Agro based Industries**

1659. SHRIMATI BASAVARAJESWARI:  
SHRI G.S. BASAVARAJU:

Will the Minister of FINANCE be pleased to state:

(a) whether discussions between the World Bank and the Industrial Development Bank of India for extending a line of credit through a few State financial corporations for setting up of agro based industries and

food processing units have been completed; and

(b) if so, the outcome of the discussions?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). There have been some preliminary discussions with World Bank staff for a proposed Agro Industrial Project.

**Non-Utilisation of Foreign Aid**

1661. SHRI BRAJA MOHAN MOHANTY:  
SHRI BALWANT SINGH RAMOOWALIA:

Will the Minister of FINANCE be pleased to state:

(a) whether 2,800 crores of rupees received as foreign assistance from different countries of the world have not been spent by Government in time; and if so, the reasons therefor;

(b) whether Government will face any difficulty for getting fresh financial assistance on account of non-spending of the assistance already received in time;

(c) if so, the details thereof; and

(d) the steps Government have taken for spending of foreign assistance in time as per the schedule?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). Most of External assistance is tied to specific project and the disbursements are therefore linked to the project implementation schedule. The

pace of actual implementation varies from project to project. However the loan amount not utilised during a particular financial year does not normally lapse and would be carried forward for utilization in the subsequent years. Government have taken a number of steps to accelerate the implementation of externally aided projects and the utilisation of external assistance.

**Message for Railway Reservation from Railway Board and New Delhi Railway Station**

1663. SHRI KAMLA PRASAD SINGH: Will the Minister of RAILWAYS be pleased to state:

(a) the number of messages/wireless messages issued by the Railway Board and New Delhi Railway Station between 1 May and 1 July, 1989 regarding reservation of onward and return rail accommodation in trains;

(b) how many of these messages were received by the addressees, with reasons for the remaining not reaching at the destination; and

(c) the steps taken to ensure the receipt of messages/wireless messages by the addressees?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) During the period between 1st May, 1989 and 1st July, 1989, 92,013 messages were issued by Railway Board and I.R.C.A. Reservation Office, New Delhi, for arranging onward and return rail reservations in various trains.

(b) and (c). Nearly all the messages were delivered to the addressees. To ensure that there is no failure, the messages are sent through teleprinters/telex/morse/courier service and regular reminders are issued till such time the replies are received.

**Smuggling of Electronic Items from Bangladesh**

1664. SHRI ANANTA PRASAD SETHI: Will the Minister of FINANCE be pleased to state:

(a) whether smuggling of VCRs, VCPs and other electronic items from Bangladesh into the country is on the increase;

(b) if so, the cases of smuggling of such items detected during the last one year; and

(c) the steps taken or proposed to be taken to prevent the smuggling of these items into the country?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). Available reports and seizures made indicate that electronic goods like VCRs, VCPs etc. continue to be sensitive to smuggling into the country from Bangladesh. However, since smuggling is a clandestine activity, it is not feasible to estimate the quantum of such goods being smuggled into the country at any given time.

The value of seizures of VCRs and VCPs and other electronic items effected by the West Bengal Customs Preventive Collectorate during the year 1988 and 1989 (upto June) are given in the table below:-

*Value of seizures  
(Rs. in lakhs)*

Year	V.C.Rs. and VCPs	Other Electronic goods
1988	47.68	17.53
1989 (upto June)	201.51	95.27

(Figures are provisional)

(c) The anti-smuggling drive has been intensified and the anti-smuggling machinery in the vulnerable areas of land borders has been geared up. Close co-ordination is maintained with all the agencies concerned in the detection and prevention of smuggling of goods including items like electronic goods.

[*Translation*]

#### **Sakri-Hasanpur and Darbhanga-Samastipur Railway Lines**

1666. SHRI RAM BHAGAT PASWAN: Will the Minister of RAILWAYS be pleased to state:

(a) when the survey of Sakri-Hasanpur line and Darbhanga-Samastipur broad gauge line was completed and the amount spent thereon;

(b) whether Government propose to undertake the construction of railway line between Sakri-Hasanpur in Bihar;

(c) if so, the details thereof; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Survey for a MG rail link from Hasanpur Road to Sakri Jn. was completed in 1974 at a cost of Rs. 1.28 lakhs. Survey for gauge conversion of Samastipur-Darbhanga MG to BG was completed in 1977 at a cost of Rs. 2.20 lakhs. A survey for a parallel BG line from Samastipur to Darbhanga was also conducted in 1988 at a cost of Rs. 7.07 lakhs.

(b) to (d). Due to acute constraint of resources, there is no proposal, at present, to take up the construction of Hasanpur Road-Sakri Jn. MG rail link.

[*English*]

#### **Supply of Rakes to Bombay Suburban Railway**

1667. SHRI S.G. GHOLAP: Will the Minister of RAILWAYS be pleased to state:

(a) the number of rakes which were required to be supplied to the Bombay suburban railway during the last two years;

(b) the number of rakes actually supplied and the reasons for not meeting the full requirement; and

(c) the number of rakes proposed to be supplied during 1989 and 1990?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) 22 rakes were planned to be supplied to Bombay suburban Railway during 1987-88 and 1988-89.

(b) 16 rakes were supplied during these two years. The shortfall is on account of set back in production programme due to teething troubles experienced in indigenous manufacture of traction motors.

(c) 16 rakes are planned to be supplied during 1989-90 and 1990-91.

#### **Foreign Investments**

1668. SHRIMATI KISHORI SINHA:  
SHRI G.S. BASAVARAJU:  
SHRIMATI BASAVARAJES-  
WARI:

Will the Minister of FINANCE be pleased to state:

(a) whether direct foreign investments

would be sought to meet the country's foreign exchange requirement.

(b) if so, whether the provisions of the Foreign Exchange Regulation Act (FERA) would be diluted to encourage such foreign investments, and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) (a) to (c) The basic frame-work of our investment policy is laid down in various documents including the Industrial Policy Resolution. Although it is not an open door policy, it has a substantial degree of flexibility. It permits technical as well as financial collaborations over a wide range of industrial activities. It is the intention of the Government to promote more direct foreign investment within the broad frame-work of this policy.

#### **Involvement of People's Representatives in Functioning of Banks**

1669 SHRI V S VIJAYARAGHAVAN Will the Minister of FINANCE be pleased to state

(a) whether the Reserve Bank of India has issued a directive to the banks that the elected representatives of the people should be involved in their functions, review meetings etc. at the district level,

(b) if so, whether there are complaints about the violation of this directive by the lead banks in Kerala, and

(c) if so, the steps being taken to ensure strict compliance by banks to the above RBI directive?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) (a) Reserve Bank of India (RBI) decided in the month of April 1989 to invite all local Members of Parliament and Members of Legislative Assemblies to the District Level Review Committee meetings which are to be convened by the Lead Banks in each District in the month of June and December every year to review the progress of implementation of the District Credit Plan.

(b) and (c) Since the decisions to invite all local Members of Parliament and Members of Legislative Assemblies to the District level Review Committee meeting was conveyed to the Banks in April 1989 only, it is too early to indicate any violation of these instructions.

#### **Foreign Trade**

1670 DR DATTA SAMANT Will the Minister of COMMERCE be pleased to state the total trade turnover with foreign Countries in Indian currency expected during 1989 and its break up country-wise and value-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P R DAS MUNSI) It is expected that acceleration in export growth rate achieved during the last three years would be sustained during the current fiscal year 1988-89 as well. However, it is not possible to precisely estimate the total trade turnover during 1989-90, country-wise and in value terms at this stage.

#### **Alleppey-Kayankulam (Coastal) Railway Line**

1672 PROF P J KURIEN Will the Minister of RAILWAYS be pleased to state

(a) the details of the work that remains to be done on the Alleppey-Kayankulam

segment of the coastal railway in Kerala;

(b) the total amount required to complete this work, and

(c) the time-frame within which it is expected to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA) (a) Acquisition of 2 hectares of land 40% of earth work 6 major and 53 minor bridges 2 road-overbridges and laying 45.6 km of track remain to be done

(b) Rs 17.91 crores, beyond 1989-90

(c) Will depend upon the availability of resources in the coming years

#### **Exports by Small Scale and Large Scale Industries**

1673 SHRIMOHANBHAI PATEL Will

the Minister of COMMERCE be pleased to state

(a) the exports by the small scale and large scale sectors of industries during the last three years, year-wise,

(b) whether there has been a decline in exports, particularly by the small scale sector,

(c) if so, whether Government propose to encourage exports by the small scale sector by giving incentives or liberalising the export restrictions and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSFI) (a) The export data are compiled by commodity groups and not by small scale and large sector-wise. The total exports during the last three financial years are given below

(Rs crores)

1986-87	1987-88	1988-89
12451.94	15741.23 (PR)	20280.92 (P)

PR = Partially Revised

P = Provisional

(b) No Sir. The figures of exports from the small scale sector estimated by the Office of the Development Commissioner, Small Scale Industries are available only upto 1986-87. According to this data, the exports from small scale sector increased from Rs 2553 crores in 1984-85 to Rs 2769 in 1985-86 and to Rs 3648 crores in 1986-87.

(c) and (d) Do not arise

#### **Protectionist measures by countries**

1674 DR G. S. RAJHANS Will the Minister of COMMERCE be pleased to state

(a) whether Government have undertaken a study of protectionist measures adopted by various countries in respect of foreign trade and their ill-effects on our country,

(b) whether the issue has been raised in international bodies like GATT and if so, its response thereto;

(c) the promotional measures embarked upon by the Government to explore new thrust areas to export; and

(d) whether any success has been achieved in augmenting foreign trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (d). Individual protectionist measures having an adverse effect on our export trade are under continuous examination by the Government. The more important of these measures are quotas on textiles exports in USA, EEC, Canada, Nordic countries and Australia under the Multi-fibre Arrangement and anti-dumping and countervailing duties in USA on engineering products.

The issue has been raised from time to time in international bodies such as GATT and UNCTAD. In these bodies, whenever the matter has been taken up, there has been a widely shared feeling against the protectionist trends in world trade. More specifically, efforts are being made by us to dismantle the restrictive trade regime on textiles and improve the position regarding countervailing and anti-dumping duties.

The Government has initiated a series of measures for promotion of exports in all sectors including the thrust areas. These are designed to facilitate increased capacity for export production, to upgrade technology to make the export sector more competitive through improved access to capital goods and raw materials at or near international prices and by providing fiscal and monetary incentives for exports. The impact of the export promotion measures initiated has already been reflected in the higher growth exports. According to the provisional data

available from DGCI & S India's exports amounted to Rs. 20281 crores during 1988-89 as compared to Rs. 15741 crores during 1987-88, thereby registering an increase of 29.0 percent.

### Industrial Sickness

1675. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether sickness in the small scale industrial sector is due to delay in providing timely financial assistance to these units by the nationalised banks;

(b) if so, the steps proposed to be taken by Government in this regard; and

(c) whether Government propose to review the existing procedure for sanctioning and disbursing of loans?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). It has been observed that sickness in the small scale units could be due to a variety of reasons including shortage of working capital, marketing problems, non-availability of raw materials, shortage of power, labour troubles, faulty/obsolete technology, etc.

Guidelines have been issued by RBI to the banks to ensure timely and adequate sanction of working capital limits. RBI guidelines, inter alia, include vesting the sufficient discretionary powers with branch managers, reviews of existing delegation of power at branch and regional office levels, posting of officers with requisite background in areas having potential for growth of small scale industries, introduction of proper monitoring mechanism, etc. Further, the State-level Inter-Institutional Committees are advised to also discuss cases of State Financial Corporation (SFC) assisted SSI units which are not

getting working capital finance from banks in their quarterly meetings to ensure proper coordination.

**Branches of Bank of Maharashtra in Orissa and Bihar**

1677. SHRI RADHAKANTA DIGAL. Will the Minister of FINANCE be pleased to state:

(a) the number of branches of the Bank of Maharashtra in Orissa and Bihar;

(b) whether there is any proposal to open more branches of Bank of Maharashtra in these States; and

(c) if so, the number of branches of the bank proposed to be opened in Orissa and Bihar during the current financial year?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that allotment of identified centres to banks in rural and semi-urban areas is generally made on the basis of their representation in the District/Area with the intention to see that the banks are not burdened with isolated/stray branches causing difficulties in having effective control and supervision over their far flung branches. Since Bank of Maharashtra does not have any branch in rural and semi-urban areas of Orissa and Bihar, RBI has not allotted any centre to Bank of Maharashtra in these States. Bank of Maharashtra has got its branch at only one urban centre in Bihar.

**Budget Deficit**

1678. SHRI P. KOLANDAIVELU: SHRI SRIBALLAV PANIGRAHI:

Will the Minister of FINANCE be pleased to state:

(a) whether the Budget deficit has been brought down for 1988-89 from Rs. 7940 crores to Rs. 5,800 crores;

(b) the details of achievements in revenue collection during the year 1989;

(c) whether the indirect taxes collection was more than the target;

(d) whether it is also a fact that if the deficit is further brought down the balance of payments position of the country will be improved; and

(e) if so, the remedial measures such as to cut down Government expenditure etc. proposed to be taken in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) According to data received from Reserve Bank of India, the budgetary deficit in 1988-89 amounted to Rs. 5809 crores as against the Revised estimate of Rs. 7940 crores.

(b) and (c). The revenue realisation under the principal heads of taxes and duties were as follows:

	<i>(Rs. crores)</i>		
	<i>R.E. 1988-89</i>	<i>Provisional actuals</i>	<i>Increase over the R.E.</i>
Direct taxes:			
Corporation tax and income tax	7930	8502	+ 572
Indirect taxes:	34267	34323	+ 56
Customs	15812	15656	- 156
Union Excise duties (administered by CBEC)	18455	18667	+ 212

(d) Balance of payments position of the country is influenced by a number of factors. A lower budgetary deficit helps to a certain extent.

(e) As a measure to contain budgetary deficit, the Ministries have been instructed to keep the expenditure within the budget provisions. Economy instructions on travel, furnishings, fuel expenses, entertainment, etc. are continued this year. Ministries have also been advised to review all their schemes so that low priority and inessential schemes are cut down.

#### **Seizure of Gold Biscuits on Delhi-Haryana Border**

1679. SHRI KRISHNA SINGH. Will the Minister of FINANCE be pleased to state:

(a) whether about 206 foreign marked gold biscuits weighing over 24 Kgs. were seized by officers of the Directorate of Revenue Intelligence from a Maruti car on Delhi-Haryana border in June, 1989;

(b) if so, the details of the persons apprehended; and

(c) the stage at which the prosecution stands?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): Yes, Sir. The Officers of the Directorate of Revenue Intelligence seized 206 foreign-marked gold biscuits weighing over 24 Kgs worth Rs. 76.88 lakhs approximately from a Maruti car on Delhi-Haryana border on 8th June, 1989.

(b) and (c). Three persons namely: S/ Shri Mahesh Chauhan, Vijay Kumar Dharna and Sanjeev Kumar Aggarwal have been arrested. The complaint has to yet been filed in the Court of Law.

#### **Railway Hospital at Beladanga Station**

1680. SHRI ATISH CHANDRA SINHA: Will the Minister of RAILWAYS be pleased to state:

(a) whether the railway hospital at Beladanga station on the Sealdah-Lalgola Section of Eastern Railway has not started functioning;

(b) if so, the reasons therefor; and

(c) the time by which it is expected to start functioning?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). The construction of building of health unit at Beladanga has been completed. The health unit will start functioning soon after sanction and placement of staff, action for which has already been initiated.

#### **Expansion of Advance Flood Forecasting Net work Programme in Orissa**

1682. SHRIMATI JAYANTI PATNAIK:  
DR. PHULRENU GUHA:  
DR. KRUPASINDHU BHOI:

Will the Minister of WATER RESOURCES be pleased to state:

(a) the number Flood forecasting sites set up in the country so far;

(b) the location of these sites;

(c) whether Government have a proposal for the expansion of Advance Flood Forecasting network during the remaining period of the Seventh Five Year Plan; and

(d) if so, the plan drawn up, particularly for Orissa and West Bengal?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) and (b). In all 149 flood forecasting Stations have been set up which comprise 10 in Andhra Pradesh, 20 in Assam, 36 in Bihar, 2 in Dadra and Nagar Haveli, 2 in Delhi, 9 in Gujarat, 4 in Karnataka, 3 in Madhya Pradesh, 7 in Maharashtra, 11 in Orissa, 31 in Uttar Pradesh and 14 in West Bengal.

(c) and (d). Yes, Sir. Out of 8 stations proposed, 4 are in Andhra Pradesh, 1 in Gujarat and 3 in Orissa.

### Flood Relief to Assam

1683. SHRI SAIFUDDIN AHMED: Will the Minister of FINANCE be pleased to state:

(a) whether the Government of Assam have submitted the statement of expenditure in respect of the flood relief grant sanctioned by Union Government to the State; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Yes, Sir.

(b) The details are as under:

	<i>Approved Ceilings for flood relief</i>	<i>Expenditure reported by the State Govt.</i>
<i>(Rs. in crores)</i>		
1988-89	85.36*	80.15
1989-90	—	5.11

\*includes ceilings of expenditure of Rs. 6.88 crores for which extension of time for utilisation was given upto 31.5.89.

(d) the guidelines, if any, being followed in the valuation of confiscated goods and prices at which these are to be sold?

### Opening of all Counters of Customs Shops

1584. SHRI HAFIZ MOHD. SIDDIQ: Will the Minister of FINANCE be pleased to state:

(a) the reasons for not keeping open all the sale counters at the Customs Retail Shop on all the working days;

(b) whether any criteria have been fixed for sale of confiscated goods;

(c) if so, the details thereof; and

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). Confiscated consumer goods are mainly gold in bulk to registered Co-operative Societies and National Consumers Co-operative Federation for being sold in turn in retail through Super Bazars, Sahakari Bhandars, etc. Such goods are also offered for sale to Military/Police/Para Military canteens. A small quantity of consumer goods are also sold in retail through Customs Retail Shops. Available reports indicate that in most of the Collection the sale counters of the Customs Retail Shops

are kept open for the general public on all working days. However, since most of the confiscated consumer goods are sold in bulk to National Consumers Co-operative Federation and other registered Co-operative Societies to ensure quick disposal, the quantity of goods available for sale at the retail shops are limited and therefore opening of such sales counters on all working days does not become necessary.

(d) The valuation of confiscated consumer goods is carried out by a Joint Pricing Committee on the basis of the market price of the goods. Normal trade discounts are offered to the bulk purchasers like the National Consumers Co-operative Federation and other Co-operative Societies.

#### **Siding Facilities for STPC in Kayamkulam**

1685. SHRIVAKKOMPURUSHOTHAMAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received representation for providing Railway siding facilities for the proposed Super Thermal Power Station in Kayamkulam;

(b) if so, whether the request has been acceded to; and

(c) if not, the stage at which it is pending and time by which it is expected to be cleared?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) and (c). The proposal is being examined in consultation with National Thermal Power Corporation, Kerala State Electricity Board & Planning Commission. The proposal is at preliminary stage and the party has yet to pay the survey charges for the siding facilities.

#### **Fund sanctioned for coastal Protection to States**

1686. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR: Will the Minister of WATER RESOURCES be pleased to state:

(a) the amount provided by Government for different States during the Seventh Plan period for coastal protection works;

(b) the details of the protectional measures taken both in the east and west coasts; and

(c) the specific steps taken by Government to check sea-erosion in Karnataka during the Seventh Plan?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) Apart from State Plan allocations, Central Government has made a provision of Rs. 12.5 crores under Central loan assistance to Kerala State.

(b) Among others, protectional measures included construction of sea walls, revetments and strengthening of existing sea walls.

(c) While Centre gives technical guidance through Beach Erosion Board, it is for the State Government to formulate, execute and maintain the coast protection works.

#### **Exports to Indonesia**

1687. SHRIMATI JAYANTI PATNAIK: Will the Minister of COMMERCE be pleased to state:

(a) whether there is further scope for exports to Indonesia;

(b) if so, whether the possibility has been explored by Government, and

(c) if so, the details thereof together with the items proposed to be exported?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P R DAS MUNSI): (a) Yes, Sir

(b) and (c). During the second Senior Officials meetings on Economic and Trade Relations between India and Indonesia in August, 1988 and also in the second Indo-Indonesia Joint Business Council meeting in November, 1988, the possibility for exports of the following products from India to Indonesia was underlined

Textile machinery, non-electric power generating machinery, pumps and compressors, railway equipment, food processing machinery, automotive parts and components, basic chemicals, dyes and dye-stuffs, alumina, iron ore pellets, yarn, cotton fabrics etc.

[*Translation*]

#### **Installation of Coolers in 2nd Class Coaches**

1689. SHRI KALI PRASAD PANDEY: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have taken a decision to instal water coolers for providing cold water in all the 2nd class coaches of trains;

(b) if so, the names of the trains in which this facility has since been provided and the names of other trains where it is proposed to be provided by 31 August, 1989;

(c) the estimated cost to be incurred during the current year,

(d) the names of the companies from where these coolers have been purchased and average cost of each cooler; and

(e) the number of coolers purchased so far, and their prices, zone-wise?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAY (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) Presently trials are in progress in three 2nd class coaches of Tamil Nadu Express for electric power operated water coolers and in two coaches of shan-e-Punjab Express with coolers directly driven from coach axle

(c) Rs. 24 lakhs approximately.

(d)

(1) M/s Sriram Refrigeration, Hyderabad, for electrically operated water coolers at an approximate cost of Rs. 25,500/- plus taxes each.

(2) M/s Greysham & Co./Delhi for the type directly driven from coach axle at an approximate cost of Rs. 28,500/- plus taxes each.

(e) Six electricity operated water coolers for Southern Railway at an approximate cost of Rs. 25,500/- plus taxes each and sixty axle driven water coolers for Northern Railway at an approximate cost of Rs. 28,500 plus taxes each.

#### **Salaries of Himachal Pradesh Govt. Employees**

1690. SHRI K.D. SULTANPURI: Will the Minister of FINANCE be pleased to state:

(a) whether it is fact that the salaries of employees of Himachal Pradesh Government are at par with those of Punjab Government employees;

(b) whether it is also a fact that the salaries of employees of Himachal Pradesh Government are increased the same ratio as those of Punjab Government employees;

(c) if so, whether Himachal Pradesh Government have demanded any funds from Union Government for payment of increased salaries; and

(d) if so, details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) Yes, Sir.

(b) Yes, Sir.

(c) Yes, Sir.

(d) Assistance of Rs. 53 crore and Rs. 26 crore had been sought by the Government of Himachal Pradesh for the year 1988-89 and 1989-90 respectively for the additional impact of revision of salaries and related items.

#### **Income Tax Raids in Gujarat**

1691. SHRI CHHITUBHAIGAMIT: Will the Minister of FINANCE be pleased to state:

(a) the number of income-tax raids conducted in Gujarat from 1987 till June, 1989 and the benami amount seized therefrom;

(b) the names of businessmen, companies contractors and builders found to be having benami amount and the extent of the benami amount concealed by them; and

(c) the action taken against these tax evaders?

THE MINISTER OF STATE IN THE

DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) During the period from 1.4.1987 to 30.6.1989 the Income-tax Department conducted 2140 searches in Gujarat *Prime-facie* unaccounted assets seized during these searches were of approx value of Rs 37.96 crores

(b) As the number of cases is large, it is not practicable to furnish the information sought.

(c) Appropriate follow-up action, as called for under the Direct Enactments is taken in all the cases mentioned at (a) above.

[English]

#### **Construction of Checker Dams in Kerala**

1692. PROF. K.V. THOMAS: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government of Kerala has sent any proposal to Union Government for financial assistance for the construction of checker dams in Kerala; and

(b) if so, the action taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) and (b). Government of Kerala had submitted a Project report for completion of on-going Minor Irrigation schemes and construction of new schemes at a cost of Rs. 100 crores which also included construction of check dams. Project was posed for financial assistance with the Dutch Government, but the Technical Appraisal Mission of the Dutch Government has not agreed to, taking up this project, including construction of check dams.

**Pending Pay Fixation cases**

1693. SHRI HAROOBHAI MEHTA: Will the Minister of FINANCE be pleased to state:

(a) the number of cases for fixation of pay of employees or for removing various anomalies in fixation of pay etc. referred to his Ministry by various Departments of Government of India during the last one year;

(b) the number of cases pending decision for more than six months; and

(c) the reasons for delay in deciding these cases and the time by which these cases are likely to be finalised?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI N.K. GADHVI): (a) to (c). The various Ministries/Departments of the Government of India make references to the Ministry of Finance as well as to the Ministry of Personnel, Public Grievances and Pensions on alleged anomalies in fixation of pay and their removal and also seek clarifications in the matter of application, interpretation etc. of Rules and Regulations relating to fixation of Pay. The Ministry of Finance/Ministry of Personnel, Public Grievances and Pensions tender advice to the concerned referring Ministries/Departments within the ambit of the relevant Rules or Regulations. In cases where anomalies exist, the same are also resolved. Some cases are also dealt with by different administrative Ministries/Departments. It is not possible to maintain statistics of all such cases.

**Customs Facilities at Nhava-Sheva Port**

1694. SHRI BANWARI LAL PUROHIT: Will the Minister of FINANCE be pleased to state:

(a) whether adequate customs facilities are not available at the Nhava-Sheva Port and the exporters and importers have to face lot of difficulty.

(b) if so, whether Government propose to set up a full-fledged Customs House at Nhava-Sheva Port;

(c) if so, by when and if not, the reasons therefor; and,

(d) the steps proposed to be taken to provide adequate facilities for Customs clearance?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) Adequate customs facilities have been made available at Nhava-Sheva Port. The exporters and importers are not facing any difficulty for want of customs facilities.

(b) A full-fledged Custom House is already functioning at Nhava-Sheva Port.

(c) Do not arise.

**Indo-USSR Chamber of Commerce Role in Exporting Indian Products**

1696. SHRI YOGESHWAR PRASAD YOGESH: Will the Minister of COMMERCE be pleased to state:

(a) the role played by the Indo-USSR Chamber of Commerce in exporting Indian products to foreign countries;

(b) how many items are listed by the Chamber for export and quality already exported;

(c) whether some handicrafts and mineral products from Bihar State have been

considered for exports, and

(in Rs. crores)

(d) if so, the details thereof and the progress made in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (d). The Indo-USSR Chamber of Commerce and Industry is a business association engaged in promotion of Indo-Soviet trade. The chamber is a trade promotional body and is not a trading organisation.

The Indo-Soviet Trade Plan between the two countries is negotiated and concluded at Government level on a calendar year basis. The trade plan is drawn up on the basis of the country as a whole and no statewise sub-plan is provided for. Handicrafts and minerals and ores are items already included in the list of exports in the Trade Plan.

[*Translation*]

#### Trade Turnover with EEC

1697. SHRI JAGDISH AWASTHI: Will the Minister of COMMERCE be pleased to state:

(a) the total annual turn-over of India with the countries of European Economic Community (EEC); and

(b) the country of EEC with which India's trade is maximum and name of the items imported from that country, annual export from India to that country indicating the main items of export?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) India's total trade turnover with EEC countries during the last three years has been as follows:

<i>Year</i>	<i>Total trade turnover</i>
1986-87	9277.15
1987-88 (P)	11416.41
1988-89 (P)	13643.05

P—Provisional (Source DGCI&S)

(b) In 1988-89, India's trade with Federal Republic of Germany (FRG) was the largest among the EEC countries. India's total exports to FRG during that year were valued at Rs. 1235.21 crores as per provisional figures available with DGCI & S. Main items of export from India to FRG are—textiles and garments, leather and leather products, carpets, precious and semi-precious stones, tea and coffee, etc. Main items imported by India from FRG include electro-technical goods, iron and steel sheets and plates, machine tools including rolling mill construction machinery, machinery for textiles, leather and leather goods industry, etc.

[*English*]

#### Irrigation Schemes of Kerala

1698. SHRI T. BASHEER:  
SHRI K. MOHANDAS:

Will the Minister of WATER RESOURCES be pleased to state:

(a) the total number of irrigation Schemes sanctioned in Kerala during 1988-89;

(b) the names of irrigation schemes in Kerala still pending for clearance with Union Government;

(c) the reasons therefor;

(d) whether the Government of Kerala has requested the Union Government for the early clearance of such schemes; and

(e) if so, what action has been taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) No irrigation scheme was sanctioned during 1988-89.

(b) Only one major irrigation project, namely, Chimoni Irrigation Project.

(c) The State Government is required to comply with the comments of Central Water Commission including finalisation of estimates.

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

#### **Japanese Credit to IFCI**

1699. DR. KRUPASINDHU BHOI: Will the Minister of FINANCE be pleased to state:

(a) whether the Industrial Finance Corporation of India (IFCI) has been taking loan from the foreign countries;

(b) if so, the total amount of loan taken by the IFCI from Japan during the last three years; and

(c) the purposes for which the Japanese loan has been taken by the IFCI?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir.

(b) The total amount of foreign currency loan sanctioned to IFCI in Japanese Yen

Currency during the last three financial years is as under:

1986-87 — NIL

1987-88 — Japanese Yen 14 billion (J. Yen. 9 billion drawn in US \$ and the balance in Japanese Yen)

1988-89 — J. Yen 20 billion

(c) The proceeds of the loan are being utilised for onlending to borrowers for meeting their foreign currency requirements in setting up industries.

#### **Trade with U.S.S.R.**

1700. SHRI SRIBALLAV PANIGRAHI: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have taken steps to expand trade relations with USSR;

(b) if so, the details of the areas in which Indo-USSR trade has been expanded;

(c) whether Government have identified some new areas for the expansion of trade between both the countries; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (d). Having regard to the decision mutually reached between the two Governments in 1986 that the Indo-Soviet trade should be increased by 2 1/2 times over a period of five years, various steps are being taken by the Government to expand and diversify the structure of the bilateral trade. In the export list, provisions have been increased in respect of items like tea, instant coffee, Coffee, Soyabean extractions, ready-made garments, shoe uppers, chemicals, medicines and pharmaceutical preparations,

dyestuffs and intermediates, pesticides and herbicides, paints and varnishes, tooth paste, linoloum, glazed tiles, mineral items, storage batteries, polygraphic equipment, iron and steel castings, food processing and dairy equipment, etc. New items have been added such as non-ferrous castings and forgings, castings for Railways, abrasive goods, analyzers for quality control of agricultural products, machinery and equipment for the textile, sewing and leather industries, sports shoes, razor blades, ship repairs, components for tractors, detergents decorative plastics, etc. Similarly in the import list, provisions have been increased in all respect of items such as crude oil, oil products, metal scrap, non-ferrous metals, coking coal, wood pulp, agricultural machinery, port equipment, civil aviation equipment, etc. New items have been added such as benzene, pig iron, equipment and materials for the Indian Railways, etc. Apart from conventional trade, new forms of economic cooperation like production cooperation, joint ventures, cooperation in services sector etc. are also being encouraged.

#### **Passenger Amenities in Trains**

1701. SHRIMATID.K. BHANDARI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways have provided more amenities to the passengers recently;

(b) if so, the details thereof;

(c) whether the facility of cold drinking water has also been provided in all the trains;

(d) whether the drinking water being provided is generally not cold; and

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

**THE MINISTER OF STATE OF THE**

**MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA):** (a) Yes, Sir.

(b) A statement of important improvement is given below.

(c) and (e). Facility of providing water coolers for cold drinking water in coaches is being introduced on trial basis.

(d) In sleeper coaches water containers are provided in which cold drinking water is filled at starting stations and important stations enroute.

#### **STATEMENT**

1. To improve cleanliness of bath rooms, high pressure water jets at terminals and enroute have been introduced.
2. Water tank capacity of each lavatory on broad gauge coaches has been increased from 1272 litres to 1820 litres and on metre gauge from 960 litres to 1206 litres per coach.
3. By the end of next Financial year, all wooden seats in Second-Class Coach will be converted to cushion type on long distance trains.
4. Drinking water facilities have been provided on long distance trains and stations.
5. Mobile train cleaning staff has been provided on some of the long distance trains during day journeys.
6. To reduce overcrowding and to provide greater travelling comfort, First Class coaches are being replaced with Second A.C. Sleepers.
7. Vestibuling is being progressively introduced on important trains for the convenience of passengers.

8. Water coolers are being tried out for fitment in the long distance Mail/Express trains.

**Introduction of Special/Separate Courts/Tribunals by States to Decide Nationalised Banks Recovery**

1702. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether come States have introduced special/separate courts/tribunals to hear and decide on cases involving recovery of loans advanced by nationalised banks;

(b) if so, the names of such States and the details of tribunals constituted; and

(c) the number of cases disposed of by these courts and over what period of time?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that it is not aware of any States having introduced special/separate courts/tribunals to hear and decide on cases involving recovery of loans advanced by nationalised banks.

(b) and (c). Do not arise.

**Exemption of Tea from Consignment Tax**

1703. SHRI MULLAPALLY RAMACHANDRAN: Will the Minister of FINANCE be pleased to state:

(a) whether the State of Kerala and/or other State Governments have been asked to exempt tea from consignment tax; and

(b) if so, the response of each State Government?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The consignment tax has not been introduced so far. The question of exempting tea from levy of such a tax, therefore, does not arise.

**Projects Undertaken by Railways in Malaysia**

1704. SHRI ANANTA PRASAD SETHI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have made a proposal for modification of signalling system and doubling and renewal of the tracks on certain sections of the Malaysian Railways; and

(b) if so, the details thereof and reaction of Malaysian Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). No, Sir, the Government have made no proposal but Indian Railways Construction Company (IRCON) who are already executing a Rs. 100 crore work of track renewals in Malayan Railways have submitted a proposal for rehabilitation and upgradation of their signalling and telecommunication system costing approximately Rs. 80 crores.

**Late Running of Neelachal Express and Puri Express**

1705. SHRI CHINTAMANI JENA: Will the Minister of RAILWAYS be pleased to state:

(a) whether 175 UP/176 Dn Neelachal Express and 915 Up/916 Dn Puri-New Delhi super fast Express/New Delhi-Puri Neelachal Superfast Express are running late even after revival of the previous timings;

(b) if so, the reasons thereof;

(c) whether Government have received any complaints in this regard; if so, the details thereof; and

(d) the steps being taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Punctuality of Puri/Neelachal Expresses has not been satisfactory due to miscreants' activities including alarm chain pulling, agitations and certain equipment failures.

(c) Some complaints have been received about late running.

(d) Monitoring to control the avoidable time losses, is being strengthened.

#### Opening of Bank Branches in Himachal Pradesh

1706. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) the average area served by the branch of a nationalised bank in the rural areas in Himachal Pradesh as on 31 March,

1989 and the comparative figures for Punjab and Haryana;

(b) whether the figure excludes the branches opened in the urban areas covered by Municipal Committees and Notified Area Committees; and

(c) if so, whether more branches of the nationalised banks would be opened in the State during the Seventh Five Year Plan so as to provide better banking facilities under the Designated Service Area Approach as distances in Hill States like Himachal Pradesh do not provide a reliable norm for the service by a branch, in view of the difficult geographical terrain and the preponderance of mountains, forests and streams?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b) Data reporting system of Reserve Bank of India (RBI) does not generate information regarding average area covered by a branch of nationalised bank in rural area. However, the total area of the three States of Himachal Pradesh, Punjab and Haryana, their total number of bank branches as on 31.12.1988 and the average area covered by a bank branch in these States are as under:—

<i>Name of State</i>	<i>Total area in Sq. Kms.</i>	<i>Total No. of branches of all banks including Regional Rural Banks as on 31.12.1988</i>	<i>Average area covered by a branch</i>
Himachal Pradesh	55673	651	85.51 Sq. Kms.
Punjab	50362	2072	24.20 "
Haryana	44222	1239	35.69 "

The Urban/Municipal/Notified areas have been included in the above figures in respect of Punjab and Haryana. There are no urban bank areas in Himachal Pradesh,

as per RBI classification for the purpose of Branch Banking Statistics.

(c) Under the current Branch Licensing

Policy of 1985-90 co-terminus with Seventh Five Year Plan Period, RBI has allotted 163 centres to various banks for opening branches in Himachal Pradesh. In addition, RBI has allotted 36 branches in Himachal Pradesh under Service Area Approach to rural lending. While allotting the centres to banks, RBI has adopted the norms of 10,000 population per bank office for hilly States like Himachal Pradesh as against 17,000 population per bank office for other States. It has also been ensured that a rural branch is normally available within a distance of 10 kms. from every village.

### **Opening of Regional Rural Banks**

1707. PROF. NARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to state:

(a) the names of the districts covered by the regional rural banks as on 30 June, 1989;

(b) whether any programme to cover the remaining districts by the regional rural banks has been formulated by extending the coverage of regional rural banks to the neighbouring and left out districts or by opening new regional rural banks;

(c) if so, the details thereof; and

(d) if not, the reasons therefor and the likely date by which the steps would be taken to cover the remaining districts of each State?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The information is being collected and the same will be laid on the Table of the House, to the extent available.

(b) and (c). The new policy based on the recommendations made by the Kelkar Committee on Regional Rural Banks (RRBs)

envisages that more emphasis should be laid on consolidation of existing RRBs rather than opening of new RRBs.

Opening of new RRBs is therefore considered on a selective basis. Districts with concentration of Scheduled Castes/ Scheduled Tribes population are given preference for opening new RRBs. Even in such areas, the opening of new RRBs will be considered taking into account branch network in the area and the scope for further branch expansion, concentration of target groups, credit gap, prospective viability of the RRB with reference to scope of business in the area and the strength of existing cooperative credit structure in the area. A detailed survey is carried out by the concerned State Government and the Sponsor Bank for ascertaining the need and potential for opening a new RRB or for extending the coverage of an existing RRB.

(d) Does not arise.

### **Urgency Certificates for Completion of On-Going Projects**

1708. PROF. NARAIN CHAND PARASHAR: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways Board has issued any urgency certificates for the construction of new railway lines/conversion projects during the Seventh Plan upto 31 March, 1989 zone-wise along with names of such projects and the dates on which they have been issued;

(b) the latest progress of the construction in case of each such project, the expenditure incurred so far and the likely date by which the projects would be completed;

(c) whether any priority is being given to the construction of these projects in view of the urgency certificates; and

(d) if so, the nature thereof and if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (d). The information is being collected and will be laid on the Table of the Sabha.

### **Popularisation of Indian Tea in Foreign Countries**

1709. SHRI AMARSINH RATHAWA: Will the Minister of COMMERCE be pleased to state:

(a) the amount annually to popularise Indian tea in foreign countries;

(b) the number of propaganda units that have been established abroad and in which countries; and

(c) the other measures being taken to boost the demand of Indian tea in foreign market?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Tea Board has spent Rs. 5.48 crores during 1987-88 and Rs. 5.23 crores during 1988-89 for tea promotion abroad.

(b) There are six tea promotion offices abroad, namely, in London (U.K.), Brussels (Belgium), New York (U.S.A.), Cairo (Egypt), Sydney (Australia) and Kuwait.

(c) To boost the demand of Indian tea abroad, inter alia, the following measures have been taken :—

1. Loan assistance to exporters in foreign exchange for brand promotion;
2. Shift from generic promotion to

uninational campaign for value-added teas;

3. CCS on tea bags, packet tea/tea caddies, instant tea and quick brewing black tea has been allowed;
4. To counter misbranding of other teas as Darjeeling teas, a logo for Darjeeling tea has been launched;
5. Tea bags have been exempted from excise duty;
6. Customs duty on filter paper used in manufacture of tea bags has been abolished;
7. Rebate of Excise duty on packet tea exports;
8. A provision of 10% of FOB realisation for advertising and promotion abroad by individual companies has been sanctioned;
9. Small scale packeters upto a annual turnover of Rs. 1.5 crores, have been exempted from Excise duty;
10. Exports of tea under bond has been allowed.

### **Refinancing of Housing Loans by National Housing Bank**

1710. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the refinance facilities extended by the National Housing Bank, bank/institution-wise, for housing loans during 1988-89 and proposed for 1989-90;

(b) whether State-wise utilisation of housing loans by each bank/institution is

being monitored; and

(c) if so, the total disbursements of housing loans, refinanced by the National Housing Bank, State-wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). National Housing Bank (NHB) has reported that refinance schemes have been recently introduced in respect of direct housing loans sanctioned by the following:

- i) Scheduled Commercial Banks,
- ii) Scheduled State Cooperative Banks,
- iii) Scheduled Primary (Urban) Cooperative Banks,
- iv) State Level Apex Cooperative Housing Finance Societies,
- v) Housing Finance Companies, and
- vi) Karnataka State Agricultural and Rural Development Bank.

The specified housing loans sanctioned by these institutions on or after 1st January, 1989 are eligible for refinance. The housing loans sanctioned upto Rs. 50,000/- per borrower (with a built up area not exceeding 40 sq. mts) are eligible for 100 per cent refinance. The area ceiling is relaxable in rural areas provided the cost of housing unit does not exceed Rs. 65,000/-. The housing loans above Rs. 50,000/- but below Rs. 1 lakh per borrower in urban areas for built up area not exceeding 40 sq. mts. are also eligible for refinance but the same is restricted upto Rs. 50,000/- only. Loans upto Rs. 30,000/- per borrower granted towards upgradation including major repairs irrespective of the built

up area both in rural and urban areas are eligible for 100 per cent refinance.

Reserve Bank of India has reported that banks have been advised recently to provide housing finance statistics State-wise with effect from 31st March, 1989.

National Housing Bank has reported that upto June, 1989 refinance to the extent of Rs. 40,000/- has been disbursed to one scheduled private sector bank and Rs. 95.98 lakhs to two housing finance companies.

#### **Optic Fibre Communication System**

1711. SHRI LAKSHMAN MALLICK: Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways have undertaken the execution of the project for laying optic fibre communication system along the electrified routes of the Central and South Eastern Railways; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir. Optic Fibre Cable communication system is being adopted for Nagpur-Itarsi and Itarsi-Bhusaval sections of Central Railway and Nagpur-Durg section of South Eastern Railway.

#### **Incentives to Export Houses in Small Scale Sector**

1712. SHRI LAKSHAMAN MALLICK: Will the Minister of COMMERCE be pleased to state:

(a) whether Government has introduced a fast track scheme for granting incentive to export houses/trading houses and other exporters in all small scale sector; and

(b) if so, the details regarding the form of the incentives being given in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) The main objective of the scheme is to dispose of applications of 'Star Exporters' with a greater sense of urgency so as to enable them to improve their export performance further.

#### Introduction of VAT

1713. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the views of the Federation of Indian Chambers of Commerce and Industry regarding introduction of Value Added Tax (VAT);

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

(c) whether the proposed taxation system would make it easy to determine tax on final products; and

(d) the other benefits likely to accrue on introduction of VAT?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (d). The suggestion to replace all indirect taxes in the country by a comprehensive value added tax (VAT) was made in a background paper prepared by the Federation of Indian Chambers of Commerce and Industry (FICCI) in connection with a workshop organised by the Federation recently. Though there may be some merits in VAT inasmuch as it could lead to the elimination of cascading effects of taxation by the replacement of different indirect

taxes by a single tax, it would be difficult to implement the scheme in the present stage of development of the country. Further, it would not be possible to operate such a tax within the existing framework of the Constitution.

[*Translation*]

#### Production of Tea

1714. SHRI BALWANT SINGH RAMMOOWALIA: Will the Minister of COMMERCE be pleased to state:

(a) whether the production of tea is less this year than the last year;

(b) if so, the extent of fall in the production of tea;

(c) the reasons therefor;

(d) whether Government have taken any effective steps to check the further fall in production; and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). Production of tea in the country during January-May, 1989 was lower as compared to the corresponding period last year due to adverse weather conditions particularly in southern India. The extent of decline in tea production during January-May, 1989 is estimated at 21.9 M. Kgs over the same period last year.

(d) and (e). Tea is mainly a rainfed crop. With a view to provide for adequate irrigation facilities. The Tea Board and Commercial Banks are extending loans to tea estates for creation of irrigation facilities in tea gardens. With the on-set of rains the production of tea is expected to pick up during the remaining part of the year.

[English]

last 3 years and foreign exchange earned therefrom?

**Export of Alcohol and Molasses**

1715. SHRI P.R. KUMARAMANGALAM: Will the Minister of COMMERCE be pleased to state:

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(a) whether alcohol and molasses are being exported; and

(b) The export figures in respect of Ethyl Alcohol and molasses for last 3 years are reproduced below:—

(b) if so, the quantum of exports during

Year	Exports			
	Ethyl Alcohol		Molasses	
	Qty. (Lak MT)	Value (Rs. lakhs)	Qty. (lak MT)	Values (Rs. lakhs)
1986-87	Nil	Nil	Nil	Nil
1987-88	Nil	Nil	Nil	Nil
1988-89	0.18	799	1.15	726

(Source : State Trading Corporation of India)

[Translation]

**Policy on Subsidies**

1723. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of FINANCE be pleased to state:

before inclusion in the Eighth Plan, the existing programmes including subsidies will have to be evaluated to ascertain whether value for money is being obtained, whether the desired results could be achieved at a lesser cost by better targetting, consolidation of multiple programmes, and greater decentralisation linked to mobilisation of local resources.

(a) whether in view of the increasing burden of subsidies Government propose to review its policy on subsidies; and

[English]

(b) if not, the reasons therefor?

**Foreign Exchange Reserves**

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) and (b). In his Budget speech, the Finance Minister has already stated that

1728. SHRI SYED SHAHABUDDIN: Will the Minister of FINANCE be pleased to state:

(a) the foreign exchange reserves in

terms of rupees and SDRs separately; as on 1 April, 1987, 1988 and 1989;

(b) the minimum level of reserves in rupees and SDRs during the financial years 1987-88 and 1988-89; and

(c) the percentage that foreign exchange reserves at the end of financial year form the total foreign loan outstanding on that date and of the total export earnings during the preceding financial year as on the 1 April, 1987, 1988 and 1989?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The foreign exchange reserves excluding gold and SDRs, as on 1st April, 1987, 1988 and 1989 are indicated below:—

	<i>Rs. Crores</i>	<i>SDR million</i>
1st April 87	7645	4608
1st April 88	7287	4050
1st April 89	6605	3269

(b) The minimum level of month end foreign exchange reserves during 1987-88 and 1988-89 were as follows:—

	<i>Rs. Crores</i>	<i>SDR million</i>
1987-88	6813 (as on 31.1.88)	4011
1988-89	5708 (as on 28.2.89)	3180

(c) The level of foreign exchange reserves as percentage of total foreign loan outstanding and total export earnings at the end of preceding 3 years was as follows:—

	<i>Foreign loan Outstanding</i>	<i>Export earnings</i>
31.3.1987	16.86%	64.85%
31.3.1988	14.13%	48.82%
31.3.1989	10.23%	34.71%

#### **Assistance by Banks to Scheduled Castes and Scheduled Tribes in Orissa**

1729. SHRI SOMNATH RATH: Will the Minister of FINANCE be pleased to state:

(a) the names of the commercial banks in Orissa which have provided certain percentage of loans to people belonging to Scheduled Castes and Scheduled Tribes under 20-Point Programme as per the instructions issued to different banks by Government;

(b) whether some banks have failed to implement the programme; and

(c) if so, the names of those banks in Orissa and the action proposed to be taken by Government in this regard?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). The Reserve Bank of India has reported that, in view of the diverse nature of activities covered under 'New 20 Point Programme' (TPP) and in the absence of concrete schemes in respect of each point, there are no fixed targets earmarked for the banks for the TPP as a whole or for each point thereunder. Further the present data reporting system does not also provide information in the manner asked for.

However, data relating to all scheduled commercial banks' advances under New 20

Point Programme in the State of Orissa and the relative figure under the point 'Justice to SC/ST' as at the end of June, 1988 are furnished below:—

(Amount in Rs. crores)

	<i>Amount under TPP</i>	<i>Under the Point Justice to SC/ST</i>
	Balance outstanding	Balance outstanding
Orissa	267.35	68.57

The advances under the point 'Justice to SC/ST' constituted 25.6 percent of the total advances under 20 Point Programme. The performance of banks under TPP in Orissa is considered to be satisfactory.

[Translation]

#### **LIC Assistance for Development Work in Uttar Pradesh**

1730. SHRI HARISH RAWAT: Will the Minister of FINANCE be pleased to state:

(a) the number of departments, public undertakings, corporations, bodies and financial institutions in Uttar Pradesh which have requested the Life Insurance Corporation to give loans for development works during the last three years;

(b) whether these requests have been accepted/rejected; and

(c) if so, the details thereof together with the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) LIC has been

advancing loans for several years to U.P. State for Social Housing Schemes, U.P. State Electricity Board, U.P. State Road Transport Corporation, U.P. Jal Nigam for Water Supply and Sewerage Scheme and U.P. State Apex Co-operative Housing Finance Society.

(b) and (c). Except for the loan to the Apex Co-operative Housing Finance Society, all other loans to the borrowing agencies mentioned above are advanced on the basis of the annual allocations made by the Planning Commission. Application for loan to U.P. Apex Co-operative Housing Finance Society is considered on merits by LIC, as this is under non-plan sector.

#### **Ramnagar-Marchula-Chokhutia Railway Line**

1731. SHRI HARISH RAWAT: Will the Minister of RAILWAYS be pleased to refer to the reply given on 3 March, 1989 to Unstarred Question No. 1405 regarding the proposed construction of Ramnagar-Marchula-Chokhutia rail line and state:

(a) whether the survey is expected to be completed this year; and

(b) if not, the likely date of its completion?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No, Sir.

(b) Survey is expected to be completed by March, 1992.

#### **Diamond Cutting Centre at Haldwani U.P.**

1732. SHRI HARISH RAWAT: Will the Minister of COMMERCE be pleased to state:

(a) whether there is discontent

amongst the staff working at diamond cutting centre at Haldwani-Nainital, Uttar Pradesh;

(b) if so, the reasons therefor; and

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

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) to (c). The Diamond and Gem Development Corporation (DGDC) is a company established under section-25 of the Indian Companies Act which has reported that it is developing a Gem Park at Haldwani, U.P. The Chairman DGDC has reported that there was an agitation by some discontented trainees earlier which was, however, immediately called off on his intervention. It is reported that these trainees demanded payment of stipend, hostel accommodation, guaranteed employment transfer of an official etc.

#### **Setting up of Small Industries Development Bank**

1733. SHRI BALWANT SINGH RAMOOWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether an announcement was made in the Central Budget for 1988-89 to set up a Small Industries Development Bank;

(b) if so, the proposed location and the reasons for delay in setting up the bank; and

(c) the time by which the Bank is likely to be set up?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). A Bill to set up the Small Industries Development Bank of India (SIDBI) has been introduced

Lok Sabha on 10.5.1989. It is already been taken up for discussion. The Bill has proposed that the Head Office of the SIDBI will be at Lucknow or such other place as the Central Government may by Notification specify.

#### **Export of Basmati Rice**

1734. SHRI BALWANT SINGH RAMOOWALIA: Will the Minister of COMMERCE be pleased to state:

(a) whether for several years the country has been exporting Basmati rice on a large scale;

(b) if so, the quantity of Basmati rice exported during last year and the price it fetched;

(c) the share of Punjab in the total exports of Basmati rice;

(d) whether Government have allowed certain exemption to the primary exporters;

(e) if so, the details thereof;

(f) if not, the reasons for not giving the exemption; and

(g) whether Government propose to reconsider this matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) The quantum of export of Basmati rice during 1988-89 is estimated at 3,49,687 Tonnes valued at Rs. 333.53 crores.

(c) State-wise share in export is not maintained.

(d) and (e). Basmati rice is exempt from levy provisions for procurement

(f) and (g). Do not arise.

omy.

[*English*]

[*English*]

### **Fiscal Deficit**

1735. SHRI H.B. PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether the Aid India Consortium of the World Bank has cautioned India to contain the fiscal deficit;

(b) the position of the fiscal deficit of the country during the last three years, year-wise; and

(c) the steps Government propose to take to contain the fiscal deficit and reduce the pressure on the balance of payments?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) At the India Consortium meeting held in Paris in June 1989 Members appreciated the progress achieved by Government of India in reducing the budgetary deficit. Some of them however said that they looked forward to further improvement in this direction.

(b) The budgetary deficit of the Central Government amounted to Rs. 8261 crores in 1986-87, Rs. 5816 crores in 1987-88 and according to data received from Reserve Bank of India, Rs. 5809 crores in 1988-89.

(c) Government has initiated several measures to contain budgetary deficit. These include measures to maintain the buoyancy of tax revenue collection, prevent evasion of taxes and contain the growth of low priority and non-developmental expenditure. A compression of the present scale of fiscal imbalance would contribute towards improvement in the balance of payments by narrowing the savings-investment gap of the econ-

### **Lalitpur-Khajuraho Railways Line**

1736. SHRIMATI VIDYAVATI CHATURVEDI: Will the Minister of RAILWAYS be pleased to state:

(a) whether survey work with regard to Lalitpur, Khairada via Tikamgarh, Chhatarpur, Khajuraho railway line has been started;

(b) if so, the details thereof; and

(c) if not, the time by which it is likely to be started?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). Survey for Lalitpur Singrauli railway line via Chhatarpur-Khajuraho-Sidhi has been approved in 1988-89. The Survey would be taken in hand soon after monsoons this year.

[*English*]

### **Frequency of Jammu-Rajkot Weekly Train**

1737. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways have received requests to convert long distance Jammu-Rajkot weekly train into a daily train due to increasing rush in the said train; and

(b) if so, action taken by Government thereon?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Requests for increase in its frequency have

been received. However, the bi-weekly 181/182 Sarvodaya Express, weekly 997/998 Hapa-Jammu Tawi Express and 4 days a week 171/172 Bombay-Jammu Tawi Express run on a combined path between Vadodara-Jammu Tawi. It is, therefore, operationally not feasible to increase its frequency.

#### **Increase in Quota of Berths at Rajkot Junction**

1738. SHRIMATI PATEL RAMABEN RAMJIBHAI MAVANI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have received representations for increase in quota of berths at Rajkot junction on different trains;

(b) if so, the details thereof; and

(c) the decision taken thereon?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) Three representations have been received for allotment/enhancement of reservation quotas by 151 Rajdhani Express, 25 Deluxe Express, 28 Marwar-Ranapur Express, 8 Ahmedabad-Bombay Janta Express, 506 Ashram Express, 903 Rajkot-Trivandrum Express, 931 Rajkot-Hyderabad Express and 171 Bombay-Jammu Tawi Express trains.

(c) Due to limited availability of accommodation and heavy pressure on quotas at other intermediate stations, it is difficult to make any adjustments with a view to allot/enhance any quota at Rajkot by the above mentioned trains.

#### **Additional Trains on Bombay-Rajkot Route**

1739. SHRIMATI PATEL RAMABEN

RAMJIBHAI MAVANI: Will the Minister of RAILWAYS be pleased to state:

(a) whether the existing train service on Rajkot-Bombay route is not sufficient to cope with the increasing traffic on this route;

(b) if so, whether Government propose to introduce more trains and to convert weekly trains to daily trains to provide relief to the travelling public; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No, Sir.

(b) and (c). Do not arise.

#### **Report of Railway Safety Commission on Perumon Railway Accident**

1740. SHRI MULLAPPALLY RAMACHANDRAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railway Safety Commission has submitted its final inquiry report on the train accident near Perumon (Kerala) on 8 July, 1988;

(b) if so, findings of the commission with regard to the causes of the accident; and

(c) the reaction of the Government thereto and the follow-up action taken thereon, if any?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) According to the Commissioner of Railway Safety, Southern Circle who conducted the inquiry, this accident was the result of a tornado having struck at the bridge just as the train was going over it.

(c) The Government has decided to set up a Special Committee of Experts to examine the Final Report of the Commissioner of Railway Safety, Southern Circle.

**National Water Grid for Equal Distribution of Water to States**

1741. SHRI MULLAPPALLY RAMACHANDRAN:  
SHRI P. KOLANDAIVELU:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Union Government propose to have a National Water Grid to ensure equal distribution of water;

(b) if so, the details thereof;

(c) whether discussions have also been held with the State Governments in the matter; and

(d) if so, the outcome thereof?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) There is no such proposal under consideration.

(b) to (d). Do not arise.

[*Translation*]

**Clearance to Sidhmukh and Nohar Project**

1742. SHRI VIRDHI CHANDER JAIN:  
Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Central Water Commission has not yet approved the Sidhmukh and Nohar projects; and

(b) if so, the reasons for delay and the time by which these are likely to be cleared?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) and (b). Both Sidhmukh and Nohar irrigation projects have been found to be techno-economically viable by the Central Water Commission. The Rajasthan Government has been advised to get the projects cleared from the environment angle.

[*English*]

**Export of Minerals**

1745. SHRI CHINTAMANI JENA:  
SHRI BANWARI LAL PUROHIT:

Will the Minister of COMMERCE be pleased to state:

(a) whether any new plan has been formulated to expand export of minerals;

(b) if so, the details thereof;

(c) the value of the minerals exported during the last three years, year-wise and the countries to which they are exported; and

(d) the increase in exports expected after introducing new plan?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). Diversification of market, better unit value realisation, value addition for exports and securing long term contracts are some of the measures for expanding export of minerals.

(c) The value of exports of minerals and ores during the last three years was as under:—

<i>Year</i>	<i>(Value in Rs. crores)</i>
1986-87	723.33
1987-88	793.41 (p)
1988-89	1027.13 (p)

(p) Provisional

(d) Export of Minerals and Ores including Granite, Alumina and Aluminium etc. and other processed minerals are expected to increase to Rs. 1600 crores during 1989-90.

#### **Medical Insurance Scheme of G.I.C.**

1750. SHRI BHADRESWAR TANTI:  
SHRI ABDUL HAMID:

Will the Minister of FINANCE be pleased to state:

(a) whether the General Insurance Corporation had introduced a medical insurance scheme called Hospitalisation and Domiciliary Hospitalisation Scheme;

(b) whether the scheme has been reviewed and modified to provide wider benefits to take care of the present day costs of medical treatment; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Yes, Sir. The General Insurance Corporation of India was introduced, with effect from 3rd November, 1986, a Hospitalisation and Domiciliary Hospitalisation Benefit Policy known as 'Mediclaime'.

(b) and (c). The limits of benefits under the Policy are ample enough to accommo-

date a majority of medical contingencies that may occur. These limits were fixed on the basis of medical costs prevailing in Bombay and other metropolitan cities. A review of the benefits available under the Scheme can be considered only after reviewing the performance of the scheme and gaining experience over a period of time.

#### **Payments in Foreign Exchange**

1751. SHRI BHADRESWAR TANTI:  
Will the Minister of FINANCE be pleased to state:

(a) the details of the subscriptions, contributions and aid given in foreign exchange during the Seventh Five Year Plan showing (i) names of the Ministry and State/ Union Territory which dealt with the matter in each case, (ii) name of the foreign country to which it was given, (iii) reasons for giving the aid etc;

(b) whether there have been any cases where such contributions have been discontinued; and

(c) if so, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): (a) to (c). The information is being collected and will be laid on the Table of the House.

#### **Legal Aid Committee to Assist Landless Adivasis**

1752. SHRI BHADRESWAR TANTI:  
Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether any legal aid Committee have been set up at the State level to extend legal assistance to poor classes of society and to the landless Adivasis; and

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

THE MINISTER OF STATE IN THE  
MINISTRY OF LAW AND JUSTICE (SHRI  
H.R. BHARDWAJ): (a) Yes, Sir.

(b) A statement explaining the position  
is given below.

#### STATEMENT

The Legal Aid and Advice Boards have been set up in almost all the States as per the scheme evolved by the Committee for Implementing Legal Aid Schemes.

The Chief Minister or the Minister for Law and Judiciary is the Chairman of the Board but a sitting or a retired Judge of the High Court is the Executive Chairman. The other Members of the Board are representatives of the bar, officials and of Social Organisations.

Under these Boards, Legal Aid Committees in the High Courts as well as in the Districts/Taluqas have been set up. They provide free legal aid and assistance to the poor litigants including those belonging to the weaker sections of the society, landless Adivasis but adequate focus and attention are being bestowed on this class of people and the Committee for Implementing Legal Aid Schemes through its Executive Chairman monitors and ensures this position. Several State Boards have special cells particularly in the scheduled districts.

The State Legal Aid Boards also organise Lok Adalats from time to time in different places to resolve disputes between the parties through conciliation.

Information regarding Legal Aid provided by the various Boards and the Lok Adalats organised by them, as available with the Committee for Implementing Legal Aid Schemes as on 20.7.1989, is as follows:—

## STATEMENT

Sl No	Name of the State Board	No of persons given legal aid			Lok Adalats held			Cases settled
		1	2	3	4	5		
1	Andhra Pradesh		13,303		80		1,36,263	
2	Arunachal Pradesh		508		—		—	
3	Assam		1,005		19		1,661	
4	Bihar		1,809		14		15,773	
5	Goa		192		5		513	
6	Gujarat		14,077		225		34,597	
7	Haryana		2,496		144		57,607	
8	Himachal Pradesh		474		—		—	
9	Jammu & Kashmir		4,827		—		—	
10	Karnataka		45,085		272		17,599	
11	Kerala		446		—		—	
12	Madhya Pradesh		2,71,773		100		3,12,804	

1	2	3	4	5
<i>Sl.No.</i>	<i>Name of the State Board</i>	<i>No. of persons given legal aid</i>	<i>Lok Adalats held</i>	<i>Cases settled</i>
13.	Maharashtra	34,866	553	19,245
14.	Manipur	92	3	203
15.	Meghalaya	80	—	—
16.	Mizoram	2,824	—	—
17.	Nagaland	2	—	—
18.	Orissa	62,541	398	97,017
19.	Punjab	5,313	—	—
20.	Rajasthan	14,122	252	3,45,154
21	Sikkim	150	3	10
22	Tamil Nadu	4,45,072	8	1,119
23.	Tripura	1,650	1	156
24	Uttar Pradesh	43,259	694	6,20,430
25.	West Bengal	4,517	9	599

<i>Sl.No.</i>	<i>Name of the State Board</i>	<i>No. of persons given legal aid</i>	<i>Lok Adalats held</i>	<i>Cases settled</i>
1	2	3	4	5
26.	Chandigarh	—	2	98
27.	Delhi	21,502	10	5,629
28.	Pondicherry	5,901	10	310

**Effects of Currency Fluctuation on Foreign Aid**

1755. SHRIMATIKISHORI SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether currency fluctuation has created a surplus in the aid given by the World Bank and the other donor countries;

(b) if so, whether Government are negotiating with donors for utilising it in new projects; and

(c) if so, the details of the projects in which the surplus is proposed to be utilised?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Donor assistance, including assistance from the World bank, is committed in specific currencies. This commitment, in the respective currencies of denomination, does not change with currency fluctuations and the question of a surplus in the currencies of denomination would not therefore arise.

(b) and (c). Do not arise.

**Export Subsidies**

1756. SHRIMATIKISHORI SINHA: Will the Minister of COMMERCE be pleased to state:

(a) whether Government have plans to reduce and gradually give up export subsidies;

(b) if so, whether Government propose to supply raw materials to Indian exporters at international prices; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R.

DAS MUNSI): (a) to (c). In order to compensate for certain disadvantages inherent in the Indian economy, compensation in the form of cash Compensatory Support, Duty drawback, International Price Reimbursement in respect of certain raw materials etc. are extended to exporters on selective basis, under various schemes which are received from time to time

**Recruitment of Bank Clerks and Officers**

1757. SHRIMATIKISHORI SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to reform recruiting policies for bank clerks and officers in favour of obtaining the services of more people from rural areas, willing to work in remote villages;

(b) if so, the details thereof; and

(c) if not, whether Government expects banks to obtain adequate number of bank officials interested in working in rural areas under current recruitment policies?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Under the existing recruitment system, eligible candidates irrespective of their urban/rural background are considered for recruitment into the clerical/officers' cadres in the public sector banks. Government have, however, issued guidelines making rural service as a pre-condition for promotion from JMG Scale-I to MMG Scale-II and from MMG Scale-II to MMG Scale-III.

**Permission to Journalists to bring Electronic Typewriters from Abroad**

1758. SHRIMATIKISHORI SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether accredited journalists are allowed to bring electronic typewriters or video writing machines from abroad as passengers accompanied baggages

(b) if so, the details thereof, and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A K PANJA) (a) and (b) Video writing machines (Word Processors) can be imported as accompanied baggage on payment of a concessional customs duty of 85% (40% Basic+45% Auxiliary) by accredited correspondent of a foreign broadcasting and television organization or of a foreign news agency or a foreign news paper in accordance with notification no 355/85-Cus dated 6 12 1985, as amended, and subject to conditions prescribed therein

Such goods can also be imported as bonafide baggage of a passenger under the Baggage Rules, 1978, Tourist Baggage Rule, 1978 and the Transfer of Residence Rules, 1978

(c) Does not arise

#### **Token System for Ticket Reservation**

1759 SHRI P M SAYEED Will the Minister of RAILWAYS be pleased to state

(a) whether a new token system for ticket reservation has been introduced recently,

(b) whether the system is fool-proof and has been working satisfactorily,

(c) whether any complaints have been received in this regard and if so, the details thereof; and

(d) whether the system is proposed to be extended to other railways stations also and if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA) (a) The token system for ticket reservation has been introduced recently at I R C A Reservation Office in New Delhi

(b) The system has generally been appreciated by the travelling public

(c) A few complaints have been received at I R C A Reservation Office that the system slows down the work and may benefit touts

(d) The system is prevalent at 23 other stations on various railways

#### **Congestion at Delhi and New Delhi Railways Stations**

1760 DR G S RAJHANS Will the Minister of RAILWAYS be pleased to state

(a) whether the Old Delhi and New Delhi Railway stations are getting increasingly congested day by day, and

(b) if so, the steps taken to remove congestion at these stations?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA) (a) Yes, Sir

(b) (i) At New Delhi Railway Station visitors are being persuaded not to enter the platform unless absolutely necessary and the issue of platform tickets is also being regulated.

(ii) The size of the book stalls/ vending stalls/other structures

is proposed to be reduced to make more space available.

- (iii) At New Delhi Railway Station, some improvements are being made regarding mobility on foot-over-bridges.
- (iv) A Master Plan to develop terminal facilities at other locations in Delhi area has been prepared to ease the congestion at existing stations.

#### **IDBI Assistance to Textile Mills**

1761. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

- (a) the number of textile sanctioned loans under Textile Modernisation Fund Scheme launched by the Industrial Development Bank of India from 1987 to 30 June, 1989;
- (b) the details of such loans advanced;
- (c) the amount recovered and the amount outstanding;
- (d) whether any irregularities came to light in advancing the loans; and
- (e) if so, the action taken against the guilty officers?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Since introduction of Textile Modernisation Fund Scheme (TMFS) in August, 1986 upto end of May 1989, 191 projects have been sanctioned loans under the scheme. The cumulative amount of sanctions and disbursements as on May 31, 1989 aggregated Rs. 754.40 crores and Rs. 374.96 crores respectively.

(c) Industrial Development Bank of India (IDBI) has reported that TMFS being of recent origin, repayment of term loans disbursed under the scheme have not commenced so far in almost all the cases.

(d) and (e). IDBI have so far not come across any case of irregularities in regard to advancing of the above loans.

#### **Agricultural Loans Advanced by State Bank of Indore in Madhya Pradesh**

1762. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

- (a) the amount of agricultural loans sanctioned by the State Bank of Indore in Madhya Pradesh during the last three years, year-wise;
- (b) whether this fully meets the projected demand of the agriculturists and if not, the shortfall in supply of loans in each year;
- (c) whether Government have, apart from re-scheduling the loan repayment period, made any survey to find out whether the farmers capacity to repay has been lost completely due to repeated drought and if so, how many such farmers are there in Madhya Pradesh; and
- (d) the action proposed to be taken by Government to help those farmers?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). State Bank of Indore has reported that the amount of agricultural loans disbursed by it in Madhya Pradesh during the last three years i.e. 1986, 1987 and 1988 was Rs. 985 lakhs, Rs. 1075 lakhs and Rs. 4032 lakhs, respectively. The bank has further reported that it has already achieved the targets stipulated by the Government in respect of Direct Agricultural Advances.

(c) As per report received from State Bank of Indore, no survey has been conducted to find out the loans repaying capacity of the drought affected farmers.

(d) The State Bank of Indore has extended various concessions to the drought affected farmers such as conversion of Short Term loan into Term loans, providing fresh crop loans, rescheduling of term loans, deferment of recovery, sanction of consumption loans, etc.

### SC/ST Cells in Banks

1763. DR. V. VENKATESH: Will the Minister of FINANCE be pleased to state:

(a) whether Government had issued instructions to the public sector banks to open SC/ST Cells at their Head Offices/ Regional Office and also to appoint SC/ST Liaison Officers for the above SC/ST Cells;

(b) if so, the details thereof;

(c) whether Government had also directed the Banks to give wide publicity to these cells; and

(d) if so, names of the Banks which had not complied with the above instructions and the action, if any, Government have taken against the erring officials of these banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (d). All Public Sector Banks have been advised to set up Scheduled Caste/Scheduled Tribe Cells in their Head Offices and Zonal/Regional Offices and to appoint an officer of the rank of Assistant General Manager/Deputy General Manager (not necessarily belonging to SC/ST) to function as Liaison Officer at the Head Office level and other suitable Officer at Zonal/Regional level. They have also further

been advised to give publicity amongst Scheduled Caste/Scheduled Tribe employees of the respective banks about the existence of Scheduled Caste/Scheduled Tribe Cells and the name of Liaison Officer. All the Banks have confirmed having set up Scheduled Caste/Scheduled Tribe Cells at their Head offices and having appointed the Liaison Officers.

### Opening of Bank Branches in Orissa

1767. SHRI RADHAKANTA DIGAL: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of the Allahabad Bank and Syndicate Bank, separately, in Orissa;

(b) whether there is any proposal to open more branches of these banks in Orissa during 1989-90; and

(c) if so, the places identified for the location of these branches, bank-wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Reserve Bank of India (RBI) has reported that at the end of December, 1988, 41 branches of Allahabad Bank and 21 branches of Syndicate Bank were functioning in Orissa. Under the current Branch Licensing Policy for 1985-90, RBI has allotted nine branches to Allahabad Bank and two centres to Syndicate Bank for opening branches in Orissa. Of these centres, as per the information available with RBI, Allahabad Bank has opened branches at eight centres and Syndicate Bank at one centre. Allahabad Bank is yet to open its branch Charama in Koraput District and Syndicate Bank at Kalangadia Mayurbhanj District. RBI has advised the banks to open these branches at the allotted centres expeditiously.

**World Bank Loan for Developing  
Electronic Industry**

1768. SHRI RADHAKANTA DIGAL: Will the Minister of FINANCE be pleased to state:

(a) whether the World Bank has sanctioned loan for developing electronic industry in the country;

(b) if so, the total amount of loan sanctioned by the World Bank for the purpose; and

(c) the details of the plan drawn up for utilisation of the loan for the development of electronic industry?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). World Bank has approved a loan of \$ 210 million, \$ 101 million each to the Industrial Credit and Investment Corporation of India (ICICI) and the Industrial Development Bank of India (IDBI) and a loan of \$ 8 million to the Government of India for the Electronics Development Industry Project. The loan is to be utilised over a period of seven years.

The loan to ICICI and IDBI will finance investment by Enterprises undertaking expansion and upgrading in the Electronics Industry sector. The loan to GOI will finance procurement of equipment for man power development and training in the sector.

**Seizure of Gold**

1769. SHRI KRISHNA SINGH: Will the Minister of FINANCE be pleased to state:

(a) the details about the smuggled gold seized by various agencies during the past six months (January-June, 1989);

(b) how does it compare with gold seized during each of the two-halves of 1988; and

(c) how the gold has been disposed of?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The quantity and value of smuggled gold seized by the Customs authorities during the past six months (January-June, 1989) and during each of the two halves of 1988 are given in the table below:

<i>Year</i>	<i>Quantity of gold seized (in Kgs.)</i>	<i>Value of gold seized (Rs. in crores)</i>
January to June 1988	2319.531	75.41
July to December 1988	3774.254	125.12
* January to June 1989	4494.402	143.53

\* Figures are provisional

(c) Confiscated gold is deposited in the Government of India Mint.

Will the Minister of RAILWAYS be pleased to state:

**Rail Link between Kandi-Khagrachhat/  
Salar (W.B.)**

1770. SHRI ATISH CHANDRA SINHA:

(a) whether a survey to connect Kandi with Khagrachhat/Salar in the district of Murshidabad, West Bengal by a B.G. Rail line has been ordered;

(b) if so, when the survey work is likely to start; and

(c) when it is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) November, 1989.

(c) In June, 1991.

### **Lead Bank Scheme**

1773. PROF. HARAIN CHAND PARASHAR: Will the Minister of FINANCE be pleased to refer to the reply given on 6 May, 1988 to Unstarred Question No. 10002 regarding Lead Bank Scheme and state:

(a) whether Government have taken any decision to accept and implement the five recommendations of the working group on Lead Bank Scheme, including the recommendations to consider 'a Development Block' as the appropriate unit for the decentralisation of the Lead Bank Scheme;

(b) if so, the decision of Government and the date from which the implementation has been initiated;

(c) whether the Reserve Bank of India and Government would ensure that the 'Lead Banks' are further strengthened in the various blocks in their districts to play the role more effectively in this regard by giving them licences to open at least one branch of their own at the each block headquarters of the districts concerned; and

(d) the likely date by which it would be done?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS

IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Most of the recommendations including decentralised planning at Block Level of the Working Group on Lead Bank Scheme were similar to the recommendations of the Committee appointed by Reserve Bank of India (RBI) under the Chairmanship of Dr. P.D. Ojha, Deputy Governor, RBI. The recommendations of Dr. Ojha Committee were accepted and a new strategy for rural lending under Service Area Approach was introduced. This strategy involves allocation of specific service area comprising 15 to 25 villages to each bank branch in rural and semi-urban areas, preparation of credit plan by each bank branch for its service area, the aggregation of branch credit plans into block and then into annual district credit plan. The progress under these credit plans would be monitored at the Block Level by the Block Level Bankers' Committee (BLBC) besides the Committees at the District and State Level. The Service Area Approach has been implemented from 1.4.1989.

(c) and (d). RBI and reported that most of the Block Headquarters are small rural centres covered by bank branches and may not sustain any additional branch. Allowing the lead banks to open branches at all the Block Headquarters will lead to proliferation of bank branches and may run counter to the restrictive branch licensing policy aimed at consolidation. Therefore, allowing lead banks to open branches at Block Headquarters may result in duplication of efforts. However, under the Service Area Approach, it has been decided to constitute Block Level Bankers' Committee for coordination among banks (including District Central Co-operative Banks and Regional Rural Banks). Block Level Official and Lead Bank Officer will be the Chairman and Convenor of the meeting/Committee. In the absence of the branch of the lead bank in the Block, the bank which has largest representation in the Block will be the Convenor.

**Export of Cattle Feed**

1774. SHRI BALASAHIB VIKHE PATIL: Will the Minister of COMMERCE be pleased to state:

(a) whether All India Conference on prevention of cruelty towards animals has urged Government to drop the proposal of setting up new slaughter houses and to ban export of cattle feeds;

(b) whether due to export of cattle feed and animals are deprived of cheap food-stock; and

(c) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) and (c). The export of cattle feed ingredients is allowed taking into consideration the domestic requirement.

**Export of Onion, Chilly, Grapes and Vegetables**

1775. SHRI BALASAHEB VIKHE PATIL: Will the Minister of COMMERCE be pleased to state:

(a) the quality and quantity of onion, chilly, grapes and vegetables exported from Maharashtra and the amount of foreign exchange earned therefrom during 1988 and 1989, year-wise;

(b) whether Government have taken any steps to find out new markets for the export of these items; and

(c) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) State-wise export date is

not being maintained.

(b) and (c). Steps taken by the Government to find new market include arranging buyer-seller meets; participation in international fairs and exhibitions; organising expositions in potential markets grant of CCS and other export benefits etc.

**Local Trains in Bombay**

1776. SHRI BALASAHEB VIKHE PATIL: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have any proposal to increase the number of local trains in Bombay; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). It is an ongoing process depending upon availability of rolling stock and other infrastructural facilities.

**Computerised Return Reservation**

1777. SHRI BALASAHEB VIKHE PATIL: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government have any proposal to introduce computerised return system all over the country;

(b) if so, by when; and

(c) the steps taken so far in this direction?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) For the present, it is proposed to provide the computerised return journey reservation facility be-

tween Delhi and Bombay and Delhi and Madras. Such a facility has already been provided between Delhi and Calcutta.

(b) This facility is expected to become available by March, 1990.

(c) The proposals in this connection have been sanctioned.

#### **Issue of Receipt in Lieu of Goods Sold at Customs Shops**

1779. SHRI KAMLA PRASAD SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether no cash receipts are issued in lieu of goods sold to the public at the Customs Retail Shops in the country particularly in Delhi;

(b) if so, how the sales are accounted for accurately;

(c) whether there is no display of a board indicating stock of the items held by the Customs Retail Shop together with the rate at which these are to be sold;

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

(e) the cases of malpractices, if any, that came to notice at these shops during the last three years?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) and (b). The existing instructions require that cash receipts be issued for goods sold to the public at the Customs Retail Shops and such receipts are issued at all the Customs Retail Shops in the Country.

(c) and (d). Available reports indicate that Customs Collectorates which have lim-

ited number of items for retail sale are able to display a list of such items on a board. However, where the items are of a wide variety, varied brands, models, dimensions and quality, displaying a list of such items on a board is not practicable and therefore, the goods are themselves displayed at the counters of the retail shops.

(e) Available reports do not indicate that any malpractices at the retail shops were noticed during the last three years.

#### **Insurance Scheme for Rubber Plantation**

1780. SHRI VAKKOM PURUSHOTHAMAN: Will the Minister of COMMERCE be pleased to state:

(a) whether a scheme for the insurance of rubber plantation has been introduced at the behest of the Rubber Board;

(b) if so, the details thereof;

(c) the rate of premium to be charged per hectare; and

(d) the extent of insurance cover provided under the scheme?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) to (d). The scheme introduced by M/s. National Insurance Co. Ltd. and implemented on all India basis through the Rubber Board provides inter-alia insurance against perils caused by fire, cyclone, floods etc. but excluding drought. The maximum liability of the insurer for plantation in the age group of 1 to 8 years would be Rs. 40,000/Hc. and Rs. 60,000/Hc. for the age group of 8 to 22 years.

The scales for the same for different age group range between Rs 41 per tree to Rs.

250 per tree. The rates of premium vary between Rs. 90 to Rs.500 per hectare dependent on the age of plantation for immature plantation. In the case of mature plantation it is Rs. 473 per hectare for a period of 3 years.

As on date Insurance cover has been provided for 1202 hectares of rubber plantation (Immature plantation 1182 ha. plus Mature plantation 20 Hectare).

### **Doubling of Kayankulam-Trivandrum Railway Line**

1781. SHRIVAKKOMPURUSHOTHAMAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether there has been a demand for the doubling of the railway line between Kayankulam and Trivandrum;

(b) if so, the details thereof; and

(c) the response of the Government thereto?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) State Government of Kerala, some voluntary organisations and individuals have made the request.

(c) The need for doubling between Kayankulam and Trivandrum (106 km) has been accepted. As the first phase, doubling between Kayankulam and Quilon (41 km) has been approved in the Railway Budget for 1989-90. The balance portion between Quilon and Trivandrum will be considered for being taken up after adequate progress has been made on phase-I.

### **Railway Stations without Platforms**

1783. DR. PHULRENU GUHA: Will the

Minister of RAILWAYS be pleased to state:

(a) the total number of railway stations in the country; and

(b) how many of them are without platforms?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). There are over 8000 regular/flag/halt stations on the Indian Railways. No railway station handling passenger traffic is without a platform.

### **Introduction of Bobcard**

1784. SHRI P.M. SAYEED: Will the Minister of FINANCE be pleased to state:

(a) whether a scheduled bank in Delhi has introduced a bank card named as Bob-card in June, 1989;

(b) if so, the name of the bank and details of the scheme;

(c) whether the scheme has already been introduced at other stations;

(d) whether the system has been working satisfactorily; and

(e) if so, whether the Reserve Bank of India would allow more scheduled banks to introduce such a scheme and if so, the names of such banks?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) to (c). Allahabad Bank in association with Bank of Baroda had launched a credit card scheme known as BOBCARD-ALLAHABAD BANK in June, 1989 in Delhi. The scheme has been extended to nine other stations.

The clients of Allahabad Bank having annual gross income of Rs. 50,000/- and above can avail of this scheme. The card holder can purchase goods and services from Bank's member establishments on credit and can also draw cash upto a certain limit from Bank's specified branches during out-station visits.

(d) According to Allahabad Bank, the scheme has been working satisfactorily so far.

(e) Some other Banks, namely, Canara Bank, State Bank of India, Central Bank of India, Bank of Baroda, Vijaya Bank, Andhra Bank and Bank of India have already introduced credit card scheme in their banks. The credit card scheme is introduced by a bank on its own commercial judgement and in consultation with Reserve Bank of India.

#### **Import of Shellac**

1785. DR. PHULRENU GUHA: Will the Minister of COMMERCE be pleased to state the names of countries which have shown interest in the import of Shellac from India?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): The main countries importing Indian Shellac are USA, Federal Republic of Germany, U.K. USSR, Indonesia, Egypt, Hongkong, Singapore, Malaysia and Japan.

#### **Absorption of Volunteers in West Bengal**

1786. SHRI ATISH CHANDRA SINHA: Will the Minister of RAILWAYS be pleased to state:

(a) the number of "Volunteers" still left out to be engaged as casual workers in Eastern Railway and how many of them belong to West Bengal;

(b) the time frame within which the left out volunteers may hope to be engaged as casual workers;

(c) whether there is any proposal to transfer the "Volunteers" who have already been engaged as casual workers from far off places like Renukut to Sealdah or Howrah Division;

(d) if so, by what time would the proposal be given effect to; and

(e) the difficulties being faced by the Eastern Railway Authorities in respect of the engagement of the left out volunteers and transfer of the casual workers to West Bengal?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (e). The information is being collected from the Eastern Railway and will be laid on the Table of the Sabha.

#### **Appointment of Notary Public in Tis-Hazari Courts, Delhi**

1787. DR. CHANDRA SHEKHAR TRIPATHI: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the number of applications received by Government for appointment as Notary Public in Tis-Hazari Courts, Delhi during the last one year with details;

(b) the number of persons appointed as Notary Public out of above applicants; and

(c) the time by which the remaining persons are likely to be appointed?

THE MINISTER OF STATE IN THE MINISTRY OF LAW AND JUSTICE (SHRI H.R. BHARDWAJ): (a) Two applications have been received by the Central Govern-

ment for appointment as Notary Public in Tis Hazari Courts, Delhi during the last one year. They are as follows:-

1. Shri M. L. Bhirani, dated 5.8.1988.  
R/o. 9/8, Old Rajinder Nagar,  
New Delhi-60.
2. Kumari Veena Bakshi, dated 2.5.1989  
R/o. 250/2, Mehrauli, New Delhi.

(b) and (c). The applications of the above applicants are under processing.

### **New Scheme for Small Savings**

1788. SHRIMATI JAYANTI PATNAIK:  
Will the Minister of FINANCE be pleased to state:

(a) Whether Government have introduced any new scheme to encourage small savings;

(b) if so, the details thereof; and

(c) how far the schemes in operations have encouraged Small Savings in the rural areas?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO) : (a) and (b). During current financial year new Savings Scheme introduced is National Savings Certificate (VIII Issue). The main features of this Scheme are:

- (i) The investment in the certificate can be made by individual and also by specified institutions.
- (ii) There is no limit on investment.
- (iii) The certificates are in the denomination of Rs. 100 Rs.500, Rs.1000 Rs5000 and Rs.10,000

and carry the interest rate of 12% compounded half yearly but payable after maturity period of six years.

- (iv) Investments qualify for tax deduction under Section 80C of the Income Tax Act.

A Deposit Scheme for the retiring/retired Central/State Government employees has also been introduced where the retiring/retired employees can make one time deposit of the amounts received as retirement benefits.

(c) The net Small Savings collections during 1988-89 compared to the collections in 1987-88 indicate that the various Small Savings Schemes have encouraged Savings.

### **Recognition to Bhubaneswar Stock Exchange**

1789. SHRIMATI JAYANTI PATNAIK:  
SHRI SRIBALLAV PANI-  
GRAHI:

Will the Minister of FINANCE be pleased to refer to the reply given on 10th March, 1989 to Unstarred Questions No. 2142 regarding Stock Exchange at Bhubaneswar and State;

(a) whether Bhubaneswar Stock Exchange Association Limited has submitted the required application and other relevant documents for recognition; and

(b) if so, the time by which that Stock Exchange is expected to be made operational?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) and (b). Bhu-

baneswar Stock Exchange Association Limited was granted recognition by the Government under the provisions of the Securities Contracts (Regulation) Act, 1956 for a period of five years, commencing from 5th June, 1989. Trading in securities in the Exchange is expected to commence after admission of members by it.

#### Import of Palmolein

1790 SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR Will the Minister of COMMERCE be pleased to state

(a) whether palmolein is being imported through State Trading Corporation (STC)

(b) if so, the names of the countries from where palmolein is being imported,

(c) the quantity of Palmolein imported in last three years,

(d) whether STC has any proposal to import palmolein during this year, and

(e) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P R DASMUNSI) (a) Yes, Sir

(b) Palmolein is being imported from Malaysia and Indonesia

(c) The total qty, of Palmolein imported in last 3 years are as under -

Fin Year	Qty MT
1986-87	6 02 Lakh
1987-88	8 85 Lakh
1988-89	5 20 Lakh

(d) and (e) STC has been authorised by the Government to import a limited quantity of Palmolein during the current financial year to meet the requirement of State Govts /UTs through Public Distribution System, upto Oct 1989

#### Export of MICA

1791 SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR SHRI SRIBALLAV PANIGRAHI

Will the Minister of COMMERCE be pleased to state:

(a) whether Mica and Mica-based products of India are in great demand in the World market

(b) whether Government have explored the possibility of exporting Mica and Mica-based products, and

(c) if so, the steps taken to export these items?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P R DASMUNSI): (a) Despite the stagnation in the global demand for processed mica, India mica and mica products are in demand in the overseas markets to because of the high quality of India sheet mica

(b) yes, Sir,

(c) Steps to promote export of Mica and Mica products include abolition of export duty on mica and mica products except mica scrap, survey of mica mines to assess the causes of closure and take remedial measures, sales promotion tours and participation in international trade fairs, setting up of units of manufacture of value added mica products, etc

**Indian Banks in Foreign Countries**

1792. SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR: Will the Minister of FINANCE be pleased to state:

(a) the number of branches of India banks functioning in foreign countries;

(b) whether Government have given directions to these banks to mobilise deposits from Non-Resident Indians to augment India foreign exchange resources; and

(c) if so, the steps taken by these branches in the matter?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India has reported that as at the end of December, 1988 nine Indian banks had 119 operating branches in foreign countries.

(b) and (c). Government has formulated various schemes such as FCNR, NRE accounts and Portfolio investment by NRIs for attracting foreign /NRI investments which are operated through banks. The banks make an effort, as part of their marketing strategy, to channelise NRI deposits into India banks.

[*Translation*]

**SC/ST Judge in High Courts**

1795. SHRI K. D. SULTANPURI: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) the names of High Courts where Scheduled Castes and Scheduled Tribe judges are functioning, State-wise;

(b) whether any State Governments have proposed that the persons belonging to these communities be appointed as judges

in the High Courts; and

(c) if so, the names of the States and the number of SC/ST judges appointed during the last two years?

THE MINISTER OF LAW AND JUSTICE (SHRI B. SHANKARANAND): (a) The High Court of Allahabad, Andhra Pradesh, Bombay, Gauhati, Gujarat, Karnataka, Kerala and Madras are having Judges belonging to the scheduled castes and scheduled tribes.

(b) Yes, Sir, Proposal have been received for appointment to the High Courts of Bombay, Delhi and Madras.

(c) During the last two years, 5 Judges belonging to scheduled castes and scheduled tribes have been appointed in the High Courts of Bombay (2) Gauhati (1) Gujarat (1) and Madras (1).

[*English*]

**Direct Train Service between Delhi-Hoshiarpur**

1796. SHRI KAMAL CHAUDHRY: Will the Minister of RAILWAYS be pleased to refer to the reply given on 5 May, 1988 and on 28 April, 1989 to Unstarred Question Nos. 9885 and 7583 respectively regarding direct train between Delhi/New Delhi and Hoshiarpur and state:

(a) whether Government propose to provide terminal/maintenance facilities at Hoshiarpur for the purposes of introducing direct train service between Delhi and Hoshiarpur or to extend 405 Super Fast Express train to Hoshiarpur;

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

(c) if not, the reasons therefor and the time by which such facilities will be provided at Hoshiarpur to meet the public demand for a direct train?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAOSCINDIA): (a) to (c). There is no such proposal due to resource constraints. For convenience of Hoshiarpur passengers, a suitable connecting service with 59/60 Superfast New Delhi-Amritsar train was provided in May, 1989. There are two through coaches providing overnight service between Hoshiarpur-New Delhi and 205/206 provides a suitable day time connection with 197/198 Shan-e-punjab. These are sufficient for the present level of traffic.

[*Translation*]

#### **Reservation for SCs and STs in Banks**

1797. SHRI K.D. SULTANPURI. Will the Minister of FINANCE be pleased to state the number of posts reserved for Scheduled Castes and Scheduled Tribes lying vacant in all the public sector banks in the country for the last one year, category-wise and bank-wise?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI

EDUARDO FALEIRO): Information is being collected and shall be laid on the Table of the Sabha.

#### **Allocation of fund to States for Irrigation schemes**

1798. SHRI K.D. SULTANPURI: Will the Minister of WATER RESOURCES be pleased to state:

(a) the funds allocated for irrigation facilities in the country during the last three years, State-wise; and

(b) the details of the on-going major and medium irrigation schemes and targets, if any, fixed for their completion, State-wise?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) Statewise position of the expenditure incurred/outlay provided during 1986-87 to 1988-89 for major, medium and minor irrigation is shown in the Statements I and II below.

(b) Out of the 181 major and 433 medium on-going irrigation projects of VII Plan, 37 major and 187 medium projects are likely to be completed during the Plan and the remaining will spill over to the next Plan.

## STATEMENT

*Funds Allocated for Irrigation Facilities Major and Medium Irrigation*

Sl.No.	Name of State/Union Territory	Expenditure		Outlay 1988-89
		1986-87 Actual	1987-88 Provisional	
1	2	3	4	5
<b>STATES</b>				
1.	Andhra Pradesh	262.14	223.47	257.00
2.	Arunachal Pradesh	0.22	0.14	0.18
3.	Assam	25.62	26.10	26.79
4.	Bihar	266.88	314.22	322.00
5.	Goa	10.57	13.15	16.00
6.	Gujarat	163.14	180.20	304.70
7.	Haryana	116.12	100.00	69.90
8.	Himachal Pradesh	1.57	1.70	2.25

Sl.No.	Name of State/Union Territory	Expenditure		Outlay 1988-89
		1986-87 Actual	1987-88 Provisional	
1	2	3	4	5
9.	Jammu & Kashmir	14.53	15.49	16.00
10.	Karnataka	105.08	93.70	143.70
11.	Kerala	52.75	51.00	55.50
12.	Madhya Pradesh	236.41	264.61	294.09
13.	Maharashtra	304.25	270.32	343.32
14.	Manipur	11.02	15.89	16.50
15.	Meghalaya	0.02	0.05	0.30
16.	Mizoram	0.01	0.05	0.20
17.	Nagaland	—	—	—
18.	Orissa	106.74	152.70	153.03
19.	Punjab	47.16	53.00	57.47

Sl.No.	Name of State/Union Territory	Expenditure			Outlay 1988-89
		1986-87 Actual	1987-88 Provisional		
1	2	3	4	5	
20.	Rajasthan	101.83	110.54		122.18
21.	Sikkim	—	—		—
22.	Tamil Nadu	41.75	39.76		39.27
23.	Tripura	4.58	4.65		4.80
24.	Uttar Pradesh	232.19	234.49		272.54
25.	West Bengal	51.82	54.71		47.55
UNION TERRITORIES					
1.	A & N Islands	—	—		—
2.	Chandigarh	—	—		—
3.	Dadra & Nagar Haveli	0.60	—		0.07
4.	Daman & Diu including Goa	—	0.07		0.85

Sl.No.	Name of State/Union Territory	Expenditure			Outlay 1988-89
		1986-87 Actual	1987-88 Provisional		
1	2	3	4	5	
5.	Delhi	—	—	—	—
6.	Lakshadweep	—	—	—	—
7.	Pondicherry	0.25	0.40	0.37	0.37
	Total	2157.25	2221.04	2566.60	2566.60
	Central Sector	11.33	9.53	16.25	16.25
	Total (All India)	2168.58	2230.57	2582.75	2582.75



Sl.No.	Name of State/Union Territory	<i>(Rs. in Crores)</i>				
		Expenditure				
		1986-87	1987-88	1988-89	1989-90	1990-91
1		2	3	4	5	
9.	Jammu & Kashmir	10.08	12.31	12.39		
10.	Karnataka	36.23	33.10	35.83		
11.	Kerala	9.17	5.02	13.50		
12.	Madhya Pradesh	16.38	75.09	78.59		
13.	Maharashtra	64.64	93.06	117.07		
14.	Manipur	1.58	1.80	1.87		
15.	Meghalaya	1.76	2.00	2.30		
16.	Mizoram	1.00	1.12	1.61		
17.	Nagaland	2.70	2.51	2.74		
18.	Orissa	25.24	47.82	33.10		
19.	Punjab	5.77	6.15	7.85		

Sl.No.	Name of State/Union Territory	(Rs. in Crores)				
		Expenditure		Outlay 1988-89		
		1986-87	1987-88	4	5	5
1	2	3	4	5	5	
20.	Rajasthan	9.99	9.52	13.01		
21.	Sikkim	1.83	1.80	1.90		
22.	Tamil Nadu	22.44	23.00	27.11		
23.	Tripura	3.99	4.20	4.51		
24.	Uttar Pradesh	111.00	113.21	116.99		
25.	West Bengal	11.70	17.50	25.80		
UNION TERRITORIES						
1.	A & N Islands	0.37	0.42	0.42		
2.	Chandigarh	0.22	0.26	0.20		
3.	Dadra & Nagar Haveli	0.27	0.42	0.35		
4.	Daman & Diu	—	0.00	0.01		

(Rs. in Crores)

Sl.No.	Name of State/Union Territory	Expenditure				
		1986-87	1987-88	4	5	Outlay 1988-89
1	2	3	4	5		
5.	Delhi	0.97	1.00	0.93		
6.	Lakshadweep	—	0.00	0.00		
7.	Pondicherry	1.02	1.60	1.44		
	Total	554.62	607.99	690.34		
	Central Sector	33.40	29.28	41.00		
	Grand Total	588.02	637.27	781.84		

**Vacant Posts of SC/ST**

1799. SHRI K.D. SULTANPURI. Will the Minister of RAILWAYS be pleased to state:

(a) the number of posts reserved for SC/ST lying vacant in the Railways, category-wise for the last six months, and

Group	Recruitment		Promotion	
	SC	ST	SC	ST
A	2	4	—	—
B Group C.	Group B posts are generally filled by promotion from Group C.			
C.	2353	3993	9038	17050
D (Excl Safaiwalas)	1564	4487	1974	4698

(b) the reasons therefor and steps taken to fill up all the vacant posts?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) The shortfall in SC/ST quota in various categories as on 1.1.89 is as under.

(b) (i) The reasons for shortfall are as under:

1. The Recruitment/promotion of SCs/STs is to be made against the vacancies available on the Railways and at a time not more than 50% of the available vacancies can be filled up by SC/ST.
2. In case of promotions, there are a number of interim orders from High Courts/Administrative Tribunals etc. restricting the operation of Roster points in categories where the reservations to 15% of the cadre in case of SCs and 7-1/2% in case of STs has already been reached.
3. Since backlog of reserved posts in calculated against vacancies according to 40 Point Roster, the backlog goes on increasing due to carry forward rules though in many categories the prescribed 15% for

SCs and 7-1/2% for STs has already been achieved.

4. The backlog has also increased due to non-availability of SC/ST candidates/employees with requisite qualifications and experience for filling up the post in some technical and safety categories.
- (ii) However, a Special Recruitment Drive has been launched to clear the shortfall of SC/ST in Recruitment Grades against the available vacancies without the restriction of the 50% limit.

[English]

**Coaches for non-smokers**

1800. SHRI BANWARILAL PUROHIT: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government propose to introduce a series of non-smoking coaches on long distance trains from the current year;

(b) if so, the details of trains in which such non-smoking coaches would be introduced;

(c) whether any experiment in this regard has been held; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) to (c). On some trains one second class coach has been earmarked for non-smokers on an experimental basis. Boards indicating smoking not allowed have been put up on these coaches and publicity about availability of this facility has been made. Further decision in this regard will be taken after review of the results of the experiment

#### **Demand for All India Judicial Services by All India Judges Association**

1804. SHRI KAMAL NATH: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the All India Judges Association has urged upon the Government to take steps to enact a legislation for setting up of a judicial service on an All India basis; and

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

THE MINISTER OF STATE LAW AND JUSTICE (SHRI B. SHANKARANAND): (a) No, Sir.

(b) Does not arise.

#### **Streamlining management of major Railway Stations**

1805. SHRI SOMNATH RATH: Will the Minister of RAILWAYS be pleased to state:

(a) whether any measures are proposed to improve the efficiency of the management of major railway stations all over the country; and

(b) what steps have been taken, since the stampede in New Delhi Railway Station leading to deaths, to pay attention to this aspect so that such accidents do not recur?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) The improvement of efficiency in the management at railway stations is a continuous process.

(b) Railway has initiated action on widening of the stair cases, provision of an additional stair case and extension of one of the foot-over bridges at New Delhi Station. Change of nominated platforms for reception of trains is only being resorted to if inescapable and passengers are given adequate warning about this over the public address system. Entry to platforms at the stations of relatives and friends coming to see or receive passengers is being regulated. For increased surveillance by the police, there is a proposal for augmenting their strength. A master plan has been prepared to develop additional terminals at new locations in and around macro railway stations. Efforts are always made to cater for the changed pattern of traffic at stations from time to time.

[Translation]

#### **Unauthorised vendors in running trains**

1806. SHRI JAGDISH AWASTHI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government are aware of illegal food stuff vendors who vend their stuff in the superfast trains running between various stations; and

(b) the steps taken by Government against such vendors and other agencies responsible for this practice so far?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) The Zonal Railways conduct drives in this regard. During 1988-89, 38,057 unauthorised vendors were apprehended and 25,470 were prosecuted.

#### Unauthorised occupation of seats

1807. SHRI JAGDISH AWASTHI: Will the Minister of RAILWAYS be pleased to state:

(a) whether Government are aware that seats in trains are being unauthorisedly occupied by porters and local mischievous elements at Delhi and other big stations and then given to passengers after extracting money from them;

(b) whether Government have received complaints in this regard in Delhi; and

(c) if so, the total number of complaints received and the steps being taken by Government to prevent recurrence of such incidents?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir.

(c) 6 complaints are received during April 1988 to June 1989 in Delhi against anti social elements only. Surprise checks are conducted in this regard. Porters and miscreants found indulging in this malpractice are prosecuted. The licences of licensed porters apprehended are also suspended or cancelled.

#### Smuggling of Gold and Silver

1808. SHRI KAMLA PRASAD RAWAT: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that silver and gold from foreign countries are being smuggled on large scale through sea;

(b) if so, the amount of the gold/silver seized from the smugglers during this year; and

(c) the action taken against them?

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

(b) The quantity and value of gold and silver seized by the Customs authorities during the current year upto 17th July, are given below.

	Quantity (in Kgs)	Value (Rs. in crores)
1	2	3
Gold	5250	166.47
Silver	34222	22.84

(Figures are provisional)

(c) The persons found to be involved in smuggling activities are arrested and prosecuted in Courts of Law in suitable cases apart from being penalised in departmental proceedings. They are also detained under the provisions of the CO FPOSA Act, 1974, if considered necessary.

[English]

### **Inter-Bank Call Money Market**

1810. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether the commercial banks are using RBI's own refinancing facility for making substantial against in the inter-bank call money market;

(b) whether the call money interest rate has shot up, if so, the percentage of rise;

(c) whether the RBI has any control over the inter-bank call money market and elsewhere;

(d) if so, the nature and extent of control;

(e) if no control is exercised by the Reserve Bank of India, the reasons for not exercising control; and

(f) what corrective measures are contemplated to set the matter right?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) Reserve Bank of India (RBI) has reported that commercial banks are not permitted to lend in the money market if they are utilising refinance from the Reserve Bank. This prescription is applied to 'discretionary and stand by refinance facili-

ties'. However, towards the end of the financial year some banks were reported to be utilising these refinance facilities and also lending in the money market. Such banks were cautioned to desist from lending in money market. At present, this stipulation is being scrupulously observed by all bank according to RBI.

(b) Due to withdrawal of the ceiling on the call money rate of the 10 percent per annum fixed by the Indian Banks' Association with effect from May 1, 1989, there was a sharp upward movement of interest rates in the call money market in the period immediately after May 1, 1989. It was reported that in the call money market the interest rates rose upto 30-34 percent by the last week of May, 1989, thereafter the rates declined. The market has since settled down and the rates reflect the demand for and the supply of funds in the market and have fallen to more normal levels of 10-11 percent and even touched low rates of 5 to 6 percent on certain days.

(c) to (f). The Discount and Finance House of India Ltd (DFHI) was set up in April, 1988 by RBI in collaboration with public sector banks and financial institutions to impart liquidity to money market instruments. The DFHI has been playing a stabilising role in the money market by equilibrating the demand for and the supply of call money funds. The DFHI has been sanctioned refinance facilities by RBI against its holdings of 182 days Treasury Bills and Commercial Bills and RBI influences the money market through the DFHI. The rates in the call money market can be influenced by the operations of DFHI. With the introduction of new money market instruments i.e. 182 days Treasury Bills, Inter-Bank participations, Certificates of Deposit and Commercial Papers, etc. and widening of the market for existing instruments i.e. Bill Rediscounting, it is expected that a broad based money market would emerge.

**Off-Shore Mutual Funds**

1811. DR. B.L. SHAILESH: Will the Minister of FINANCE be pleased to state:

(a) whether Government have decided to opt for private placement of offshore mutual funds for sometime;

(b) if so, the reasons therefor;

(c) the total amount collected under the Indian Magnum launched by the State Bank of India in the United States and the India Growth Fund launched in United States in August, 1988;

(d) whether these funds have been repatriated to India; and

(e) if so, the manner in which these funds have been/are being being utilised?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The proposal of State Bank of India to set up an off-shore Fund on private placement basis has been recently approved by the Government.

(b) Private placement of Off-shore Funds has been the following main advantages:

- i) Lower pre-operative expenses; and
- ii) the Funds can be launched in a shorter period and without listing their shares on a Stock Exchange.

(c) to (e). The State Bank of India has not yet launched its India Magnum Fund in USA. The question of repatriation, therefore, does not arise. The total amount collected under the India Growth Fund launched abroad by the UTI was US \$ 60 million. The Fund has already repatriated US \$ 44 million to UTI. This amount has been invested by

UTI in various securities like equity shares, convertible bonds/debentures.

**Summer Specials from Delhi to Kerala**

1816. SHRI P.A. ANTONY: Will the Minister of RAILWAYS be pleased to state:

(a) whether Railways had received representations for playing summer specials between Delhi and Kerala;

(b) if so, the number of special trains introduced;

(c) whether these trains were enough to cope with the summer rush; and

(d) if not, the reasons for not introducing more trains?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) None.

(c) Does not arise.

(d) Specials trains were not found justified and the extra traffic offered was cleared by regular trains.

**Cracks in Edamalayar Project, Kerala**

1817. SHRI P.A. ANTONY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether Government are aware about the cracks appearing in the Edamalayar Irrigation project in Kerala;

(b) whether these cracks pose any danger to the project area; and

(c) if so, action taken by Government in the matter?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) to (c). Information is being collected and will be laid on the Table of the House.

#### **Poznan International Trade Fair**

1818. SHRI LAKSHMAN MALLICK: Will the Minister of COMMERCE be pleased to state:

(a) whether India participated in the Poznan International Trade Fair held at Palance in June last; and

(b) if so, the expenditure incurred and the amount of business generated in that trade fair together with the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) The estimated expenditure on the fair was about Rs. 12.00 lakhs. According to reports received from participants business worth Rs. 9.47 crores was negotiated by them for products like power supplies, stepper motors, floppy drives, computers, electronic components, two-wheeler scooters, power press, food products, chemicals/dyes/essential oil, herbs, spices, fabrics, readymade garments, denims and silks, etc.

#### **TFAI Proposal for Participation in International trade fair**

1819. SHRI LAKSHMAN MALLICK: Will the Minister of COMMERCE be pleased to state:

(a) whether the Trade Fair Authority of India (TFAI) have proposal to organise India's participation in international trade fair abroad;

(b) if so, the details of such international trade fairs;

(c) the main purpose of participating in these trade fairs; and

(d) the main items proposed to be projected in these fairs?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) Yes, Sir.

(b) A Statement is given below.

(c) The main purpose to participation in trade fairs abroad is to project India's industrial, export, scientific and technological capabilities, explore opportunities for joint ventures and establish new business contacts.

(d) The main items planned to be displayed in these fairs consist of all kinds of light, medium and heavy machinery, computer-software, clothing/furnishing textiles, leather goods, processed food, consumers goods auto parts and accessories, transmission equipment, plastic products, office and telecommunication equipment, etc.

#### **STATEMENT**

*Trade Fair Authority of India's Programme for Practicipation in Fairs/Exhibitions Abroad During 1989-90*

<i>S. No.</i>	<i>Name of the event</i>
1	2

#### **GENERAL INTERNATIONAL FAIRS**

1. Poznan International Fair, Poland, June 11-18, 1989.
2. Beijing International Fair, China, July 14-23, 1989.

1	2	1	2
3.	Damascus International Fair, Syria, August 28-September 10, 1989		<i>SPECIALISED COMMODITY FAIRS</i>
4.	Tehran International Fair, Iran, September 17-27, 1989	1.	Interstoff-International Trade Fair for Clothing Textiles, Frankfurt, (FRG), April 11-13, 1989.
5.	Budapest Intl Autumn Fair Hungary, September 22 - October 01, 1989	2.	International Leather Fair, Hong Kong, April 24-27, 1989.
6.	Nairobi International Industrial Show, Kenya, September 26-30 1989	3.	Australian Auto Mechanica Exhibition, Sydney, Australia, April 129 - May 02, 1989
7.	Overseas Import Fair 'Partners for Progress' Berlin (FRG), September 27-30, 1989	4.	STAR Fair, Milan, Italy, May 18 - 21, 1989
8.	Baghdad International Fair, Iraq, November 01-15, 1989	5.	Australia's Intl Engineering Exhibition, Melbourne, July 31-August 04, 1989
9.	International Hardware & Houseware Show, Birmingham (UK), January 21-24, 1990	6.	National Shoe Fair of America, New York, August 05-08, 1989.
10.	International Spring Fair, Birmingham, February 05-09, 1990	7.	National Hardware Show, Chicago, USA, August 13-16, 1989.
11.	Kaduna International Fair, Nigeria, February 10-17, 1990	8.	Pret-A-Porter Du-Feminin Fair, Paris, France, September 02-05, 1989
12.	International Spring Fair, Dubai (UAE), February 27- March 10, 1990.	9.	8th EMO Fair, Hannover, FRG, September 12-20, 1989.
13.	Leipzig Spring Fair, GDR, March 11-17, 1990	10.	Semaine Du Cuir Fair, Paris, France September 16-19, 1989.
14.	Cairo International Fair Egypt, March 1990	11.	Machine Asia'89, 8th Asian Intl. Exhibition, Singapore, September 26-29, 1989.
15.	Velencia International Fair, Venezuela, March 23-31, 1990	12.	INTERKAMA Fair, Dusseldorf, October 09-14, 1989.

1	2
13.	ANUGA - World Food Market, Cologne, FRG, October 14-19, 1989.
14.	SYSTEMS' 89 Fair, Munich, FRG, October 16-20, 1989.
15.	Interstoff-Intl. Trade Fair for Clothing Textiles Frankfurt, FRG, October 31-November 2, 1989.
16.	K'89 Fair, Dusseldorf, FRG, November 2-9, 1989.
17.	Interstoff Asia-Intl. Trade Fair for garments Mfg. Industry, Hong-Kong, November 15-17, 1989.
18.	World Fashion Trade Fair, Osaka, Japan, Nov. 22-26' 89.
19.	HEIMTEXTIL-Intl. Trade Fair for Home & Household Txtiles, Frankfurt, FRG, January, 1990.
20.	DOMOTEXT Fair, Hannover, FRG, January, 1990.
21.	National Variety Merchandise Show, New York, USA, February 17-20, 1990.
22.	Pret-A-Porter Du Feminin Fair, Paris, France, February 15-19, 1990.
23.	Intl. Hardware Fair, Cologne, FRG, March 5-8, 1990.
24.	Ce BIT Fair, Hannover, FRG, March 21-28, 1990.
25.	Foodex Fair, Tokyo, Japan, March, 1990.

1	2
26.	FABREX Fair, London, UK, March, 1990.
	<i>INDIAN EXHIBITIONS</i>
1.	Indian Exhibition, Jordan, September 14-22, 1989.
2.	Indian Exhibition, Jakarta, Indonesia, Jan. 26 Feb. 2' 90.
3.	Indian Engg. Exhibition, Moscow, USSR, March, 1990.

#### **Modvat Scheme**

1822. SHRI HARIHAR SOREN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Modified Value Added Tax (MODVAT) scheme has turned out to be a revenue losing scheme;

(b) if so, the reasons of the failure of the scheme; and

(c) the amount of revenue lost by the exchequer to the implementation of the scheme last year?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) to (c). In 1987 Budget, in order to ensure revenue neutrality, the introduction of MODVAT was accompanied by an increase in the duty on the final product to balance the set-off being given of the duty paid on inputs. In the 1987 Budget, some increase in the duty on the final product was made in respect of a few items, where the set off given under the MODVAT scheme during the previous year was much larger than initially estimated. In the 1988 Budget also, rationalisation of rates of excise duty in re-

spect of a few commodities was made as part of MODVAT corrections. Thus, the Government has been taking corrective steps from time to time. It cannot be said that the scheme has failed of that there has been loss of revenue. The total collections from central excise duties during the last financial year were Rs. 18739 crores as against the budget estimate of Rs. 18089 crores.

### Revenue Collection in Punjab

1823. SHRI KAMAL CHAUDHRY: Will the Minister of FINANCE be pleased to state:

(a) the total revenue collection from Punjab during 1986-87, 1987-88 and 1988-89 under each Central tax; and

(b) the amount under each tax returned to Punjab during the same period?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): (a) The total revenue collected from Punjab during 1986-87, 1987-88 and 1988-89 under each Central Tax is as under:

(Rs. in Crores)

	1986-87	1987-88	1988-89 (Provisional)
1	2	3	4
Central Excise*	369.28	409.52	455.24
Customs*	55.08	66.10	103.23
Wealth Tax	4.83	2.67	3.20**
Expenditure Tax	—	—	0.05**
Estate Duty	0.58	0.30	0.21**
Gift Tax	0.30	0.30	0.21**
Corporation Tax	38.62	49.25	45.72**
Income Tax	84.79	101.39	165.77**

\* Collections of Chandigarh Collectorate also includes Himachal Pradesh and J&K.

\*\* Figures also includes collections from Himachal Pradesh and Chandigarh from Dec., 1988 to March, 1989.

(b) The amount under each tax returned to Punjab during 1986-87, 1987-88

and 1988-89 is given as under:

(Rs. in Crores)

	1986-87	1987-88	1988-89 (Provisional)
1	2	3	4
Basic Excise	61.18	66.18	75.37
Additional Excise Duties of lieu of Sales Tax	39.28	44.28	47.20
Income Tax	37.66	44.97	48.08
Estate Duty	0.17	0.01	0.13

#### **Additional Trains on Visakhapatnam Hyderabad Route**

1827. SHRI DODE RAMAIAH: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is proposed to introduce additional trains on Visakhapatnam-Hyderabad route to meet the increased demand and also to provide more accommodation in Gautami and Godavari Express trains;

(b) if so, details thereof; and

(c) if not, reasons therefor?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) No, Sir.

(b) Does not arise.

(c) The existing services are considered adequate for the present level of traffic.

#### **Trade with IRAQ**

1831. SHRI HARIHAR SOREN: Will the Minister of COMMERCE be pleased to

state:

(a) whether Iraq has expressed a keen desire for expanding further the economic ties with India;

(b) if so, the new areas identified for the expansion of Indo-Iraq trade; and

(c) the details of the programme of both the countries for 1989-90 with regard to the expansion of trade?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSJI): (a) to (c). Both India and Iraq are keen to expand further the bilateral economic relations. In the area of product export specific possibilities have been identified for export of engineering goods, rubber products, tea, spices, iron ore pellets, etc. In the area of projects, possibilities exist for civil construction, infra-structure development, industrial re-construction and development consultancy and operation and maintenance contracts. With the objective of increasing trade and commercial cooperation with Iraq, a commercial line of credit has been extended to Iraq to facilitate export of specified

goods from India. Other steps taken in this direction include, discussions at Government to Government level at the forum of joint commission, participation in trade fairs and exhibitions encouragement to Indian companies to establish contacts with the concerned Iraqi organisations etc.

#### **Electrification of Amritsar-Delhi Railway Line**

1832. SHRI GURUDAS KAMAT: Will the Minister of RAILWAYS be pleased to state:

(a) whether the Railways have considered the desirability of electrification of track on Amritsar-Delhi section; and

(b) if so, by when this is likely to be undertaken?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir. Electrification of Delhi-Ambala-Ludhiana section alone is under consideration. Planning Commission have been addressed for clearance of this project.

#### **Trade with U.S.A.**

1834. DR. KRUPASINDHU BHOI: Will the Minister of COMMERCE be pleased to state:

(a) whether the trade deficit between India and USA has been increasing;

(b) if so, the reasons therefor;

(c) the position as on 31st March, 1989; and

(d) the steps taken to reduce the trade deficit with USA?

THE MINISTER OF STATE IN THE

MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) to (c). India has been having a favourable balance of trade with USA since 1986-87. According to the statistics maintained by the Directorate General of Commercial Intelligence and Statistics, Calcutta, for the period 1st April, 1988 to 31st March, 1989, exports to the USA were estimated at Rs. 3735.11 crores, whereas, imports from USA were estimated at Rs. 3181.37 crores, resulting in a trade surplus of Rs. 553.74 crores.

(d) Does not arise.

#### **Kerala-Tamil Nadu Cardamom Growers' Association Request to Spices Board**

1835. SHRIVAKKOMPURUSHOTHAMAN: Will the Minister of COMMERCE be pleased to state:

(a) whether the Kerala-Tamil Nadu Cardamom Grower' Association has requested the Spices Board to purchase cardamom and fix a reasonable price for it as the price fixed by individual merchants were fluctuating and dipping very low at times; and

(b) if so, the response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DASMUNSI): (a) Yes, Sir.

(b) The request could not be accepted.

#### **Computerisation of Reservation in Kerala**

1836. SHRIVAKKOMPURUSHOTHAMAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether computerised rail ticket reservation facility is to be introduced in Trivandrum;

(b) if so, when the new system is expected to become functional, and

(c) whether there is any proposal to computerise the reservation system in some other stations in Kerala and if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA) (a) Yes, Sir

(b) The system is likely to become functional by March 1991 subject to availability of funds

(c) There is no proposal at present to computerise the reservation system at any other station in Kerala

#### **Doubling of Ernakulam-Trivandrum Railway Line**

1837 PROF P J KURIEN Will the Minister of RAILWAYS be pleased to state

(a) whether the doubling of track between Ernakulam and Trivandrum is in progress,

(b) if so, the details thereof, and

(c) by what time it is likely to be completed?

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA) (a) Yes, Sir

(b) Alternative BG alignment between Ernakulam and Kayankulam via Alleppey (100 km) and doubling of track between Kayankulam and Quilon (41 km) as phase-I of Kayankulam-Trivandrum doubling (106 km).

(c) Ernakulam-Alleppey (57 km) has already been completed and is expected to

be opened for passenger traffic by September, 89. Work on Alleppey-Kayankulam new line (43 km) is in progress and is expected to be completed in 1991-92, subject to availability of resources. Doubling between Kayankulam and Quilon (41 km) has been approved in the Railway Budget for 1989-90 while that between Quilon and Trivandrum will be approved after sufficient progress is made on the former. These are expected to be completed during the VIII and IX Plan period.

#### **Decline in prices of spices**

1838 PROF P J KURIEN Will the Minister of COMMERCE be pleased to state

(a) whether there has been a decline in the prices of major spices produced in India during the past three years

(b) if so, the main reasons thereof,

(c) the measures taken to arrest the decline in prices

(d) whether the decline in prices has led to the growers switching over to other crops in a substantial way

(e) if so, the facts thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P R DAS MUNSI) (a) to (c) The major spices grown in the country are Black Pepper, Turmeric, Chillies, Ginger & Corriander. The trend indicates that the prices of spices shot up during the year 1987 and remained at abnormally high level till the end of 1988. However, with the improvement in production, of spices, except black pepper prices during the 1989 have somewhat eased.

(d) and (e) There does not appear to have been, shift from cultivation of major spices to other crops in the recent past.

**Downgrading of Railway Stations in Kerala**

1839. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether any railway station in the Palghat district under the Madurai division of Southern Railway has been downgraded to a flat station;

(b) if so, the reasons therefor;

(c) how many such stations have been downgraded in Kerala so far during the past three years; and

(d) whether the Government would reconsider the decision to downgrade the station in Palghat district?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) Yes, Sir.

(b) For the reasons of economy.

(c) Three.

(d) At present this decision is not being reconsidered.

**Railway Stations in Palghat Division**

1840. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether there is any proposal to develop further the railway stations in the Palghat Division; and

(b) if so, the details thereof?

THE MINISTER OF STATE OF THE

MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Improvements to stations, including remodeling of station buildings, is a continuous process and the same is done on a need-based programme, commensurate with the availability of funds.

**Overbridges at Level Crossings near Palghat Railway Station**

1841. SHRI V.S. VIJAYARAGHAVAN: Will the Minister of RAILWAYS be pleased to state:

(a) whether requests have been received for the construction of overbridges at the important level crossings near the Palghat station;

(b) if so, the details thereof;

(c) whether it has come to the notice of the Government that these level crossings cause serious traffic blockade; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): (a) and (b). Yes, Sir. A few representations for construction of road overbridges in replacement of two level crossings near Palghat Station have been received.

(c) No, Sir. However, some hold up of the road traffic at the level crossings during the passing of trains is unavoidable.

(d) The Railway can consider proposals for road overbridges at these locations after they are sponsored by the State Government duly consenting to bear the cost, as per rules.

**Possibility of Earthquakes due to Large Dams**

1845. SHRI MOHANBHAI PATEL:  
SHRI AMARSINH RATHAWA:

Will the Minister of WATER RESOURCES be pleased to state:

(a) whether large dams may be a cause for earthquakes;

(b) whether this aspect has been studied in depth;

(c) if so, the outcome of such study; and

(d) the steps taken or contemplated to safeguard against this possibility?

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) to (c). Out of thousands of large dams in the World, only a few have shown gradual increase in seismic activity with the impounding of reservoir. In most of these cases also the magnitude of earthquakes was less than 5 on the Richter Scale. The safety of dams is taken care of right at the design stage by adopting appropriate design parameters. Further the dam is under close surveillance during reservoir filling and is inspected periodically thereafter also. In addition, the seismic status of the area in the vicinity of the reservoir is monitored by sensitive instruments before and after the formation of the reservoir

**Investment by NRIs in Narmada Project**

1847. SHRI UTTAM RATHOD:  
SHRI PARASRAM BHARDWAJ:

Will the Minister of WATER RE-

SOURCES be pleased to state:

(a) whether the attention of Government has been drawn to the newsitem captioned 'NRIs being lured to fund Narmada Project, appearing in 'The Hindustan Times' dated 19 May, 1989; and

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

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M.M. JACOB): (a) and (b). Sardar Sarovar Narmada Nigam Limited has recently launched Public Deposit Scheme under Companies Act, 1961. Under the Scheme the non-resident Indians are also eligible to make deposits within the prescribed ceilings.

**Air Cargo Complex at Trivandrum Airport**

1851. SHRI T. BASHEER: Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal for setting up of any Integrated Air Cargo Complex at Trivandrum airport; and

(b) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.R. DAS MUNSI): (a) and (b). An Air Cargo Complex has been functioning at Trivandrum Airport since May, 1979 and it is being managed by the Kerala State Industrial Enterprises which is a State Government Undertaking.

12.00 hrs

## RESIGNATION BY MEMBERS

*[English]*

MR. SPEAKER: I have to inform the House that I have received a letter dated 25 July, 1989 from Shri Satyendra Narayan Sinha, an elected member from Aurangabad Constituency of Bihar, resigning his seat in Lok Sabha. I have accepted his resignation with effect from 28 July, 1989.

I have also received letter of resignation today from Shri Sode Ramaiah, member from Bhadrachalam Constituency of Andhra Pradesh, resigning his seat in Lok Sabha. I have accepted his resignation with immediate effect.

\_\_\_\_\_

*(Interruptions)*

SHRI G.M. BANATWALLA (Ponnani): You fix up the last date for receiving resignation letters!

*(Interruptions)*

MR. SPEAKER: Nothing goes on record without my permission.

*(Interruptions)\**

SHRI G.M. BANATWALLA: In the British Parliament, there is no system of resigning from the House of Commons... *(Interruptions)*

MR. SPEAKER: Is it? We can also do that.

*(Interruptions)*

SHRI G.M. BANATWALLA: Resignation is unknown to Parliamentary democ-

racy. Under the British Parliament, there is no system for people to resign from the House of Commons. It is a dereliction of duty... *(Interruptions)*

MR. SPEAKER: Nothing doing. I have not allowed Mr. Janga Reddy.

*(Interruptions)\**

SHRI G.M. BANATWALLA: Mr. Speaker, Sir, I have another point, a very serious point that I have to place before you, namely, the great human tragedy enacted by DDA through large scale demolitions of dwelling houses at Okhla Vihar and Jhasula Vihar, rendering thousands of people homeless and that too at the time of Eid celebrations. Two people died during this operation demolition. Several were injured and thousands have been rendered homeless without any scheme for compensation of the victims and without any scheme for their rehabilitation.. *(Interruptions)*

MR. SPEAKER: You can give me a Calling Attention and I will ask for information.

SHRI G.M. BANATWALLA: I have already given it.

MR. SPEAKER: I will ask for the information.

*(Interruptions)*

SHRI G.M. BANATWALLA: It is a great human tragedy enacted by DDA. Another point Sir, the situation in Sri Lanka is getting very serious. The Government must take the House into confidence. Tomorrow, the 29th July, is the deadline... *(Interruptions)*

SHRI P. KOLANDAIVELU (Gobichettipalayam): Sir, I have given notice of an Adjournment Motion on this. We have completed the second year of the Accord... *(Interruptions)*

MR. SPEAKER: There is a move and there is a motion from the Government side to discuss the Sri Lanka issue. I have already admitted that. Now it is for you to fix the date, any time you like.

*(Interruptions)*

SHRIG.M. BANATWALLA: Today there must be a statement from the Government side Sir... *(Interruptions)*

SHRI P. KOLANDAIVELU: Today atleast there must be a statement from the Government. I want to know whether there will be a statement from the Government side that IPKE will remain there... *(Interruptions)*

SHRI G.M. BANATWALLA: Whatever is the position, let the Government come forward with a statement and let us know what is going on.. *(Interruptions)*

MR. SPEAKER: I have already heard it.

*(Interruptions)*

SHRISHANTARAM NAIK (Panaji): Sir, the second trial in respect of the murder of Shrimati Indira Gandhi is likely to begin very soon. In this matter, Mr. Ram Jethmalani has made a statement, calling the international jurists... *(Interruptions)*

MR. SPEAKER: He is a Member of the Upper House.

SHRISHANTARAM NAIK: He is calling the international jurists to witness the trial and to say to the whole world that human rights are violated in this country and the trial that will go on will be a bogus trial. He has no

faith in our judiciary. He has no faith in our institutions. *(Interruptions)*

MR. SPEAKER: The Upper House will take care of it.

*(Interruptions)*

SHRI SHANTARAM NAIK: We have also to look into this matter. He is not immune from the law of the land... *(Interruptions)*

MR. SPEAKER: You can discuss it through a proper motion.

*(Interruptions)*

SHRI G.M. BANATWALLA: It is not upward, it is parallel. *(Interruptions)*

PROF. SAIFUDDIN SOZ (Baramulla): Sir, I have a word of appreciation for the Civil Aviation Ministry so far as facilities for pilgrims are concerned. This year, the operation was better. So was the work of the Central Haj Committee under the Chairmanship of Mr. Dalwai. It was comparatively better and even the Ministry of External Affairs... *(Interruptions)*

MR. SPEAKER: You can come under Rule 377. I will allow you.

*(Interruptions)*

PROF. SAIFUDDIN SOZ: Sir, kindly listen to me. I have a suggestion. Till with your support, Srinagar becomes an international airport, from the next Haj pilgrimage instead of Air India taking Jammu and Kashmir Haj pilgrims to Palam airport, they should be taken to Srinagar airport. Four or

five people from Customs can go there.  
(Interruptions)

[Translation]

MR. SPEAKER: Please give me in writing. I am saying this in your own interest.

...(Interruptions)...

MR. SPEAKER: Mr. Soz, you should listen to others also, it will benefit you. Please give notice of it under Rule 377, it will become part of record in your name.

PROF. SAIFUDDIN SOZ: At the moment, I seek support from you. Facilities now available can be further increased.

MR. SPEAKER: Please give me in writing. If you have any concrete suggestions to make, please give them in writing.

KUMARI MAMATA BANERJEE (Jadavpur): Mr. Speaker, Sir, I want to raise two important points. Firstly, the Prime Minister gave an assurance that announcement for implementation of the award of the Wage Board for journalists and non-journalists would be made in the House during this very session but no announcement has been made so far. As a result of non-implementation of the award, management has resorted to contract system. This has resulted in a number of problems for journalists and non-journalists. I want to draw your attention to this matter and request the Government to ensure implementation of the award of the

Wage Board as early as possible.

Another important point that I would like to raise relates to Haryana. As you are aware, I had raised a similar issue earlier also regarding murder of the grand daughter-in-law of Shri Devi Lal. There is no respect for a woman or a girl in Haryana. There is no security for them. A 12 year old girl named Sheetal was missing for the last 22 days. Her dead body was found some days ago. There is no respect for women in Haryana. They are not secure there. Hence, the Chief Minister should resign, else he should be dismissed.

MR. SPEAKER: Discussion with regard to atrocities on women is coming up.

KUMARI MAMATA BANERJEE: The man who commits atrocities on women and does not care for them or is unable to give protection to them, has no moral right to continue as the Chief Minister of a State. Such person should be dismissed from Chiefministership. This is my appeal to the Home Minister.

SHRI NARESH CHANDRA CHATURVEDI (Kanpur): Mr. Speaker Sir, through your good offices, an agreement was reached between the members of Parliament and the hon. Minister of Human Resource Development that the entrance examination of I.I.T. would be conducted in Hindi and other Indian languages also. The entrance examination is again going to be held but the examinees have not been given the option to answer the questions in Indian

Languages. Some of the persons have been on fast unto death for the last 9 days. I happened to read a news report day before yesterday that our Minister of Human Resource Development, Shri Shiv Shanker, while agreeing to their demand, expressed his support for them. Then why is the provision not being made by the Government and why have the people been forced to go on hunger strike to get their demand accepted? If the Government agrees to their demand, they may be requested to break their fast. Therefore, you should issue immediate instructions that this should be done so that their problem is solved and Indian languages are protected.

MR. SPEAKER: If the Government is agreeable and you are also agreeable, what is the hitch? I would like to know from the Government...

[English]

Where do they come from?

[Translation]

SHRI NARESH CHANDRA CHATURVEDI: Hon. Minister is in favour of it. I fail to understand as to why it is not being done.

MR. SPEAKER: Who is holding it up.

[English]

They should be pulled.

[Translation]

SHRI NARESH CHANDRA CHATURVEDI: I request you kindly to issue instructions to this effect.

[English]

MR. SPEAKER: We must ask the Government to pull up those people who are responsible for not carrying out the others.

SHRIASUTOSHLAW (Dum Dum): You will remember Sir, that recently enhancement of freedom fighters' pension from Rs. 500/- to Rs. 750/- was announced, but till today it has not been paid. When will it be given effect to?

[Translation]

MR. SPEAKER: You may ask him.

[English]

SHRIASUTOSHLAW: There are some pensioners who are on the verge of death. They will not be able to get the benefit.

[Translation]

Please, give it in writing.

[English] \*

SHRI ASUTOSH LAW: The Home Minister should tell us as to when it will be given effect to.

SHRI MADAN PANDEY (Gorakhpur): It was announced on the floor of the House. (Interruptions)

MR. SPEAKER: Shri Shankaranand.

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12.08 hrs.

## PAPERS LAID ON THE TABLE

[*English*]

**Report on the General Elections to the legislative Assemblies for Meghalaya and Tripura held in 1988- Statistical, and Report on the General Elections to the Legislative Assemblies of Haryana Jammu and Kashmir, Kerala, Mizoram Nagaland and Kashmir, Kerala, Mizoram, Nagaland and West Bengal held in 1987 etc.**

THE MINISTER OF LAW AND JUSTICE (SHRI B. SHANKARANAND): I beg to lay on the Table-

- (1) A copy of the Report (Hindi and English versions) on the General Elections to the Legislative Assemblies of Meghalaya and Tripura and on the Bye-Elections to the House of the People and Legislative Assemblies held in 1988-Statistical. [Placed in Library. See No. LT-8071-89]
- (2) A copy of the Report (Hindi and English versions) on the General Elections to the Legislative Assemblies of Haryana, Jammu and Kashmir, Kerala, Mizoram, Nagaland and West Bengal held in 1987 and Detailed Results of Bye-Elections held in 1986 and 1987-Statistical. [Placed in Library. See No. LT 8072/89]

**Railways' Red Tariff Rules, 1988**

THE MINISTER OF STATE OF THE MINISTRY OF RAILWAYS (SHRI MADHAVRAO SCINDIA): I beg to lay on the Table a copy of the Railways' Red Tariff Rules, 1988 (Hindi and English versions) published in Notification No. G.S.R. 142 in Gazette of India dated the 4th March, 1989 together with a corrigendum thereto pub-

lished in Notification No. G.S.R.337 in Gazette of India dated the 6th May, 1989 issued under section 47 of the Indian Railways Act, 1980. [Placed in Library. See No. LT-8073-98]

**Betwa River Board (Amendment) Rules, 1989 and statement for delay in laying these papers.**

THE MINISTER OF STATE OF THE MINISTRY OF WATER RESOURCES AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI M. M. JACOB): I beg to lay on the Table-

- (1) A copy of the Betwa River Board (Amendment) Rules, 1989 (Hindi and English versions) published in Notification No. G.S.R. 95 in Gazette of India dated the 25th February, 1989, under section 24 of the Betwa River Board Act, 1976.
- (2) A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above. [Placed in Library. See No. LT 9074/89]

**Notifications under Customs Act, 1962 and Central Excise and Salt Act, 1944**

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): 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. 456(E) published in Gazette of India dated the 21st April, 1989 together with an explanatory memorandum making certain amendments to Notification No. 71/87-Cus., dated the 1st March, 1987 so as to delete auto coners from the list of machinery eligible

- for the exemption under the notification.
- (ii) G.S.R. 459 (E) published in Gazette of India dated the 21st April, 1989 together with an explanatory memorandum making certain amendments to Notification No. 116/88-Cus., dated the 30th March, 1988 so that the facility of Intermediate Advance Licensing Scheme can be availed of even when the final product exporters in an Import Export Pass Book holder.
- (iii) G.S. R. 486 (E) published in Gazette of India dated the 27th April, 1989 together with an explanatory memorandum making certain amendments to Notification No. 221/88-Cus., dated the 18th July, 1988 seeking to increase additional duties of customs from 10 per cent to 15 per cent *ad valorem* on spare parts of computer systems.
- (iv) G.S.R. 490 (E) published in Gazette of India dated the 27th April, 1989 together with an explanatory memorandum making certain amendments to Notification No. 60/89-Cus., dated the 1st March, 1989 so as to delete modern automatic circular and flat bed looms for jute Industry.
- (v) G.S.R. 491 (E) published in Gazette of India dated the 27th April, 1989 together with an explanatory memorandum making certain amendments to Notification No. 489/86-Cus., dated the 18th December, 1986 so as to restore the duty-free concession on modern automatic flat bed looms for jute industry.
- (vi) G.S.R. 492 (E) published in Gazette of India dated the 27th April, 1989 together with an explanatory memorandum prescribing a concessional basic customs duty of 35 per cent *ad valorem* on circular looms for jute industry
- (vii) G.S.R. 493 (E) published in Gazette of India dated the 27th April, 1989 together with an explanatory memorandum prescribing concessional basic customs only of 35 per cent *ad valorem* on four specified machinery for the manufacture of jute felt.
- (viii) G.S.R. 494 (E) published in Gazette of India dated the 27th April, 1989 together with an explanatory memorandum making certain amendments to Notification No. 108/89-Cus., dated the 1st March, 1989 so as to prescribe auxiliary duty of 5 per cent *ad valorem* on circular loom and four specified machinery for manufacture of jute felt.
- (ix) GSR 498 (E) published in Gazette of India dated the 1st May, 1989 together with an explanatory memorandum making certain amendments to Notification No. 317/87-Cus., dated the 17th September, 1987 so as to specify the list of machinery/equipment required to be imported by the textile machinery industry and to add certain items of machinery to the list of specified machinery allowed to be imported by the cutting tools industry.
- (x) G.S.R. 507 (E) published in Gazette of India dated the 5th May, 1989 together with an

explanatory memorandum making certain amendments to Notification No. 63/88-Cus., dated the 1st March, 1988 so as to permit the facility of duty-free clearance for use in any hospital.

- (xi) G.S.R. 548 (E) published in Gazette of India dated the 16th May, 1989 together with an explanatory memorandum making certain amendments to Notification No. 208/81-Cus., dated the 22nd September, 1981 so as to include Interferon alpha 2b' injection which is a life saving drug in the exempted category of drugs and medicines.
- (xii) G. S.R. 547 (E) published in Gazette of India dated the 29th May, 1989 together with an explanatory memorandum seeking to delete the heading 98.06 of the First Schedule to the Customs Tariff Act, 1975 with effect from 1st June, 1989.
- (xiii) G.S.R. 575 (E) published in Gazette of India dated the 29th May, 1989 together with an explanatory memorandum seeking to prescribe basic customs duty of 35 per cent *ad valorem* on specified goods falling under Chapter 84 or 85 or 86 or 90 of the first Schedule to the Customs Tariff Act.
- (xiv) G.S.R. 576 (E) published in Gazette of India dated the 29th May, 1989 together with an explanatory memorandum seeking to prescribe basic customs duty of 40 per cent *ad valorem* on parts of specified instruments and apparatus.
- (xv) G.S.R. 577 (E) published in Gazette of India dated the 29th May, 1989 together with an explanatory memorandum making certain amendments to Notification Nos. 280/76-Cus., 341/76 Cus, 342/76-Cus., dated 2nd August, 1976 156/86-Cus., dated the 1st March, 1986, 345/86-Cus., 346/86-Cus., 347/86 Cus., dated the 16th June, 1986, 60/87-Cus., dated the 1st March, 1987 and 181/87-Cus., dated the 29th April, 1987 so as to delete heading No. 98-06 from the First Schedule to the Customs Tariff Act.
- (xvi) G.S.R. 578 (E) published in Gazette of India dated the 29th May, 1989 together with an explanatory memorandum rescinding Notification Nos. 68/87-Cus., 69/7-Cus., and 124/87-Cus., dated the 1st March, 1987, and 257/87-Cus., dated the 21st September, 1988.
- (xvii) G.S.R. 579 (E) published in Gazette of India dated the 29th May, 1989 together with an explanatory memorandum extending the validity of the Notification No. 356/86-Cus..., dated the 17th June, 1987 upto 31st May, 1990.
- (xviii) G.S.R. 595 (E) and G.S.R. 590 (E) published in Gazette of India dated the 6th June, 1989 together with an explanatory memorandum seeking to prescribe basic Customs duty and auxiliary duty of 30 per cent, on membranes imported by a caustic soda plant subject to certain conditions. [Placed in Library. See No. LT-8075/89]
- (2) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38

of the Central Excise and Salt Act, 1944:—

- (i) G.S.R. 1217 (E) published in Gazette of India dated the 28th December, 1988 together with an explanatory memorandum seeking to waive payment of Central Excise duty leviable on video cassette tapes recorded with advertisement for promotion of sales of articles other than the recorded articles itself, on which no duty had been recovered during the period 1st March, 1982 to 19th May, 1987.
- (ii) G.S.R. 554 (E) published in Gazette of India dated the 17th May, 1989 together with an explanatory memorandum making certain amendments to Notification No. 84/87-CE dated the 1st March, 1987.
- (iii) G.S.R. 612 (E) published in Gazette of India dated the 12th June, 1989 together with an explanatory memorandum seeking to waive payment of Central Excise duty leviable on certain specified stationery items falling under chapter-48 of the Schedule to the Central Excise Tariff Act, 1985 during the period commencing on the 28th February, 1986 and ending with the 28th February, 1987.
- (iv) G.S.R. 613 (E) published in Gazette of India dated the 12th June, 1989 together with an explanatory memorandum.
- (v) G.S.R. 660 (E) published in Gazette of India dated the 30th June, 1989 together with an explanatory memorandum. [Placed in Library. See No. LT 8076/89]

**Annual Report of the Deposit Insurance and Credit Guarantee Corporation Bombay for the period from 1-1-1988 to 31-3-1989 and Agreement dated 28-2-1989 entered into between the State Government of Sikkim and Reserve Banks of India**

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A. K. PANJA): On behalf of my colleague, Shri Eduardo Faleiro, I beg to lay on the Table:-

- (1) A copy of the Annual Report (Hindi and English versions) of the Deposit Insurance and Credit Guarantee Corporation, Bombay, for the period from 1st January, 1988 to 31st March, 1989 along with Audited Accounts under sub-section (2) of section 32 of the Deposit Insurance and Guarantee Corporation Act, 1961. [Placed in Library. See No. LT- 8077/89]
- (2) A copy of the Agreement (Hindi and English versions) dated the 28th February, 1989, entered into between the State Government of Sikkim and Reserve Bank of India under sub-section (2) of section 21A of the Reserve Bank of India Act, 1934. [Placed in Library. See No. LT 8078/89]

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12.09 hrs.

COMMITTEE ON PETITIONS

**Thirteenth Report**

[English]

SHRI BALASAHEB VIKHE PATIL (Kopargaon): I beg to present the Thirteenth Report (Hindi and English versions) of the Committee on Petitions.

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12.09 1/2 hrs.

Amendment) Bill, 1989.

JOINT COMMITTEE ON INDIAN MEDICAL COUNCIL (AMENDMENT) BILL, 1989

[English]

**Report and Evidence**

DR. KRUPASINDHU BHOI (Sambalpur): I beg to lay on the Table a copy of the Report (Hindi and English versions) of the Joint Committee on the Indian Medical Council (Amendment) Bill, 1987.

I also lay on the Table a copy of the Evidence tendered before the Joint Committee on the Indian Medical Council (Amendment) Bill, 1987.

12.01 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

BUSINESS OF THE HOUSE

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF INDUSTRY (SHRIP. NAMGYAL): With your permission, Sir, I rise to announce that Government Business in this House during the week commencing 31st July, 1989, will consist of:-

1. Consideration of any item of Government Business carried over from Today's Order paper.
2. Consideration and passing of:—
  - (a) The Constitution (Sixty-fourth Amendment) Bill, 1989.
  - (b) The Constitution (Sixty-third

3. General discussion on the Karnataka Budget for 1989-90.

4. Discussion and voting on the Demands for Grants in respect of the State of Karnataka for 1989-90.

5. Consideration and passing of the Employees State Insurance (Amendment) Bill, 1989, as passed by Rajya Sabha.

[Translation]

SHRI AKHTAR HASAN (Kairana): Mr. Deputy Speaker, Sir, the following matter may be included in the next week's agenda.

I want to draw the attention of the Government towards judicial system in the country. Firstly, suits in civil courts are not taken up for hearing in the order of seen numbers assigned to them, due to which many cases remain pending for a long time. Secondly, hearing of appeals takes longer time than the time taken in original suits. In many cases, plaintiffs and respondents die before their suits are decided. Thirdly, usually lawyers go on making request for listing the cases on fresh dates.

It is my suggestion that appeals should be treated at par with the original suits and appeals should also be disposed of on monthly quota basis as in done in case of original suits and not more than two request of attorneys for fresh date should be entertained and that too on special grounds. Some law should be enacted in this regard. This will benefit plaintiffs and well as respondents and cases will also be disposed of expeditiously.

SHRI DAL CHANDER JAIN (Damoh): Mr. Deputy Speaker, Sir, the following them may please be included in the next week's agenda:—

About 60 per cent of the total of tendu leaves are collected in Madhya Pradesh. As

many as 70 lakh bags of tendu leaves were collected last year. About 43 lakh bags have been collected this year. Maximum number of about 10 lakh bidi workers are engaged in bidi making in Madhya Pradesh. This requires to be ensured that they get work throughout the year and they are not rendered jobless due to shortage of bidi leaves. If they are rendered jobless, their families will have to face problem of livelihood. The Government of India should ensure guarantee of work for them.

SHRI SHANTI DHARIWAL (Kota): Mr. Deputy Speaker Sir, the following may be included in the next week's agenda:—"State Highway number 17 connects Kota, the industrial capital of Rajasthan, with Shivpuri in Madhya Pradesh. At Shivpuri the said Highway joins National Highway number 3 which links Delhi, Agra and Bombay. Kota is situated on the National Highway number 12 which connects Jaipur and Jabalpur. Kota does not have a rail link with Shivpuri. Due to this, Kota and its neighbouring districts such as Bundi, Jhalawar and Chittor are not well connected with Jhansi, Gwalior and Shivpuri by road or rail.

Upgradation of State Highway number 17 will link Lucknow and Kanpur with Jaipur and open up new vistas of development.

I request the Ministry of Surface Transport of the Central Government to declare Kota-Shivpuri as a National Highway and link National Highway number 12 with National Highway number 25.

[English]

SHRI CHINTAMANI JENA (Balasore): The following may be included in the next week's agenda:

1. The Union Government has withdrawn the third Medical Officer post from all the P.H.C.'s in the country and decided to abolish the post of village Health Guide. This has become a matter of great concern for the entire rural people of the country, as the treatments, preventive and curative meas-

ures for the diseases in the rural areas, will face a serious set-back. Besides, this will create serious unemployment problem for several lakhs of educated people.

2. Millions of farmers in Balasore and Mayurbhanj districts of Orissa State are facing acute crisis to raise the Kharif paddy crops from their fields which are now exposed to floods and saline inundations, due to non-repair and reconstruction of embankments, which were either severely damaged or washed away by the very high speed cyclone of 26th May, 1989 and serve floods in Subarnarekha river. Unless the repairs and reconstructions works to these damaged embankments started on war footing, millions of acres of cultivated lands would become barren.

[Translation]

DR. CHANDRA SHEKHAR TRIPATHI (Khalilabad): Mr. Deputy -Speaker Sir, the financial year 1988-89 is an important one for the India economy because there has been approximately 9% increase in national income and 17% to 20% increase in foodgrain production. But, despite an increase in agricultural production discontentment in the farming community is increasing because they are not getting remunerative prices for their produce. There has been a steady decline in the contribution of agriculture to the national income. In 1950, agriculture accounted for 50% of the total national income whereas in 1988-89 its contribution is merely 31%. The percentage of people engaged in agriculture and allied operations has remained static.

Hence, I would request the Central Government to formulate a scheme that mitigates the suffering of farmers and also reduces the number of people dependent on agriculture for a living. Prosperity in the agricultural sector would lead to prosperity in the farming community.

SHRI MADAN PANDEY (Gorakhpur): Mr. Deputy -Speaker, Sir, in Uttar Pradesh the districts of Basti and Gonda and Gora-

[Sh. Madan Pandey]

khpur in particular have had heavy rainfall. This has led to floods in Rapti, Rohin, Aami and Gorra rivers. Floods have destroyed the Lohgaura dam in Gorakhpur district and embankment built to protect Gorakhpur city has also been damaged. Standing crops on lakhs of acres of land have been destroyed and in several villages, there has been heavy loss of life and property. Flood waters have entered Gorakhpur town and several houses have collapsed. The Central Government should immediately provide assistance in cash and kind.

In the Gorakhpur district of Uttar Pradesh, many weavers are dependent on Handloom industry. In the past several years there has been a depression in this industry, as a result of which these weavers are suffering. Faulty implementation of the Government's Textile Policy has made the situation worse for them. Co-operative societies have become indebted and dormant. The main reasons for this are fall in sales of finished goods and the high prices of thread. The non-implementation of the proposal to establish handloom towns at various places including Gorakhpur in adding to an already bad situation. Hence, the Central Government is requested to intervene in the matter in order to redeem the situation.

SHRI BHARAT SINGH (Outer Delhi): Mr. Deputy -Speaker, Sir, the following may be included in next week's agenda:-

Whenever Delhi Administration acquires land belonging to farmers, it pays a meagre compensation to them. And that too is not paid in time. Interest is also not paid on delayed payments. Apart from this, the D.D.A. treats them callously as they are given 150 square yard plots instead of 400 square yard plots.

In request the Government to pay adequate compensation to the farmers for their land and the payment should be made immediately. In case of delay in payment the farmers should be paid interest at the rate of

12% on the amount due to them. They should be given 400 square yard plots and one member of each farmer's family should be provided a job. Along with the compensation, farmers should be given certificates of the plots allotted to them so that they don't have to go to the Court.

SHRI NANDLAL CHOUDHARY (Sagar): Mr. Deputy-Speaker, Sir, the following may be included in the next week's agenda:-

Sagar district of Madhya Pradesh is a backward district from the industrial point of view. A survey was conducted through the Bharat petroleum Corporation Limited in order to set up an oil refinery at Bina which is located in this district. Bina is located on a central place of the country and is ideal for setting up this refinery from every point of view. There used to be a loco-shed at Bina railway junction where servicing of steam engines was undertaken. But with the introduction of electric traction on the Indian Railways, this loco-shed, was closed down rendering jobless several thousand workers employed there. To encounter this unfortunate situation it becomes all the more necessary to up the oil refinery there.

[English]

DR. G.S. RAJHANS (Jhanjharpur): The following items may be included in the next week's agenda:-

(i) Vidyapati was a great poet of Maithili, Hindi and Bangla. In order to commemorate his memory it is requested that the Central Government should construct a Vidyapati Bhawan in Delhi where scholars from different parts of the country could gather and do research on the great poet.

(2) People of North Bihar, particularly of Mithila region have virtually no medical facility. They feel greatly harassed when they come to Delhi for the treatment. It is, therefore, requested that a Medical Institute on the pattern of All India Institute of Medical Sciences, New Delhi, be set up in the Mithila region of North Bihar.

SHRI SYED SHAHABUDDIN (Kishanganj): The following items may be included in the next week's agenda for discussion:—

(1) Rising discontent and sense of insecurity among the religious ethnic and linguistic minorities of the country is a matter of national concern. The annual reports of the Commission for Linguistic Minorities and the annual reports of the Minorities Commission have not been discussed in this House for yours. Nor has any report been submitted by the Government on the implementation and the achievements of the P.M.'s 15-Point programme for the Welfare of the Minorities. The Gopal Singh Panel Report on the Minorities has not yet been tabled.

(2) No progress has been made for the implementation of the Mandal Commission's recommendations which have been under consideration for a decade. This has impeded the progress towards social justice and participatory democracy. The other backward classes are demanding due share in administration and in higher education.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI P. NAMGYAL): Sir, I will place the suggestions of the hon. Members before the Business Advisory Committee when it meets next.

12.25 hrs.

#### BUSINESS ADVISORY COMMITTEE

##### Seventy-Third Report

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETROCHEMICALS IN THE MINISTRY OF IN-

DUSTRY (SHRI P. NAMGYAL): I beg to move:

"That this House do agree with the Seventy-third Report of the Business Advisory Committee presented to the House on the 27th July, 1989."

MR. DEPUTY SPEAKER: The question is:

"That this House do agree with the Seventy third Report of the Business Advisory Committee presented to the House on the 27th July, 1989."

*The motion was adopted*

12.26 hrs.

#### SMALL INDUSTRIES DEVELOPMENT BANK OF INDIA BILL — *Contd.*

[English]

MR. DEPUTY SPEAKER: No, the House will take up further consideration of the motion moved by Shri Eduardo Faleiro on the 26th July, 1989. Shrimati Prabhawati Gupta to speak.

[Translation]

SHRIMATI PRABHAWATI GUPTA (Motihari): I shall be very brief.

Mr. Deputy Speaker, Sir, I support the Small Scale Industries Development Bank of India Bill brought forward by the hon. Minister of State, Shri Eduardo Faleiro.

It is a historic Bill which will create more avenues of employment and bring economic revolution in the villages since the main objective of this Bill is to develop the villages and provide financial assistance to industrial units and promote them, provide them technical know-how and marketing facilities in the backward areas where industries have become sick for want of capital. The objec-

[Smt. Prabhawati Gupta]

tives of the Bill are very good and therefore, I welcome it.

Just as the Jawahar Rozgar Yojana is a revolutionary scheme and revolutionary steps are being taken through 64th and 65th Constitution Amendment Bills, similar steps are being taken under this Bill. There are some basic problems before the industries and all these problems should be solved through this Bill. I feel that cottage industries should also be included in it. Setting up of small Scale Industries Development bank is a good step taken by the Government. But there are lakhs of Cottage Industries in the country which have become sick for want of capital. It will be better if these industries are also covered under this Bill.

The industrial revolution coupled with revolution in generation of electricity took place in the West in the beginning of 18th century. These revolutions changed the very face of this part of the world. On the contrary, in the pre-independence period in our country we passed through a phase when every thing was being imported, bearing marks 'Made in England' or 'Made in Germany'. Even a small needle was being imported. Our industrial policy was formulated in 1956 and thereafter industrial revolution also did take place in our country. Heavy industries were set up in steel sector. Industries were set up at the village level. The policy was widely acclaimed. Industrial complexes were set up at different places. But the work that was supposed to be done for the development of small scale industries has not been done so far. I have already said that capital is a major handicap. As such it will be better if the Government pays attention to it.

Wealth worth billions of rupees in the form of jewellery is laying unutilised in the hidden cotters in our country. The Government should make every effort to see that this wealth comes into circulation and is in the small scale industries. The Government should make an announcement that if the concealed black money worth billions of

rupees is invested in small industries or offered to this bank the Government would not make any enquiries about the source of such wealth. Later, if you undertake a search it will yield more money and, therefore, the Government can provide more assistance to these industries.

The small scale industries have contributed significantly to the economic revolution in the country. Out of the total production in the country, 50 per cent is received from the small scale sector. In export also, their contribution is 25 per cent more than the others. Thus, it has made a significant contribution to economic revolution in the country. I would, therefore, like to congratulate the Government for paying attention to it. I would like to add that the I.D.B.I. did a good job. While moving the Bill, the hon. Minister stated that financial assistance to the extent of Rs. 1491 crores was provided upto March, 1989—a period of nine months—which was 30 to 31 per cent more than the amount provided in 1987-88. Still I would be forth right and that the units of the small scale industries have been badly ignored by the I.D.B.I. I, therefore, request you not to appoint the Chairman of I.D.B.I. as the Chairman of the Small Scale Industries Development Bank. When you are going to make it a separate body you should also appoint an expert as the Chairman of this bank. A person who has compassion and is well informed about the problems of rural areas should be made the Chairman of this bank.

The Government has undertaken that it will provide technical know-how for all round development. It has also proclaimed that it will upgrade technology and invest money in small scale industries and cottage industries with special emphasis on small scale industries, and do everything to manufacture quality goods. The Government has taken a good step for the development of small scale industries by setting up this bank. In this connection I would like to urge the Government to deal with the power aspect also. Power is a serious problem coming in the industrial revolution and development of small scale industries. I agree with the view ex-

pressed by you that this bank will play a significant role in the economic development of our country. I, therefore, request you to take care of the power factor also in this Bill.

You have stated that its headquarters will be located in Lucknow. I have nothing to say about the location of its headquarters in Lucknow. But it must have a its branches in every State. Until and unless its branches are opened in every district, it will be meaningless because industries will be developed by the people in the districts. Lakhs of units are lying closed in North Bihar due to shortage of power and for want of capital. I, therefore, suggest that Kati Thermal Power Station which is not out of the way should be included in this scheme. One more thing that I would like to say is that the Government should make available services of to the people. Due to lack of quality, the work is affected and as also the demand for the production the market. You should pay attention to all these things.

As regards the composition of the Board of Directors, I would like to suggest that people's representatives must be included in it. I would like to draw your attention to one more thing. There are big banks, small banks, Rural Banks besides the State Bank of India, the Allahabad Bank, Bank of Baroda under the Government's control, but Corruption has become the order of the day in these institutions. How would you ensure that the small units which are on the verge of closure do not face such situation for want of capital. You should, at least, assure the people that there will be no corruption in the Bank that you are going to set up, because these are the people who will approach the bank for loans and they will face the same situation. For example, there is a provision for grant of loan to the tune of Rs.5,000 to Rs. 10,000 under the anti-poverty programme, but in actual practice people get only Rs. 2,000. As such the institution which you are going to set up should be clean and free from corruption. Then only your bank can deliver the goods and your objective can be fulfilled. I would like to urge the Government to open at least one branch of this bank, in North Bihar

where there is large potential of developing small scale industries. It is rich fertile land gifted with number of rivers. If power is generated there raw material will also available. You are facing the problem of raw material. The small scale industries are not getting raw material. The quota of raw material allocated to States and distributed through Small Scaie Industries Corporations falls in the hands of big people and it is being sold in Bombay, Calcutta and madras. (*Interruptions*) I would, therefore say that Government's objective will be fulfilled only when it pays attention to all these points while setting up a bank. If the Government takes proper steps, the rural economy will be strengthened. I once again extend my support to this Bill.

**12.34 hours**

[*English*]

SHRI ASHOK SHANKARRAO CHAVAN (Nanded): Sir, I rise to support the Bill. It has been introduced mainly to promote the small-scale industries in this country. Today, we are completing 20 years of Bank nationalisation. Today we cannot forget Indira-ji who took the initiative at that time to nationalise the Banks because you will remember that prior to Bank nationalisation it was only the selected class which used to benefit from the Banks. But today due to Indira-ji foresight or vision, we can see that the money is going to the poor-man and the needy class. That is why, it was Indiraji's vision and foresight because of which we could see today's Bill. I congratulate the Minister for taking this very positive step and also our respected Prime Minister who has taken all the pains to see that the small scale sector in the country benefits. But lot needs to be done to create an healthy atmosphere to promote small scale industries in this country. There is a large competition which the small scale sector has to face from the multinationals, from the established industries. That is why, this small scale sector needs some protection and healthy atmosphere needs to be created to see that the small scale sector comes up rapidly. We

[Sh. Ashok Shankarrao Chavan]

have observed that in these twenty years of bank nationalisation the advances made by the small scale sector have increased from Rs. 286 crores to Rs. 16,000 crores. But, it is, at the same time, necessary to see how this money is being utilised—whether it will be utilised in the proper manner and if any flaws are there in the system, that should be rectified for the benefit of the small scale sector.

The most important point which I would like to stress here is that the banks will have to shift from the metropolitan cities to the area of their operation. We have observed that most of the regional offices of these banks are situated in big cities whereas their area of operation, the people who are going to benefit from these banks are in the rural areas. So, the step has to be taken to see that these regional offices are located in the area of their operation where the people will benefit. As a result of that, a lot of time and money of the entrepreneurs will be saved from going to the cities to get their proposals sanctioned which can be speedily implemented.

Another point which I feel is necessary to be stressed here is that we should find out today when we are establishing the Small Industries Bank, how many small scale industries in the country are sick today and the reason why they are sick and how the Small Industries Bank is going to rectify all that which had been happening earlier. Only then, in true sense, we can have satisfaction of doing something which is really required for the small scale sector. The reasons which everybody knows, today are mainly due to a number of factors. The most important among them is the uncertainty of the supply of raw material which my hon. colleagues repeated earlier and also the lack of managerial competence among the entrepreneurs, to some extent. Since the Bank is also going to take up the responsibility of entrepreneurial development, this is a major task which will have to be taken up by the Bank to see that they have the managerial competence to deal with the problem.

Lastly, the most important point of it is the necessary marketing infrastructure which has been lacking so far because what has been produced by the small scale industries does not find a suitable market. Even if they make their best efforts, large multinationals and the big houses make it extremely difficult for the small scale industries to thrive, to come up properly. So, I feel, if these points are taken care of, we will be doing an excellent job through this Small Industries Bank for the small industries.

Another point which needs the kind attention of the Minister is the District Industries Centres or the DIC which have been operating at various districts. What we have observed today is that these District Industries Centres have become mere post offices. Each and every proposal whether it is feasible or not is mainly, like a post office, sent to the bank and the bank simply rejects all these proposal. If you see the figures of how many cases were recommended by the DIC and out of these how many were turned down, you will find the figures alarming. I would request that when we talk of a single window clearance for the last so many years, it is necessary that the DIC does not function as a mere post office. We should have our representative of a lead bank which is competent enough to see that whatever proposal is sent to the DIC is properly examined. At this juncture you can decide whether you want to forward the proposal to the bank or you want to reject it. But once the proposal is taken as feasible at the DIC level, then there should be no reason for any financial institution to turn it down. By this you can save the time of the entrepreneur and he gets all the inspiration to see that his proposal is sanctioned in time and he goes ahead with whatever proposal he has in mind.

But what is happening today is exactly the opposite. The DIC forwards the proposal, it goes to the bank and from one bank to another he has to spend a lot of time. It is exactly contrary to what we want today in the country. If we are talking about a single window clearance, let up take the minimum time to clear a proposal and all this should be

done at the DIC level. I feel if the procedure is simplified, he will definitely go ahead in time and his proposal can also be expedited and necessary results achieved, for which the bank can also take up the necessary responsibility.

Another point which needs to be verified is the industrial potential of every district. We see that when a proposal for an oil mill comes up in a district, there are ten similar proposals for oil mills coming simultaneously and as usual they are simply sanctioned. So on a large basis a survey will have to be taken to see what the potential of every district is.

As the Prime Minister has undertaken technology missions to see what is the potential of every area, how tele-communication facilities have to be improved, how much rainfall is there in an area, etc; similarly some sort of a survey has to be taken to see that the potential of every district is found out and accordingly we promote only such industries as have potential in that area. Then we can give money through these banks only to such industries as have the potential for the area

Marketing facilities today is a major problem which our small scale industries have been constantly facing. The small scale industry needs to be protected. At least till the point the money is repaid by them completely. When we advance the money through our bank, it is also our responsibility to see that proper protection is given and the entire money which has been financed to him is repaid in time. This has to be done.

We will observe that by the Government department itself in every district so much purchase is done on a large scale. In Maharashtra if you take for example, we have to SIDCO which is a big organisation constructing houses for the middle class people and the poor. So much of material is required by them regularly. If the same material is purchased from the small scale industries, this can avoid the problems which are arising

in regard to marketing. Unfortunately this is not happening in the country.

There is a lot of corruption which is involved and that is why even though the quality of the goods manufactured by our small scale industries is good, they are not given any opportunity. So, a tie up is required whereby the material which is of quality manufactured by our small scale industries gets some help from the Government sector, the public enterprises and it is purchased by this department on a major scale so that the problem of marketing can also be solved.

Similarly, in the transport sector if you observe, a number of advances are given for our trucks, tempos, light commercial vehicles, etc. The observation today is that a number of banks have stopped advancing money to this sector because they say that the recovery in this sector is poor. But I would ask, has any effort been made earlier to find out why the recovery is poor. When the small scale sector man goes into the market, he has to face stiff competition from the organised operators. The Government floats a number of tenders everyday. Whatever decision is arrived at, why don't you give priority to the small sector man to whom you have advanced money recently? If this tie up is there, whatever rates are decided by the Government, definitely the small sector man is going to repay them in time. He will also be free from whatever liability is there and the Government money is also recovered. Some sort of tie up arrangement from the Government sector, from the public enterprise is required so that advances can be given in this sector also. And some help can be given. We have also introduced the National Equity Scheme for which seed capital is given to entrepreneurs to start their own industries. But these require some encouragement and a number of entrepreneurs are still not aware of that sort of a scheme. If you take the analysis of how much money has been given under this Equity Scheme, we find that in most of the places, the targets have not been achieved. Here something should be done so that lot of entrepreneurs will come forward in the small scale industry.

[Sh. Ashok Shankarrao Chavan]

One point which is important is about bank deposits. As a matter of precedence, so much of Government deposits are automatically going to big banks. I would suggest that if the bank's performance is taken as the criterion for giving the deposits, then some sort of improvement we will observe in the working of the banks. There are a number of banks which are getting Government just as a matter of precedence- whether they function or not; whether their performance is good or bad; or whether they have attended to the priority sector or not. They have been getting advances regularly just as a matter of precedence.

MR. DEPUTY SPEAKER: You have taken sufficient time. Please wind up.

SHRI ASHOK SHANKARRAO CHAVAN: I am finishing, sir. This thing can be taken care of. I believe, if those banks, which are performing well, are given advances, then some sort of incentive will be there and the banks will also function in a proper manner.

Lastly, we observe that the payment which is being made from the Government departments to a person in the small scale sector, often goes very lately. The person is working on a very small working capital and if the payment does not come for years together, how do we expect him to repay the loan taken by him and how do we expect him to rotate the same money for doing business? If these Government departments pay in time, he will have reasonable amount of money for this own business. Recently a Bill had been introduced in Lok Sabha which has, now, become an Act, by which if a cheque bounces back, the person who issued the cheque is liable for prosecution. Why not we think of similar amendment that those people who harass the small scale industries person and those who do not make the payment in time, are also punished? Then, the person in the small scale sector will get the benefit. Therefore some

sort of amendment should made which will help such persons.

I would lastly thank the hon. Minister for taking a very positive step, by taking local MPs and MLAs in the District-level Steering Committee. This measure will go a long way in taking a proper decision at the district level to promote young entrepreneurs.

[*Translation*]

SHRI DAL CHANDER JAIN (Damoh): Mr. Deputy Speaker, Sir, a new awareness has been brought about by the Jawahar Rozgar Yojana in the country. People have expressed their confidence in it. On behalf of the House, I would like to congratulate the Hon. Prime Minister for this scheme. Before the Jawahar Rozgar Yojana, came into existence funds meant for the development of villages were not fully utilised. But, now the funds will be directly provided to the panchayats. Different programmes of development will be undertaken in the villages, instilling a sense of responsibility in volunteers and social workers in the villages towards their task.

[*English*]

MR. DEPUTY SPEAKER: Please confine yourself to the Small Industries Development Bank of India Bill.

[*Translation*]

SHRI DAL CHANDER JAIN: Mr. Deputy Speaker, Sir, I rise to support the Small Industries Development Bank of India Bill. When a person seeks bank loan for setting up a small scale industry under the Self-Employment Scheme he has to face many difficulties. Even after completing all the formalities, he doesn't get positive answer from the bank. He does not know whether his loan has been sanctioned or not. He has to make many rounds of the bank and the collectorate. Therefore, I would like to suggest in this regard that a timelimit of two months should be fixed for the disposal of applications submitted in the banks under

the Self-Employment Scheme. They should get the loans in all circumstances within this time limit. Besides, the fate of the applications should also be intimated to them. Today large number of cases under the Self-Employment Scheme are pending with the banks for years. People make rounds of the banks but they do not come to know about the factual position.

While the small industrialists are asked time and again to submit the same papers which they have already submitted, big industries are generously sanctioned loans by the banks. The banks do not sanction loans to the former in spite of their repeated requests that the papers have already been submitted. In this way, all the schemes of the Government remain on paper only. Although criteria are laid down by the Government, still we get lot of complaints from time to time about their violation by the banks. When an industry does not get the loan in time, debts from other sources go on increasing jeopardising the smooth functioning of that industry. They don't have sufficient working capital to depend on and to carry on their operations. As a result, the new industry either closes down or becomes sick before it is commissioned. So a minimum time limit should be fixed for the Small Industries Development Bank to release loans. Specific guidelines should be given to them regarding the formalities to be completed by an industry. The time limit should be fixed by the Government and every applicant should get loan, grant or the incentive within that time limit. I hope that the hon. Minister will consider my suggestion seriously so that no new industry is closed or becomes sick before it is commissioned due to lack of funds.

[English]

SOME HON. MEMBERS : Since many hon. Members want to participate in the debate, let us forego the lunch break.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE DEPARTMENT OF CHEMICAL AND PETRO—

CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI P. NAMGYAL): If the House agrees, I have no objection.

MR. DEPUTY SPEAKER: Is it the pleasure of the House to dispense with the lunch hour?

SOME HON. MEMBERS: Yes.

MR. DEPUTY SPEAKER: So, there will not be any lunch-break today.

SHRIMATI BASAVARAJESWARI (Bellary): Sir, at the outset, I welcome this Bill to establish the Small Industries Development Bank of India as the principal financial institution for the promotion, financing and development of industry in the small-scale sector and to co-ordinate the functions of the institutions engaged in the promotion, financing or developing industry in the Small-scale sector and for matters connected therewith or incidental thereto.

As promised by our previous Finance Minister at the time of presentation of the budget during the year 1988-89, this Bill has come into effect. Today, there are various banks. The IDBI is mainly responsible for promoting major and medium industries. There is the NABARD which is very much interested in promoting the development of agriculture. Very recently, we have started a separate bank for the construction of houses and so on. This Bank is in the right direction. The main object of setting up this Bank is to see that the rural youth and the educated youth will get an opportunity to set up industries in the remote areas. This would certainly bring decentralisation in the industrial sector because we are rightly thinking that all the powers, which have been centralised so far, should be decentralised and it should reach the grassroot level. Such being the case, this Bill is very very important and care should be taken to see how best and wholeheartedly we can reach the needy persons. While dealing with the small-scale industries to go into the interior places, we should also see that the persons who are going to be benefited are the most ignorant persons—

[Smt. Basavarajeswar]

maybe non-technical persons, maybe they are not very much well-versed in promoting these industries, maybe they may not be having proper managerial experience. Therefore, when we are dealing with such persons, we should be very careful in setting up such industries. Today, IDBI is doing a very good work. Because of these efforts, the country could achieve greater progress in the field of industrial development. We are proud that we are 9th in the rank compared to other developed nations.

While doing this, we should also think why so many small industries have become sick. My friend has given one or two reasons. To add to this, I would like to say that there are many more reasons. The first and foremost will be that there is a delay in sanctioning the term loans and in selection of site for location of the industry. There are other reasons like the insufficient sanctioning of working capital and also not getting proper marketing facilities. Very often, power tariffs have been increased indiscriminately by the State Electricity Boards, etc. Due to power-cuts also, most of the industries go sick. This is the major difficulty which the small-scale industries are facing today.

Another very important thing is that in so many industries, the technology which has been prescribed by the technocrats is not good. It is not proper. I can say that the persons who set up such industries have been fooled. For example, we have set up so many mini-and micro-cement plants. We have used this technology. You will be surprised that more than three to four hundred mini-cement plants have become sick due to the faulty machinery which these industries have been getting. Sometimes sub-standard machinery is being supplied to the entrepreneurs. We don't know what kind of machinery is being supplied to them. We tell them. They place firm orders. You will be surprised that the machinery which they have been supplied is sub-standard.

13.00 hrs.

Due to these reasons many of the industries have become sick. It is not due to the fault of the entrepreneurs; it is not due to the fault of any bankers. This is due to some cheating by the industrialists which has resulted in so many industries becoming sick.

Another aspect which we have to consider is regarding the growth centres and the no-industries State. The districts which have been declared as no-industry districts are very few. They are not uniform. In one State, there are so many districts as no-industry districts and in another State like Karnataka, we have got only one such district. The entrepreneurs are thinking that they will get a lot of subsidies and incentives. Even though the raw materials are not available, even though the market facilities are not available, they go to such places or districts only for getting some subsidies and incentives. So for setting up small scale industries, these hurdles should not come in the way. The subsidies which you are going to give for the small scale industries should be uniform throughout. For example, there are districts with scarce subsidies and there are some districts with subsidies as equal to the central subsidies. This confusion is prevailing among the entrepreneurs. Therefore, the subsidies which you are going to give should be uniform. It is not only that. They should be given regularly also. In my own case, there was a delay of three to four years. You have given the subsidy. But the State Government could not give the subsidy amount. Therefore, we have become defaulters. The money which you have given in the form of subsidy, has been taken away towards payment of interest since we could not pay the amount. These are the cases which you have to look into. If such is the situation, I do not think that any small scale industry will come up in spite of our best efforts.

The next thing is that there are a lot of procedural delays. This has to be simplified. So many people do not know the procedure. I would like to say on the Floor of this House that the procedure to be followed in the

approval of the project report should be printed in the regional languages also. Only then a person will know as to what he is doing. He just cannot close his eyes and simply sign the documents. To know what he is doing, it should be printed in the regional languages. So many times, we sign documents without knowing what is there in those documents. Finally, when it comes to the implementation part, we become very much scared. This is how things are going. So, the procedure should be written in the regional languages so that the person can know as to what kind of assistance he is going to get. Procedural delays can also be avoided by this.

Another aspect is regarding the supervisory staff. I think the millionaires and big undertakings can manage any amount of supervisory staff. If 21 or 22 persons come to a small unit for supervision, how is it possible for us to manage? It is not possible. One or two or a group of persons can come for supervision who can advise as to what to do and how to improve. If such things are simplified, I think the situation will improve. Now I come to the Bill. As stated by my friend, a survey has to be undertaken by each district depending upon the resources available there. Resources are different in each place and the craftsmen are also different. We cannot consider it uniformly. Every district has its own potential. In my district, only iron ores, manganese and granite ores, long staple cotton and oilseeds are available. So, depending upon the resources available in the place, a thorough survey has to be made before taking a decision. Only then, the small scale industries will survive. We should not encourage people who set up industries in places, for the sake of subsidies and incentives, where there is no marketing facilities and where there are no raw materials also. I would like to say my own experience of mini cement plants. Coke is the main raw material in the mini-cement plant. It is being brought from Orissa. The cost of coke is a good as one bag of cement. These are the things on which you have to think of. The working capital has to be sanctioned taking into consideration the difficulties in getting the

raw materials. The concerned officer must see that somehow or the other, the raw material is made available to the entrepreneurs. He must get the raw material that he had projected at the time of presenting his report.

Now, about the Bill. In regard to the constitution of the Board, I request that one lady entrepreneurs must be taken in the Board. As you know, ladies are now coming forward in every field. We are very much interested in taking up small industries. We are very much interested in food processing industries. How can the farmers get a remunerative price unless their produce is made a value-added product? Our Prime Minister has been laying a great stress that people should come forward to change the produce of the farmers into value-added products like food processing, fruit juice etc. Women are quite capable of doing such things provided they get proper training, proper encouragement and proper incentives. Therefore, a lady in the Board of this organization would be very much desirable.

Then, you have stated that the headquarters of this would be at Lucknow. We have not seen Lucknow till now. Anyway, that is all right.

As I said, there must be a lady in the Board. Do not think that we are not capable; I am myself managing the affairs of a company; which has been working very satisfactorily. Do not think that we are not capable of running industries. We are more prompt in repayment of loans than anybody else. This I would like to say emphatically on the floor of this House.

Then, the term of the members of the Board should not be six years; it should be five years.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): Let me clarify this. There seems to be a misconception about the term of office of the members of the

[Sh. Eduardo Faleiro]

Board. It is not six years; it is not provided in the Bill. What is provided is that the term should not exceed three years and the person can be renominated only once, that six years in totality. The term, therefore, is not even three years; it should not exceed three years.

SHRIMATI BASAVARAJESWARI:  
Thank you.

Then, clauses 37, 38 and 39 talk of the penal action. I am very much afraid. If a woman becomes a defaulter, then the District magistrate will resort to these penal provisions. We should be more careful while making use of these penal provisions in regard to entrepreneurs.

Sir, I do not want to take more time of the House. With these remarks, I thank the hon. Minister for bringing forward this Bill. Finally, I submit that in regard to interest, excise duty and customs duty, we should be very careful; it should not be uniform; in comparison to medium and other industries, it should be a little less for the small industries. With these words, I conclude and once again thank you.

SHRI CHIRANJI LAL SHARMA (Karnal): Mr. Deputy Speaker, Sir, I am glad to have this opportunity to participate in this discussion, which would enable me to give vent to my views on the floor of this House.

13.10 hrs.

[SHRIMATI BASAVARAJESWARI *in the Chair*]

I must pay compliments to the hon. Minister, who is the mover of this Bill, for the sincere efforts that he has been making and for the rapt attention with which he has been hearing individual sufferers.

Sir, the very idea behind this Bill is laudable. Earlier, we had the IDBI, now we would also have SIDBI. We add the word S for small industries.

At the outset, I would draw the attention of the hon. Minister to the difficulties being faced by the entrepreneurs while dealing with scheduled banks and others. I will quote a particular instance of a man who is suffering immeasurably because of initial mistake of mine. Madam, Chairman, it was in the year 1980 that I happened to lead a Parliamentary delegation to some European countries, including Kuwait. When I went to Kuwait, I met a young man from my constituency, my district. He was known as Laxmi Narayan Goyal. He was minting money in Kuwait for the last 19 years. I said, "Laxmi Narayan, you are an engineer. You have money enough and to spare. Why don't you come home and set up an industry in India." He said that he would have to face so many difficulties. I assured him of all help. He was taken in by my tall tales. He came to India, purchased a plot measuring 600 Sq. yards in Okhla Industrial Estate and invested all his earnings, i.e. foreign exchange to the tune of Rs. 62 lakhs. His son who was an engineer had done his MBA in America. He was getting very good offers in America. He too was persuaded to return home and join his father. He set up an industry at Okhla. Letter of Intent for the establishment of the industry was given by the Government of India. A sum of the Rs. 56 lakhs was sanctioned by the Delhi Finance Corporation and he was duly informed about it. He constructed the building, imported machinery, got electric connections and when the factory was complete, he applied for licence. The Government of India continued delaying it unnecessarily. I again had to intervene. I met the Hon. Minister for Industry, Shri Vengal Rao and argued with him. He told me that he could do nothing and that I should meet the Prime Minister. I said, Vengal Raoji when I am meeting the Minister concerned, how do you expect me to go to the Prime Minister. If you refuse to give me the licence I will have to knock the doors of the Supreme Court or the High Court and the Government will have to eat a humble pie." Well, I am grateful, he was convinced. The licence was given and when he was going to start, Delhi Administration said, "No, we are not going to allow you; we are not going to release the loan of

Rs. 56 lakhs (that was duly sanctioned and which encouraged him to set up this industry)". He should shift this industrial unit from here to some other area. Madam, Chairman just imagine what would be the condition of those two qualified engineers who invested about Rs. 82 lakhs out of their own earnings and became paupers. Then I called on the Hon. Minister Shri Faleiro. I must appreciate the courtesy that was extended to me and also to the engineers by him. He talked to the Chairman of some bank, probably the Hyderabad Bank. He deputed his private Secretary to see that the man was helped out of trouble. I must appreciate his magnanimity. There should be no reason to suspect the bonafide of the Minister. But, Sir, the question is, it all proved to be an exercise in futility. In my presence he advised his Additional Secretary that this man has to be helped, but to no avail. Madam, Chairman, you can very well appreciate the condition. Would not these qualified engineers be obliged to commit suicide in the given circumstance they are wandering from pillar to post in order to earn a pittance to keep their body and soul together? In spite of the fact that they had done so much, the factory could not run. I hope it is for such industrial units that these bank facilities are being given. The agencies through which these credit facilities are being provided to the industries, they don't abide by the policy of the Government of India. Madam Chairperson, though you, I will draw the attention of the hon. Minister, Shri Faleiro, to page 90 of India Today of this month where this case finds a place with photographs of the father and the son both engineers with tears in their eyes. They came to me by throwing heaps of abuses upon me and rebuking me "well Mr. Sharma, you inspired us to set up an industry; otherwise we were just living a very decent life in Kuwait.

These banks have money. The IDBI is there. Now, the letter 'S' has been added. The Government is giving all such facilities. The country has been making a tremendous progress, practically in all spheres and particularly in the field of industries. Now, we

have a place amongst the community of nations so far as the industry is concerned. Due to these facilities, the financial assistance is being given to the entrepreneurs. Here is a case which I am quoting on the floor of the House. This is a case regarding Mars Associates Ltd., Okhla, Delhi." Where should such persons go?

A lot has been said on this subject. Our Government is very sincere in their approach to the solution of the problem. But the persons at the helm of affairs, who occupy the Chairmanship of Banks or Corporations, they don't have their fingers on the pulse of those who suffer because of their treacherous approach. Will the hon. Minister kindly take notice of such cases in particular?

I do not want to encroach upon your precious time, Madam. I know you are seeing your watch time and again. You might be anxious to call the next speaker. I could dilate on the subject for a very long time. But I have another case in mind. There is a small scale industry in my own Parliamentary constituency at Karnal..... Super Tyres. They are manufacturing tyres on a small scale. They are exporting the tyres on a small scale. The bigger factories are really jealous of the tremendous progress that factory has made. But because of certain technicalities that man is suffering. I brought that case to the notice of Shri Panja, who was good enough to give him relief. The goods which were manufactured by that gentleman was to the tune of about 30 lakhs to 40 lakhs. They were lying in stock and could not be sold. They could not be disposed of because of some technical difficulties. When I brought this thing to the notice of the Minister, he said: "Mr. Sharma, let me see the file." I am glad after seeing the file, he gave the requisite relief within a week. The gentleman heaved a sigh of relief and disposed of the goods which were laying for months together. After this year's Budget again some problems due to some amendments in the rules—were created. Then, I again knocked at the doors of the Minister, Mr. Panja, drawing his kind attention. It was just felling from the frying pan again into the fire. He said: 'I

[Sh. Chiranjil Lal Sharma]

would look into it.' But, so far, nothing has come out.

I have a very high regard for the hon. Minister of Finance who means to do something, who means to help the industries, no doubt; there is no reason to doubt his sincerity. But the question is whether the official machinery at the helm of affairs, which is there to execute the policies of the Government is sincere in its approach. If not, what is the remedy? The remedy lies with the hon. Minister. We can only ventilate their grievances. We can only bring to his notice the glaring instances where individuals are suffering. If, in spite of that, they do not get the relief, then there is no end.

Thank you; with these words, I support the Bill.

**SHRI ASUTOSH LAW (Dum Dum):**  
Madam Chairperson: There is a longstanding demand from the tiny and small industries that there should be an apex body. For various purposes such a Bank should not only look after the interests of the small industries and protect them from becoming sick, but it should also look into their finances and give them guidance.

Personally, and on behalf of my constituency, I congratulate the Finance Minister as well as the Central Government for having brought this Bill—it is called the Small Industries Development Bank of India Bill, 1989—which, I believe, if implemented in proper way, might help small industries to create healthy industrial air in our country.

Before I go to certain anomalies in this Bill which I will just point out, and go clause by clause, I think we should look at the background of the Bill, viz. what are the circumstances which necessitated the bringing of this Bill. It is well established in the modern world today that in no country, industry and economy can be developed without encouraging small industries. This is the

well-settled principle law today. We have learnt this from in Japan; we have also learnt it from Korea, and from everywhere. Madam, the Industrial Revolution took place long ago, centuries before, in England, and since then, we have passed through various experiences. Now we have come to the conclusion, and it is well proved, that without encouraging small industries, no country can develop, can achieve the optimum level of economic boosting.

We learn this from our experience. I come from Eastern India. My constituency is near Calcutta, it is almost a Calcutta constituency. When the Britishers came to India for the first time 200 years ago, all our so-called traditional industries were set up along the Ganges; like jute, textiles and heavy engineering. Big industries, big composite mills are still there. What is the situation that we are facing today?

Either they are sick closed or somehow they are keeping their continued existence. There is always a big gap between the big industries. Japan had realised about it after the Second World War. Recently, Korea has realised about it. They have realised that the big industries cannot solve this problem.

The population is growing, particularly, in this part of the world. India is no exception. By the end of the century, our population will be 100 crore. I know and I believe that everybody will support me that no Super Powers will be in a position to solve the unemployment problem in a country where population is increasing very fast. Should we sit helpless? Should we not think what to do to boost the economy, to give moral support to the frustrated youths who are going around the country? There is a gap between the big industries. This big gap has to be filled up. Who can fill up this gap between two big industries? Only the small scale industry and the cottage industry can fill up this gap. If the people are encouraged to establish ancillary industries between the big industries, the gap which is being created today can be filled up.

Hundreds of industries have been closed and their employees have been thrown out of employment. I can give so many examples of it. Even day before yesterday a sad fact has come out in the paper. It is a very sad story. There was a family of three persons—husband, wife and a child. The wife expected that that industry would be re-started. Ultimately, when the husband found it impossible to get employment, she had to commit suicide along with her child. This sort of stories are coming every day. How long do we expect to shed our tears? Who is accountable for it? The people who are managing the affairs of these industries are not accountable to the people; we, the elected representatives, are accountable to the people. Unless we force these people to implement this Act, it will become useless; it will become a scratch of paper; it will be thrown into the wastepaper basket.

I am a lawyer. In course of my practise I have come to know how the industries were becoming sick. The banks do not know how to advance money. Suppose I want Rs. 50,000 for my project at the initial stage. If I do not get it, then I will start incurring loss. If after two years I get Rs. 2 lakhs. Then what help can expect to get. By the time I will be unable to pay the whole amount, I will have to pay the interest through my nose. A small scale industry will never find any profit in their balance-sheet.

IDBI is a very good organisation and its area of operation is largest. If the proposed SIDBI becomes a subsidiary company of IDBI, how does the IDBI can help them that has to be judged first and then only we will be able to know whether this Bill will prove beneficial to the intent of small scale industry or not. Apart from this, the objectives are very clear. They are promotion, financing and development of industries. Along with these objectives, the ideas are very good. But I feel that unless another organisation is set up which will have inter-actions with the Bank—and will also do monitoring and providing with training to the small scale industries—their attempt will be frustrated.

The main difficulty of the small scale industries is with regard to raw-material. Who is going to supply raw-material to them? They are to purchase raw-material from the market at higher rate after paying for some-time premium. We are living an age of publicity. The small scale industries are producing consumer goods; they also produce small parts for the big industries. For all that, they require publicity. We are living in an age of T.V., Radio and Films. Due to financial constraints they cannot participate in the publicity media for the projection of their products, whatever they are producing. So, they hardly find any market for selling their products. Unless they can participate or project their production, through media publicity, they will never find market, i.e. where to sell their products the ultimate result will be loss.

Next is training most of the small industry entrepreneurs, after having been deprived of employment and after going from door to door, they come to the public representatives. We send them to the nationalised banks. Nationalised Banks have got so many projects and on scheme for the self employed people. These people do not have training, they do not know where they will sell their market, and they do not know how to run industries. If the training is not provided through a central organisation, through some subsidiary of this bank or through some organisation, who will coordinate with the bank. Whenever the bank will take decision to advances money to small entrepreneur, simultaneously that organisation will provide them guidance, and guide him, will show them the market and will give him the training to run the business.

Madam, the default clause is very big. I request the hon. Minister, who has piloted this Bill, to look at Clause 38 - page 18. It provides:

“..the Small Industries Bank shall have the right to take over the management or possession, or both of such industrial concern in the small-scale sector, as well as the right to transfer by way of

[Sh. Asutosh Law]

lease or sale and realise the property pledged, mortgaged, hypothecated or assigned to the Small Industries Bank."

One thing is not clear in the Bill. I am asking the Minister seriously whether proposed bank, will participate in the equity of the industry or not. It is not clear. Atleast with my limited knowledge, I tried to find out from this Bill whether they are ready and willing to participate in the equity and also ready and willing to provide any professional management or not.

Madam, with all these, still I do support this Bill. I think, certain changes should be made. If proper coordination is established and if implementation is assured and monitoring is done, particularly timing is kept for advancing money to the small scale industry through this bank, I think, some purpose will be served.

[*Translation*]

SHRI YOGESHWAR PRASAD YOGESH (Chatra): Madam Chairman, I thank Shri Eduardo Faleiro for bringing the Small Industries Development Bank of India Bill. The units operating in small industries sector have special importance in setting the national interest. They play a significant role in removing the economic disparity from the country.

Due to the farsightedness and practical economic policies of the Hon. Prime Minister, the Industrial Development Bank has not only fulfilled its designated objectives, but has also exceeded the targets of the Seventh Five Year Plan. The hon. Minister and the officials deserve to be congratulated for their achievement. This performance and progress has been accomplished in spite of the successive floods and drought in the country, when a sizeable part of our resources had to be spent on dealing with the situation arising therefrom. The 9 per cent increase in our domestic growth rate is really commendable. However, Shri Faleiro

has said that he will not be complacent and would like to keep it up. I.D.B.'s performance was also good, because from 81-82 to 89, the turnover has increased from 1582 crores to 34400 crores. This is an excellent performance and 152 lakh persons were provided employment. I myself have some experience about the small industries as I have been associated with these people. When I paid attention towards the industries in my State, I found many encouraging facts. But there is another aspect also. This Bank should be like a mother to the small industries and besides taking care it should also guide them about marketing and the entire infrastructure. But there are lot of difficulties at the level of district industries centre. These difficulties are being experienced at financial corporations level also. The hon. Minister and the officials should pay special attention to remove these difficulties. Large number of applications are pending in the Financial Corporations. The applications submitted at a later date are cleared earlier because the applicants take resort to all sorts of means. Other applicants get disappointment only. A lot of people have complained about it. I would suggest that the officials of the Ministry of Industry should start a campaign under which the financial Corporations of all the States should be given notice that they should reject or pass the applications within a specific period of one or two months and they should not be kept pending for long periods. Those whose publications are to be rejected, should not be forced to run from pillar to post unnecessarily. This results in wastage of not only their time but also money. All the applications should be processed within a specified time limit. These papers are kept pending in the offices of district industries centres for years together. Those who hover around the officials, get loans as their case is recommended to the banks also. When you say that it will guide the small industries like a mother, on the other hand, you should also a discriminate eye on the officials who harass people. There is every scope for malpractices being committed. Consequently, the small scale industries are not getting the desired encouragement. I am quite conscious that we have very little time at our

disposal therefore, I would submit my points briefly. I would suggest that the Government should patronise and run small-scale industries of its own level. With a view to promote the traditional industries, the Government can provide market and create a viable infrastructure in certain spheres by broad basing the small scale and artisans industries, as this sector can generate employment for lakhs of poor. Cane baskets are used in collieries and other mines and for wagon-loading. Every year, cane baskets worth crores of rupees are needed. Small scale sector can take up this work and also safeguard the interests of artisans. Particularly the people from Scheduled Castes and Scheduled Tribes are engaged for the production of cane baskets. The Government should open cane baskets producing centres to employ these people in such areas where there is a cluster of mines. A large number of people can be engaged for the production of handles of the tools like pick-axe and spades etc. which are generally made of wood. On the other hand bamboo mattings are required for the purpose of stowing in the coal mines. In addition to that uniforms are also stitched on a very large scale for use in the big offices. Even for this job, these people may be imparted training in tailoring and employed on completion of such a training. Supply of carpets and durries in all the offices can be made by the small scale units. Large number of people may be absorbed there. As regards the child labour problem, the Government should provide Life Insurance cover to child labour and improve their career prospects by making them trained and skilled labour. There are greater opportunities for them in the small scale industries. Hence the Government should open the Small Scale Industries even in the public sector. Since you have rung the bell twice, I conclude my speech without taking any more time.

DR. G. S. RAJHANS (Jhanjharpur): I would like to say only 2-3 things. I have gone through this Bill and also listened to the speech of the hon. Minister yesterday. There is no need to set up a separate bank for this purpose, if it is to be kept under the I.D.B.I.

People say that it is old wine in new bottle. I cannot say what has been your experience in respect of I.D.B.I. in other states but it is quite painful in respect of Bihar. If the small scale industries could not be developed in Bihar, it is I.D.B.I. which is mainly responsible for this situation. You have made a provision that Small Industries Development Bank will directly provide finance and refinance. It will re-finance the financial institutions in the states. It is my submission that whatever you want to do, do it directly. If certain amount of money is to be given in a state, a stage is reached in which the borrower is deprived of 80 to 90 per cent of the amount by way of commission to the intermediaries and he ultimately gets only 10-20 per cent of the amount of loan. But the people still have great trust in the centre. Therefore, if you want to provide finance, do it directly and do not do it through re-financing. You have mentioned in the Bill that the authorised capital will be about Rs. 250 crores which will be raised to Rs. 1000 crores, but that will not be sufficient because ours is a very big country. Small Scale sector is the largest one in the country and it has to be expanded. If agriculture and industry are to be developed, small scale industries shall have to be developed. Therefore, the Government should further raise the authorised capital to Rs. 5000 crores. Loans should be given to the people quite liberally. Mere paper formalities will not serve the purpose. These is a provision in the Bill, as stated by hon. Minister himself, that the bank will itself enter into entrepreneurship directorship, leasing and procurement of inputs. Secondly, it will also provide non-financial services. There is no reason for the bank to be unsuccessful if all these things are done by it. But it is my experience that all the small scale industries which have become sick at present, were told that arrangements will be made for marketing of their goods, technical know-how would be provided to them, finance and other incentives alongwith the required capital also would be made available. Have you ever thought of it as to why these industries have become sick inspite of all these things. I need not repeat these factors. I want that you should give 10, 20 or

[Dr. G. S. Rajhans]

50 such cases as example of all that you have done in the field of entrepreneurship development and publish the same in the newspapers. Now-a-days every body has apprehensions while setting up a small scale industry. Apart from other things we find that hundreds if not thousands of small scale industrial units are no more in a viable condition. In this connection what is required to be done by the Government to remedy the situation is the provision of marketing facilities for the items produced by the Small Scale Industries through small scale industrial bank. If electricity is not made available, diesel will be used for production and raw-material will also be procured from some source or the other but arrangement for sale of entire production of the small scale industries should be made by the Government. If the goods produced continue to be pile up in the godowns, the amount of loans advanced to these industrial units will be blocked. In case the government takes any action against the industrialists, their industrial units will become sick. Therefore, the Government should have one point programme for this bank i.e. to make provision for the sale of goods produced by these industrial units. The Government have stated that non-financial services will be provided. If the Government could make arrangements for marketing of their goods, the purpose, for which the Government have introduced this Bill in the House, would be served. I know that there is a tremendous scope for the expansion of small scale industries in this country which is not the case with any other country. We have rich deposits of raw-material alongwith the availability of energy for production and consumers to purchase the items produced but the only thing required is the will power. Example of Japan is before us where large number of heavy industries are there (Interruptions), but there is also a parallel network of small scale industries. Japan produces transistors, radios, V.C.R. etc. of a very good quality in the small scale sector. Why cannot we also do it in our country. You have made a provision in this Bill that the Government will promote and give preference to export

oriented industries. What else can be a better proposition because the country is in dire need of foreign exchange at present. A change is also required in the present working of our banks. I am constrained to observe, that the history of banking in India has been a very unfortunate one. I am a responsible person I know of not only one but hundreds of cases, where the people were asked to part with a certain amount of money for getting the loans sanctioned to them otherwise the loans were not sanctioned to them. People take it for granted that bribe has become the way of life in the banks and one is bound to part with a certain amount of money for getting a loan. The menace of corruption had never before assumed such a serious proportion as at present. Even in the matter of overtime there is blackmailing. A fixed amount of overtime is allowed to the clerical, subordinate and the class four staff even without work. That is a sort of blackmail in respect of overtime. I do agree that there has been some improvement lately but that is without any substantial change in this regard. It is a fact that banks have been nationalised in this country and there is no doubt that banks have made a big contribution in the economic development of the country but if this work had been done honestly, there would have been far greater development. The corruption is so widely prevalent in banks at present as is not to be found in any other sector. Therefore, what I want is that Government should not allow the Small Scale Industries Development Bank to go the way other banks have gone. In fact it should help the process of industrialisation in the country.

It has been provided under clause 6 of the Bill that the people representing the various interests shall be taken on the Board of Directors. I would like to make only one request in this respect that the Government should take at least one such director who has been directly connected with the small scale industries and where industry might have become sick, so that on the basis of his experience, he may tell about the reasons which are responsible for the sickness of industries. Therefore, the Government must

include one such director on the Board of Directors along with the inclusion of a representative of the people who may voice the feelings of the people. If the Board is stuffed with bureaucrats and people from the banking department, same old things will continue to haunt the entire structure and after one year we will have to bring a motion against you in this House on account of failure of this bank to deliver the goods. I wish that this bank succeeds. Therefore with full determination Government should take up this task in a novel way and add a new chapter in the history of development of our country.

[English]

SHRIN. TOMBISINGH (Inner Manipur):  
Madam Chairman, I rise to support this very important historic Bill!

Madam, as you know, I belong to a region which is considered to be economically non-viable. The small States of the North-East—it is not one State, but the so-called seven sisters—still struggle for economic viability and for such reason, the only way to come to, say, the normal survival level is the small-scale industries. Therefore, in this background, Madam, I would like to say that the proposed Bill is a very historic Bill, a follow-up on the good steps taken by this Government under the leadership of people beginning with Panditji and Indrajji and the present leadership of Rajivji, because from the very beginning after Independence we have seen that a sincere attempt has been made by the Congress leadership beginning with Panditji to see and identify the difficult areas politically, socially and economically, how to bring them to light as integral parts of this country. So, in this region, Madam, I have had my 42 years of public life. I have seen a separate process still making an effort to rise. The object of this Bill is that it will be functioning as the principal financial institution for the promotion, financing, and development of industries in the small-scale sector. How important it is!

As has been very rightly pointed out by my predecessor on the floor of this House just now, the proposed Small Industries Development Bank of India Bill should not be just only a subsidiary. It should have been an independent institution just like the IDBI. Then we could have expected something. It should not be one of the Banks in its character, in its motives, in its objectives and other performance. It should not be one of the banks, it should have a special objective. And then everything should have a special character in that. To that end, Madam, I would like to make a few suggestions.

The entrepreneurs in the backward areas—this may be true of the backward areas in other States, but I do not know much about them, but as far as I know about the North-Eastern States, small-small States, we have to identify the problem and on the basis of a very truthful list of practicable industries, we have to clear projects and the projects so cleared should be financed. Before the clearance of the projects they should be well worked out and their future should be visualised and then once the project is cleared, it should be given full finance and to this end, Madam, the element of coordination to be provided by the small Industries Development Bank should be a very important factor. The entrepreneurs are facing two problems—one is the capital loan and the other side is the term loan.

In this, we have seen two agencies working. One is the State Finance Corporation. The other is the Bank. But there is no proper linkage and coordination between these two agencies and, as a result, the entrepreneurs face a lot of difficulties particularly in the initial stage. In the absence of regular flow of capital loan, the entrepreneur cannot maintain the minimum production level and also cannot meet the requirements of the customers. It is very important for the new industry to give satisfaction to the newly created customers market. I think it cannot repay the loan either to the Bank or to the Finance Corporation. In order to remove this difficulty, there should be proper coordination between the financing agencies.

[Sh. N. Tombi Singh]

The functioning of the District Industrial Centres comes into the focus. Mention has been made by my predecessor that the District Industrial Centres should be able to take up some financial responsibility once a project is cleared and, to that end, the Small Scale Development Bank should be located as far as practicable at the headquarters or near the offices of the DICs so that once a project is cleared, the Bank will be able to take decision on the spot. The need for accountability cannot be ruled out. What I mean to say is the officers of the Bank sitting close to the DIC should be responsible agencies and well-informed officers in order to help the entrepreneurs. They should be very capable persons. They should be able to know if a particular entrepreneur has failed, why he has failed. If he has not come up according to his own programmes, why he has not. They should be able to identify the genuine difficulties of the entrepreneurs. The suggestion being made is that the DICs should be assisted by this Bank by sitting close to them so that the entrepreneurs do not have to run from bank to bank for finances once the projects are cleared. Then the DIC will not be reduced to the position of a Post Office. About the location of the headquarters, as rightly mentioned, we have no objection to the headquarters being located at Lucknow or anywhere else but from the point of convenience it is not possible to locate it in every region. Delhi is the nearest place from any State and if it is not Delhi, why not one of these metropolitan cities where most of the regional offices of the Government of India and banks are located? If there is no special reason, I would like the Government to make a clarification why this choice of Lucknow is made. I think the decision is not very firm because there is provision for Lucknow or any other alternative place as mentioned in the Bill. As I said in the beginning, I belong to a region where the economic viability has to be built up. I would suggest to the Industries Minister through the Finance Minister who is piloting this Bill, to identify small industries in the small States of the North Eastern region because it is not

possible to set up big industries in this region. In the last session and also previous to the last, I had made repeated demands for identification of small industries and a special list to be made available on the basis of which implementation of certain programmes can be made. The Industries Minister Shri Vengal Rao was good enough to provide me in reply to a question a very long list covering all the States but the list was very light-hearted. I would like to request the Government further to look into the matter and revise the list which should contain only practicable propositions.

14.00 hrs.

That indicates that even now the Industries Ministry is not well aware of the problems in the backward areas. I don't suspect the seriousness of the Prime Minister because he is very sincere and he likes to help the small States, backward States particularly the North-Eastern States. Therefore, with this end in view, I would like to emphasize my suggestion that a new list should be made identifying the urgency and priority in every State beginning with Assam, Tripura, Mizoram, Manipur, Nagaland, Arunachal Pradesh and Sikkim. On the basis of that priority, we shall be able to implement something. To that end, the Banking Institutions should come to their aid.

With these few words, I would like to thank you for having given me this opportunity. Also, I support this very important Bill that has come before this House.

SHRI BRAJAMOHAN MOHANTY (Puri): Madam, at the outset I would support the hon. Finance Minister for placing this Bill before this House at a time when the total atmosphere is vitiated by the slogan of waiving of loans. You know that the major political parties in the Opposition have declared openly—this is part of their election manifesto also—that if they come to power, the loan amount outstanding below Rs. 10,000 of the small and marginal farmers would be waived. It is not only this. In some States, the waiving of loan has already been taking

place. In Haryana, they claimed that Rs. 45 crores have been waived. As a result of this, the credit atmosphere in the country is vitiated. What is happening to the credit atmosphere of the country? This has got to be examined.

So far as the amount outstanding up to Rs. 10,000 of the small and marginal farmers is concerned, it comes to around Rs. 3037 crores. I will give you the detailed figures in this regard. Against the size of the land holding of up to 2.5 acres, of farmer the short-term loan amount outstanding—below Rs. 10,000—is Rs. 766 crores and 76 lakhs. Similarly, in respect of above 2.5 acres and up to 5 acres, the loan amount outstanding is Rs. 696 crores and 35 lakhs. These are the short-term loans, as I mentioned earlier. Now, I am placing the term loans, the direct finance to the farmers distributed State-wise. Regarding term loans up to 2.5 acres, the outstanding is Rs. 759 crores and 14 lakhs; up to 5 acres, the outstanding is Rs. 786 crores and 58 lakhs; and above 5 acres, the outstanding is Rs. 2,785 crores and 48 lakhs. These are the detailed figures.

MR. CHAIRMAN : Mr. Mohanty, why don't you come to the point? You are referring to something else.

SHRI BRAJAMOHAN MOHANTY: Madam, this is part of it because the credit atmosphere in the country is vitiated. Can anybody imagine how it will be helpful to the establishment of the Banking Corporation? That is why I am placing it before this House. I am coming to the point. As I have already mentioned, above 5 acres, the outstanding is Rs. 2785 crores and 48 lakhs, in respect of term loans. Similarly, in respect of short-term loans, above 5 acres, the outstanding amount is Rs. 892 crores and 30 lakhs. It comes to around Rs. 7,000 crores. Can it be waived? That is a point. Hon. Finance Minister must clarify, what will be its impact on the economy? That is why, it is a most important consideration today.

Now, I come to the other aspects of the matter. We support the Finance Minister.

But we do not support the inefficient, inadequacy in the banking activities of the country. I would like to place before you the Report of the Central Vigilance Commission. In its Annual Report for the year 1987, the Central Vigilance Commission said, and I quote:

"In majority of the cases, the beneficiaries never started any business as reflected in the bank records meaning thereby that the invoice bills given by the firm of the middlemen were fictitious.

Thus, loans were indiscriminately sanctioned in favour of borrowers without proper indemnification through a middleman on the basis of bogus invoices."

The Central Vigilance Commission said and I quote:

"Most of the amount was actually received by the middleman and in all probability shared by the branch manager and some others without benefiting any poor person for whom such loans were introduced. Good programme was thus abused and frustrated due to lack of proper check and control."

I would remind the Finance Minister that he should not forget about these things and these things should not be repeated in the activities of the bank. He should be careful about it.

Then I shall come to bad debts. Two hundred crores of rupee of bad debts is being written off. On the contrary, when we are demanding to abolish this system of compound interest for the small and marginal farmers and also for small artisans, we do not get any response. But two hundred crores of rupees annually is being written off on account of bad debts. I would like to submit one thing.

[Sh. Brajamchan Mohanty]

14.07 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*]

In the year 1986-87, the gross profit of the nationalised banks was Rs. 775 crores whereas it reduced to Rs. 250 crores of net profit because of the bad debts and the reserves for the bad debts. (*Interruptions*)

MR. DEPUTY-SPEAKER: Please wind up.

SHRI BRAJAMOHAN MOHANTY: You do not know when I have started. You made me nervous. The Finance Minister is laughing because other points will not be made by me. Please give me some time. So, my submission is, banks must work efficiently to promote the development of the economy.

So far as political climate is concerned, it is not to allow the expansion of banks. When the banks were nationalised, it was the positive step to establish an egalitarian State and to prevent accumulation of wealth in some hands. But now, these forces are conspiring against banks in general on various pretexts. They are now committing to the people that once they come to power, they will waive all the loans which are below Rs. 10,000. It comes to Rs. 7,000 crores which cannot be imagined. In that background, I would submit that the hon. Finance Minister should make the functioning of the bank efficient as well as make efforts to promote the economy. Thank you.

SHRI A CHARLES (Trivandrum). I stand to support the Small Industries Development Bank of India Bill, 1989. The nationalisation of banks in 1969 is a great landmark in the history of banks in India. As a result of nationalisation, the doors of the bank were open for the first time even to the poorest of the poor in this country. However, though twenty years have elapsed since nationalisation, the real objective of the nationalisation is yet to be achieved, although the results so far achieved are non-the-less

commendable.

All industrial sectors in this country and especially the small and tiny industrial sector play a very significant role in the industrial development of this country. The statistics have been already presented here. About 1.6 million small units are there in the country. Their total investment comes to nearly Rs. 4000 crores. They provide employment to roughly ten million people. That shows the importance of this vital sector. So also about 40% of the total production is from the small scale industrial sector and about 25% of the total export is from this sector. Therefore, the need for encouraging and stabilising this tiny sector cannot but be emphasized.

The IDBI itself has been looking after the needs of this tiny and small industrial sector very well. But because of the tremendous growth of the number of units and the new areas of its operations, there has been a persistent demand for the opening of an apex bank solely to cater to the needs of this sector. The present Bill has been brought forward to satisfy this demand. So I wholeheartedly and with all my strength support this Bill.

The industries, especially in the small industrial sector in this country are facing a lot of problems. I am happy in this Bill, clause 13 touches many of those areas. The timely non-availability of funds to the extent necessary, the non-availability of power and raw-materials, the problem of marketing; all these have contributed to a large extent for the sickness of the industry, especially in the small sector.

I have already written to the Hon. Minister wherein he may remember that I have suggested that in every State a study has to be conducted into the aspects of the sickness of the industry. There is a lot of encouragement given for the revival of the sick units. But the real cause for the sickness or the areas of sickness have not so far been identified. I would request that a time-bound programme may be made for the study of the sickness of the industry and all those indus-

tries which could be revived should be revived within a time frame. When the new bank is opened, it should concentrate on this aspect.

Secondly I come to the disbursement of funds. At the time of the presentation of the Budget for the year 1988-89, the then Finance Minister Shri N.D. Tiwari promised of a single window system. He said, all the formalities will be looked into. Now there is no coordination between the industries department and the banking sector. This is very essential. So also there is not coordination between the energy department, electricity department and the finance section. These are the pressing problems of small scale industrial units. When you give money, when you approve the projects and give the first instalment, when the licence had been received and when everything is completed, the electricity may not be available there. Then, the time for the re-payment of the first instalment comes. If it is not paid once in three months, then the penal interest will come and if one year goes on like that, the penal interest will be added to the capital and the whole industry becomes sick. So the need for coordination is required. I would request that this aspect may kindly be looked into. There is no facility for the existing financial institutions to look into this aspect. That has to be considered.

The third thing is about monitoring. After all, we pay the public funds. 80%—I am sure, the whole fund—which we give to small industrial sector is the fund of the nation. Once you pay the money, your responsibility ceases. your responsibility comes again, only when he does default. By that time, the industry will become sick. But he will not lose anything because he invests only a small amount and the balance has been financed by the financial institutions. So, even if it is sick, even if it is not running on profitably, 80% of the entrepreneurs are not worried about it. So, there should be proper monitoring. There should be some machinery for watching the management of these small industrial units. In many of the Committees I attended, I have pointed out one suggestion.

That is, when a minimum of Rs. 3 lakhs is financed by a financial institution, there shall be a representative of any one of the financial institutions in the management, who shall give a report, once in three months to the financial institution about the finance and the working or running of the small industry. That will definitely, help the better running of these units.

Now, coming to the Bill, I am extremely glad that wide range of activities come under Clause 13. So, I commend the Bill and I congratulate all those who are responsible for bringing in such a large number of activities within the scope of this Bill, which the present Financial Institution Act does not have. Sub-Clause 21 of Clause 13 provides for technical and financial consultancy; sub-clause 22 provides for undertaking activities for promotion of industry, entrepreneurial development programme, raw material purchase, marketing etc., These are all certainly commendable. Then, I come to sub-Clause 23, which some of my friends have criticised, it, for, the power is given to the new bank for acquiring or taking over the institution and they have said that that was not proper. But I strongly support this Clause, because this is one of the Clauses, by which we will be able to control mismanagement. There are a number of small-industries in my Constituency, which are sick. Some of them are made sick, deliberately because after taking the money they will divert the fund and they will see that the industry is made sick. Such managements should be booked. So, this is a Clause by which you can have control. Then, Sub-Clause 25 which provides for research activities. Sub-Clause 26 provides for technical, legal, marketing and administrative actions. Here, my only concern is that, how are you going to ensure that these Clauses are implemented properly. This Bill is commendable. I would request that while you formulate the subordinate legislation or rule, you have to be very careful that these Clauses are strictly implemented.

One more thing is about the location of the Offices. I do not quarrel—whether it is in

[Sh. A. Charles]

Lucknow or anywhere else. But, there should be some regional offices. Once the Head Office is there, every region should be ensured that it is approachable for the industrial units. So also, there should be one bank in every district in future. You have to envisage like that.

There is an enabling Clause in this Bill, that is Clause 3, Sub-section 4, which says,

"The Small Industries Bank shall establish offices, branches or agencies at any place in or outside India".

I would request that you should be kind enough to open one branch at Trivandrum, where 80% of the industries are sick.

With these words, I once again commend the Bill the I warmly welcome it and I request that it should be implemented with all the earnestness with which it has been brought forward.

[*Translation*]

SHRI NAND LAL CHOUDHARY (Sagar): Mr. Deputy Speaker, Sir, I rise to support the Bill before the House. It would also naturally benefit the poor masses in our country. The very purpose of the nationalisation of Banks in 1969 by Indiraji was to benefit the people. The poor are indeed being benefited through it. This bill seeks to evolve a socialistic pattern of society.

It is my submission that loans from the banks should be made easily available to the poor. In the present circumstances, if somebody approaches a bank for a loan, he is harassed by the bank employees and is made to pay frequent visits to the bank. The employees deliberately harass the people and even then the poor do not get loans. In this regard I would like to suggest that a quota should be fixed in respect of the bank employees for sanctioning loans to the poor people. There should be some penal provisions in the Act for those employees who are

fail to achieve the target in respect of disbursement of loan.

Secondly, I would like to suggest that the women, the members of the Scheduled Castes and other weaker sections should be represented on the Board of Directors.

I would also like to suggest that agriculture should be given the status of an industry and same amount of financial assistance should be provided to them through the Banks as is given to an industry. Betel leaves are produced in our country. This should also be given the status of an industry and assistance should be given for the same through the Banks.

I would also like to add that the percentage of assistance to be given to the weaker sections, and the poor through the Small Industries Development Bank should be fixed. Only then it will be benefit the poor and the people belonging to the weaker sections of the society. It may not happen that the people of lower sections of society are deprived of the assistance and the entire seen is concerned by the big people.

The banks should make special efforts to promote maximum number of small scale industrial units in the villages. It should give special assistance to such industrial units so that more employment opportunities could be made available to the people.

As regards the requirement of furnishing sureties for grant of loans, I would like to suggest that the loan amount upto Rs. 1 lakh should be exempted from this provision.

SHRI SHANKAR LAL (Pali): Mr. Deputy Speaker, Sir, this Bill which has been introduced here by the hon. Finance Minister with a view to promote small industries is in fact a laudable step. I rise to support the Bill. Financial assistance should be provided through this bank to such unemployed people in our country who are interested in setting up their own small industrial units in the villages or in towns to earn their livelihood. Only then we can succeed in diluting the

impact of unemployment in our country.

Mr. Deputy Speaker, Sir, I would like to submit that clause 13 (i) (XXVII) of the Bill contains the expression "Planning, promoting and developing the Industries in the Small Scale Sector". It contains the word 'Planning'. I would like to request that a scheme should be formulated to assist the small scale industries. The big industries cause a heavy pollution in our country. There are about 750 small scale textile industries units in my constituency i.e. Pali, which are polluting the atmosphere. Hence maximum amount of assistance should be provided through these banks to such industries as are not causing any pollution. Assistance should also be provided to such small scale entrepreneurs who want to set up their own treatment plant in their industries to minimise the resultant pollution. We have to invite the attention of I.D.B.I. and seek their co-operation in the planning process to deal with the pollution problem. This Bill has of course, provided for location of the Headquarters of the Bank of Lucknow. Whichever may be the place of the headquarters as the other hon. Members have also pointed out, but I would like to submit different point. There is need of more publicity to give more information about small scale industries in the backward States like Rajasthan. The branches of the Bank must be opened in this backward State as also in other State. In furtherance of Shri Rajiv Gandhi's pronouncements and the party's ideology we shall have to open the branches of this Bank at the district level for the removal of unemployment with the help of Jawahar Rozgar Yojana and the Panchayat Raj. The Government should extend the services of the development bank at the district level too for the benefit of small scale industries. At the district level the zila Parishads which function at the district headquarters have to be linked with the branches of this bank so that they may solve the problems of the people with the help of the Small Scale Industries Bank to usher in the Panchayat Raj System through the local bodies. So far as its constitution is concerned, this a fact that it would be a subsidiary bank. The Government has given

it the status of a subsidiary bank of the Development Bank and the Government has allocated Rs. 250 crores as its authorised capital. It has also been provided in the Bill that its authorised capital can be raised upto Rs. one thousand crores but that would be at the discretion of the Development Bank. The Government may treat it as a subsidiary bank but it should be given some independent entity. It would be completely ineffective if it remains simply a branch of the Development Bank. A separate Bill is being introduced for it but if a separate bank is to be set up for the small industries, it has to be given an independent status and its authorised capital has to be raised from Rs. 250 crores to Rs. 500 crores. As regards the composition of the Board of the bank, it would not be proper to appoint the Chairman or Managing Director of the Development Bank as its Chairman. The Government will have to appoint a full time Chairman for the Independent bank who can work quite independently and who should be responsible for solely looking after the work relating to small scale industries and its branches of the Bank to be opened. The Bill provides for nomination. But this nomination should not be left to the discretion of the Development Bank. Instead the persons should be nominated by the Government. A uniform pattern of nomination will have to be followed in all the banks. I would also like to submit that the Government should also nominate the rural artisans. In order to ensure representation of the potters, carpenters, goldsmith or others engaged in petty jobs, whose vocation has suffered a set back due to the setting up of large industries, the Central Government should nominate the representatives of rural artisans on it. Provisions to that affect will have to be incorporated in the Bill. In the Statement of objects and reasons of the Bill it has been stated that special consideration would be shown in case of exports to foreign countries. I am not able to comprehend the idea behind it. You have said in clause 13 (i) (x) of the Bill.

[English]

"Granting lines of credit to the Govern-

[Sh. Shankar Lal]

ment of any foreign State or any financial institution or person outside India for the purpose of export or import."

[*Translation*]

So we have not been able to understand this provision of granting credit to the small scale industries for the purpose of export. Therefore, the hon. Minister may kindly clarify it whether the Government will pay more attention to export or to the regions of the small scale industries? I would like to submit that special attention should be paid to those exporting small scale industries which produce essential consumer goods to meet the requirements of the domestic consumers, rather than those small scale industries which are engaged in only exporting their products. Otherwise that will be purely a commercial approach. If the proposal for Small scale Industries Development Bank is really implemented, it would be beneficial for us.

SHRI MANIKRAO HODLYA GAVIT (Nandurbar): Hon. Mr. Deputy-Speaker Sir, I shall not take much of your time. I support Small Industries Development Bank of India Bill. I want to give 2-3 suggestions in this regard. Setting up of the Small Industries Development Bank of India will encourage the growth of small scale industries and generate employment opportunities for labour. Small scale industries should be set up in each tehsil of every district. There are a large number of unemployed people in our country and new small-scale industries should be encouraged to absorb these people. There should be a provision to employ people belonging to Scheduled Castes and Scheduled Tribes in the small-scale industry sector. This will improve their economic condition. I feel that it is necessary to have representatives from the Scheduled Castes and Scheduled Tribes and women members also on the Board. I request the hon. Minister to keep this in mind while constituting the Board. There should be a branch of this Bank in every State and also at the district

level. The Central Government is going set up the to head office of this Bank in Lucknow but in addition to that there should be more branches in the State.

With these suggestions I conclude my speech.

SHRI SHANTI DHARIWAL (Kota): Mr. Deputy-Speaker Sir, I rise to support the Small Industries Development Bank of India Bill. I welcome the Government's objective in bringing this Bill which is to develop small-scale industries in this country. An open Bank such as this will definitely solve the problems being faced by small-scale industries in our country. I consider this a giant step on the path towards development. This Bill, which aims at developing small-scale industries, is in fulfilment of the promises made to the masses by hon. Shri. Rajiv Gandhi and his Government. Till now small-scale industries were being given step-motherly treatment by the banks. Obstacles were created in the way to their growth. The I.D.B.I. did not even entertain applications from small-scale entrepreneurs. These much harassed entrepreneurs had been demanding for a longtime a banking system that would cater exclusively to their needs, their demands also included an increase in facilities needed for growth and expansion of small-scale industries. This Bill will certainly go a long way towards fulfilling all their needs. In his 1988-89 Budget speech, the hon. Finance Minister had stated that the Government would set up a Bank for the Small-Scale industry sector. This Bill is in fulfilment of that promise. I consider this as a step in favour of small-scale entrepreneurs and therefore whole heartedly support it. This Bill will improve the financial staking of small-scale industries and would lead to their development. Without going into the details of this Bill, I would like to thank the hon. Finance Minister for acceding to our long-standing demand. But I would like to give a small suggestion in regard to the lending system being followed by other banks. A small-scale entrepreneur approaching a bank for a loan has to go through a Cumbersome procedure. It should be kept in mind that the

lending system meant for large-scale industries should not be applied in the case of small-scale industries. The Government will find that large-scale industries have plenty of manpower and material at their disposal which makes it easier for them to deal with such complexities. But it is not so in the case of small-scale industries. Small units are set up by 1-4 persons and it is essential that this cumbersome procedure is simplified for them lest this Bill should fail to achieve its objective. While welcoming all other provisions of this Bill I request the hon. Finance Minister to ensure that the procedure for lending for small scale industries is simplified to enable them to avail of financial assistance from the I.D.B.I. with these words I thank you for giving me an opportunity to speak.

**SHRI VIRDHI CHANDER JAIN** (Barmer): Mr. Deputy-Speaker Sir, I welcome the Small Industries Development Bank of India Bill, 1989 introduced in the House. Twenty years ago in 1969 banks in this country were nationalised following the initiative taken by the late Prime Minister Shrimati Indira Gandhi. Here intention behind bank nationalisation was to promote development of industry big or small through bank assistance which would ultimately remove poverty from the country. Till now all steps taken to remove poverty through the medium of banks have not been as successful as expected.

Sir, I want to give a suggestion regarding the provision of this Bill which details with nomination of Directors. I want that two representatives of the small-scale industries association should also be nominated. They will have an important role to play in so far as watching their interests and taking impartial decisions is concerned.

My second suggestion is that professions in the academic field who are specialists on banking may be included as directors. My viewpoint as to the appointment of the Chairman is that the Chairman of the I.D.B.I. may be appointed as the Chairman of this apex bank for the time-being I would like to draw the hon. Minister's alteration towards

this important point. The I.D.B.I. Chairman may continue to be the Chairman of this bank for the transitional period of one year, but after that this Bank should be given the Status of an independent body with an independent chairman. The I.D.B.I. Chairman cannot function as chairman of this Bank on a permanent basis. When the I.D.B.I. came into being the Deputy Chairman of the Reserve Bank of India was asked to hold additional charge as chairman of I.D.B.I. It was realised at that time that such an arrangement could not forever particularly if I.D.B.I. were to function as an independent body for this Bank to succeed, it is essential that it function as an autonomous body with an independent chairman.

Sir, my third point relates to the proposed location of the Bank's head office. I would say that this proposal is totally prejudiced. The then Finance Minister belonged to U.P. so he suggested that the head office be located in Lucknow. Since the present Finance Minister is from Goa he could suggest Goa as the ideal location for the Bank's head office. Such a thing should not happen. The head office should be located where there is maximum concentration of small scale industries. This makes Bombay as the right choice for the location of the head office. If it is felt that already too many offices are situated at Bombay, Delhi can be considered as the next alternative.

**AN HON. MEMBER:** Why not open it in Rajasthan.

**SHRI VIRDHI CHANDER JAIN:** It is not a question of Rajasthan or any other particular area. The entire country must stand to benefit. But should the head office should be located in Lucknow, it will cause a lot of hardship to small-scale entrepreneurs including those from Rajasthan. The decision to locate the head office in Lucknow is wrong and should be changed.

Sir, a decision has been taken regarding review committees that M.Ps and M.Ls would also be included in these committees. Sir, it is a welcome decision. I have been

[Sh. Virdhi Chander Jain]

saying this for longtime that M.Ps and M.L.As or public representatives should be included in these committees. I feel that this decision has been taken very late. It is a welcome measure. If they are really interested in eradicating corruption rampant in these banks, there was no other way out except taking this decision which will go a long way in rooting out corruption rampant in these banks.

Sir, I would also like to say that an Advisory Committee should be set up in each branch and I would further like to add that such an arrangement should be made at panchayat level also. A list of persons who have been given loans should be displayed so that it could be known that the loans have actually been disbursed to the people. You should take effective steps in this regard so that corruption could be rooted out. The loan scheme to unemployed persons has not been successful. A committee should be set up to enquire into favouritism indulged in sanctioning loans and the officers found guilty should be punished and stringent action should be taken against them. The beneficiaries should be first imparted training in the trade for which they want to take loans so that they could be able to undertake the job successfully. It would be very beneficial. Such arrangements should be made that poor people benefit from this scheme. If 'no industry district scheme' is abolished, the industries set up in backward areas will not prosper. With these words, I support the Bill.

SHRI KEYUR BHUSHAN (Raipur): It is a matter of happiness that a number of good proposals have been put forward in the House today to bring changes in the quality of life in the country and these measures are being taken under the able guidance of our leader Shri Rajiv Gandhi. While expressing my happiness, I wholeheartedly support the Small Industries Development Bank of India Bill and would like to submit that we are setting up a Bank to uplift the people belonging to weaker sections through Small Scale Industries. This is a historic decision. I would

like to narrate before you the difficulties being faced by these people and suggest the facility which should be given to them and which they are not getting from the Banks, so that the weaker section could avail the benefit of this bank. Mostly, educated persons or persons with some knowledge of industries come forward for starting industrial ventures. But the persons belonging to weaker sections, specially Adivasis, Harijans and those living below the poverty line or little above it, though educated, are unable to manage one-fourth of the loan amount which they are required to deposit for setting up an industry. They become helpless. Could these people be given some relaxation in this regard? If you really want to help the weaker sections, this condition should be waived for them. Alternatively, the said amount should be contributed by the Government as has been done under the TRYSEM scheme and other schemes, in case of people living below the poverty line or its percentage for them should be reduced to the barest minimum. Only then these people would be able to avail of this facility.

Another difficulty is faced after getting first instalment of the loan. Suppose, an amount of Rs. 10 lakhs is paid in the first instalment with which he is asked to buy a complete set of machinery and he is not getting next instalment to expand his industry rather it gets delayed due to some legal technicalities, he becomes helpless in expanding his industry. The officers of the Bank, after evaluating the performance of the unit, do not recommend for further instalment of the loan as the production is not sufficient. He requires funds to expand his industry and due to shortage of funds he cannot expand his industry. Ultimately, his hope to expand his unit is shattered and he is badly drowned in debt and ultimately he has to part with even his small source of income and small holding of land owned by him in repaying the loan. Even then he cannot repay the full amount of the loan. This is the situation prevailing in Bastar which is a predominantly an Adivasi area. A cement industry was set up by an educated youth belonging to a Scheduled Caste of that area. But his unit

[Sh. Keyur Bhushan]

suffered heavy loss and he could do nothing to make it viable.

I would like to cite yet another example. A woman of Uttar Pradesh started an industry. She could not get money from the Bank in time, due to which she lost her entire property and her dream for setting up an industry was shattered.

You should pay attention to these difficulties also. Our leader and you have paid attention to small scale industries. Before I conclude, I would like to recite the following lines of a verse:

“Prabhuta Dekh Baden Ki, Laghu Na  
Dijiye Dar.,,  
Jahan Kam Aave Suin, Kah Kare Tal-  
war”

[English]

(Interruptions)

MR. DEPUTY SPEAKER: No; there are many Bills pending. We have to finish them. We will take up the next Bill; you can participate then. Otherwise, after the Minister's reply if you want clarifications, you can seek them.

Now the Minister.

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): Though the House is rather depleted, being a week-end, and also by virtue of the other events known to the House which have taken place in the course of the week, the high quality of this debate has indeed been impressive. I thank all the Members who participated in this debate; I congratulate them for the high quality of the debate, for the valuable suggestions made, and I must also congratulate them for the criticisms that they have levelled against our activities, against our functioning, the functioning of our corporations, of

our financial institutions, of the banks, of the Government and even criticisms against me personally.

MR. DEPUTY SPEAKER: You are congratulating them for criticising you also; very good.

SHRI EDUARDO FALEIRO: We welcome criticisms, even if they are criticisms against us, because there is always scope for improvement. Though we are working to the best of our ability, criticism is welcome, and that is how we see the role of Parliament as a watch-dog, and a critical appreciator of the activities of the Government.

I will now attempt to answer the different queries and points raised by the hon. Members. I would also give some statistical data to throw light on some of the points raised. It has been rightly pointed out here that small scale industries and the tiny sector not merely contribute to the economic development in the strict sense, but they also make a major contribution in terms of creation of employment.

I would like to say that as on 1987-88, last year, for which the figures are available, the small scale sector provided employment to 107 lakh people. This is their contribution in terms of employment. They also made a major contribution in the context of exports which are great priorities today to improve our balance of payment position and to strengthen our national economy. In exports, the contribution of small scale sector has been to the tune of Rs. 3648 crores as per the latest figures available for 1986-87 representing 29 per cent of total exports. A concern has been expressed on the sickness of the industry. While I have been saying all these things about employment and how much is the contribution of the industrial sector, the question of industrial sickness is paramount in our mind. I am fully in accord with the hon. Members that this must be tackled not merely by words but by active deeds. Therefore, I would like to say at this time by way of statistical information that the number of sick units given by the RBI as

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on December 1987, which is the latest available, was 204,259. The outstanding bank credit was Rs. 1797.31 crores as on December 1987. Out of these sick units, a viability study has been carried out to find out whether they are viable and how they are to be rehabilitated or how they should be kept; and we have found that viable units are 12484; out of them, 8470 have been put under nursing for becoming viable. Non-viable units have been found—1,86,834; viability has not been decided at that point of time on 4941. A suggestion is there about the financial assistance given so far before we created this Institution. What is the financial assistance being given by IDBI to the small scale industries? I would like to say that when the IDBI was started, the quantum of assistance which was sanctioned to small scale industries vis-a-vis total operation of IDBI was very small between the year 1964 and 1970. It was just 2.9 per cent. The same percentage during the period July 1988 to March 1989 had grown to 31.4 per cent. Similarly, in actual quantum between the period 1964 and 1970, the small scale sector got Rs. 9.4 crores of assistance against almost Rs. 1500 crores for the period of July 1988 to March 1989. We have noted that the SSS portfolio in IDBI is now reaching almost one-third of its operation and total attention is required for this sector because of its growth and importance. The institution which it seeks to create has been contemplated by us.

Coming to SIDBI and the new Institution, there have been some suggestions on several aspects regarding them. We begin with the Headquarters. Some people say, why we want to set up in Lucknow; why should we not set it up in Bombay, Delhi and Madras? I would earnestly submit here that there is a contradiction between what this House has said and what was said earlier. This House has said what we must give more attention to the backward region. The House now says or I would like to say or some Members of the House came and say, don't keep this Institution in the backward

area; keep it in Bombay. We cannot keep it in Bombay because there is no space available. They may also say, if there is no space available in Bombay, then keep it in Delhi, but don't keep it in the backward region. Now, this is not the thinking of the House; I am sure, this is not the consensus of the House; the consensus of the House is that there should not be any concentration of the economic activities nor should for that matter be concentration of the institutions with financed economic activities.

15.00 hrs.

That is, this should be decentralised. This should be put in different parts of the country. We put it up in Lucknow, Uttar Pradesh because it is the largest backward State. However, suggestions were made that if you put it in Lucknow, have branches elsewhere. I assure this House that we will have a branch in every single State, big or small, for that care is taken.

Then, Sir, suggestions were made about the Board of Directors. On the suggestions that there must be a representative of women, and there must be a representative of scheduled castes, I will say this. Our leader, the Prime Minister has given an indication at the national level that all factions of the society must contribute to the national energy, they must be mobilised, they must be given equal opportunity, indeed they must make contribution like anybody else, so that the nation is strengthened and its economy is strengthened... (*Interruptions*)

PROF. N.G. RANGA (Guntur): Rural people also.

SHRI EDUARDO FALEIRO: We shall have rural people also. Therefore, in line with the thinking of our leader, we shall have representatives on the Board of Directors from amongst women, from the Scheduled Castes and from people with experience of what is happening at the grassroots in the rural areas.

Then, a question was raised, why do

you have the subsidiary of IDBI without any power of its own. I would like to assuage this misapprehension by saying that the Small Industries Development Bank of India, which we seek to create, will have independent powers of disbursement and sanction.

Then, another question was raised; why do you have the same Chairman for IDBI and for the new institution? I would like to say here, we are creating a new institution. This new institution is not coming from nowhere. The roots have been laid by the IDBI, by giving a lot of assistance to SIDBI, which I have already mentioned. A lot of programmes have already been done. And that is how the growth has contributed. So, it is a new baby, a new child and you cannot throwaway like that...*(Interruptions)*

MR. DEPUTY-SPEAKER: Then he has to travel from Bombay to Lucknow.

SHRI EDUARDO FALEIRO: Sir, we are travelling all the time, including yourself...*(Interruptions)*

I would like to say that we are very proud of a particular officer, who is amongst the outstanding officers in this country who has been given recognition recently by the Government of India, the highest level. However, let me take the point made by the House that we must review this. Therefore, the Government will review this, say one year after the institution becomes operational. Sir, when IDBI was constituted, we had Deputy Governor of the Reserve Bank as its Chairman and in the light of experience, a separate Chairman was created. So, there is no better example than that. We shall keep this point in our mind. In view of what the House has said, at the end of one year after the institution becomes operational, we will have a preliminary review to assess its requirements.

Sir, another point has been made about the involvement of Members of Parliament that the institutions tend to become too bureaucratic. Bureaucratic has nothing to do with the bureaucrats, who are very good people and outstanding people amongst the

best cream of our people. Bureaucracy is a system. Bureaucratic approach is an approach. As I see it, bureaucratic approach is an approach, where we would not like to have any change, we would not like to do anything innovative, which has really no feeling for the grassroots. Therefore, we have constituted this approach, under which for the first time, in the Review Committees of the Banks, Members of Parliament will participate. And again in the light of experience on how it works, we will include other financial institutions including the SIDBI in this approach.

DR. G.S. RAJHANS (Jhanjarpur): Why not put MPs in the Board of Directors?

SHRI EDUARDO FALEIRO: We have no objection in putting MPs in the Board of Directors, but your Office on Profit Committee will have objection and may disqualify the MPs to become members, who are called directors.

PROF. SAIFUDDIN SOZ (Baramulla): Without any honorarium.

MR. DEPUTY-SPEAKER: Our parliamentary committees and other committees can look after that. Why are you so particular about putting MPs in the Board of Directors?

SHRI EDUARDO FALEIRO: A point has been raised that more attention should be given to the backward areas. I would like to say that this is what is being done. This is the policy of the Government at the moment that thrust, particular emphasis, must be given on backward areas, backward regions for their development. IDBI assistance specifically to backward areas has increased from mere Rs. 21 crores in 1970-71 to Rs. 2336 crores in 1987-88 which represents over 40 per cent of its aggregate assistance.

PROF. SAIFUDDIN SOZ: Nothing has been done in Jammu & Kashmir.

SHRI EDUARDO FALEIRO: For Jammu & Kashmir we shall do it. You meet me and have a discussion. I had myself accompa-

[Sh. Eduardo Faleiro]

nied the Finance Minister to Srinagar recently where I had an opportunity to meet, outside our professional discussion, the hon. MP. We shall follow on what we have decided there and take other suggestions also.

The hon. Member from Jammu & Kashmir has mentioned some specific case where a particular Regional Manager did not act properly. I am unable to comment on that because I do not have the information. But I can assure the Member that I will call the Chairman of the Bank along with his concerned officer and sit with the Member of Parliament in the course of the session and then we shall see what actually can be done.

PROF. SAIFUDDIN SOZ: He has said that he is no answerable to the hon. Minister.

SHRI EDUARDO FALEIRO. A point has been made here, and I am grateful to the hon. Members for raising this point, that merely giving of money or financial assistance does not take us anywhere, that it must be seen that this credit which is being disbursed is properly utilised and in particular it must be seen that the entrepreneur who takes the money has the necessary skill to make utilisation of the credit; otherwise, he lands into trouble and he lands in trouble the financial institution and the bank. We have the entrepreneurship development programmes of the IDBI. We will continue them and we will give them utmost important. They are not merely to give academic information but also training in preparation of the feasibility report and soon and so forth.

I would specifically like to mention on the CU scheme to which a reference has been made by the hon. Members. Members have said that CU scheme is neither properly implemented nor is effective enough. On the proper implementation, the Members have said that sometimes DICs recommend some names and banks do not accept those recommendations. They want to have a second look at the whole thing and the Board does not coordinate. We have told the Reserve

Bank to look into this so that there is single window clearance for these schemes and also recommendations finally approved by the DICs are implemented by the banks. And before it is done, banks have an opportunity to look at it. But there will be a single window, one final approval, and that final approval is to be implemented by the bank. That is what we intended to do.

As far as the women sector is concerned, the two mahila schemes have been mentioned in the course of the debate. I am happy to tell the House that we have already percolated to the State financial institutions and corporation for implementation the two scheme—one for individual women entrepreneurs and the other for voluntary organisations which deal in these matters. Both these schemes have become operational from the end of June last and I hope, it will work properly.

SHRI VIRDHI CHANDER JAIN (Barmer): What about not having the headquarters in Lucknow?

SHRI EDUARDO FALEIRO: We shall have headquarters in Lucknow and we will have a branch in Rajasthan also.

SHRI VIRDHI CHANDER JAIN: We do not want the headquarters to be in Lucknow.

SHRI EDUARDO FALEIRO: What is wrong with having the headquarters in Lucknow?

SHRI VIRDHI CHANDER JAIN: We are utterly against it.

SHRI EDUARDO FALEIRO: We shall do something for Rajasthan also. We shall have all the facilities for Rajasthan on these lines so that there will not be any complaint...*(Interruptions)*

SHRI AZIZ QURESHI (Satna): Have it in Bhopal.

SHRI EDUARDO FALEIRO: Yes, we shall have a branch in Bhopal also. We shall

have one branch in every single State so that there will be no complaint.

While debating on this Bill, there have also been substantial references to the operation of the banks. We are celebrating this year the twentieth anniversary of the nationalisation of banks. On this occasion we remember the late Prime Minister Shrimati Indira Gandhi who had taken this bold step so that the money of the people goes to the people and for the development of the people, so that it goes not only of some of the people but to all those who are capable of utilising it properly. On this occasion we also call upon the banking industry to re-dedicate itself to the objectives and the social goals to develop banking, to make the nation prosperous, to make all the sections of the people avail of this opportunity, and to make the banking sector also prosperous because the strength of the banking sector is the strength of the nation and vice versa. However, while saying this, we must admit that in view of the large and enormous tasks imposed on the banking sector, sometimes there are delays, sometimes the guidelines are not followed. I am not mentioned this as an excuse. This is no excuse. It is the duty of our officers at all levels, right from the Chairman downwards, to see that the guidelines are strictly implemented.

Now, on the question of delay, the following are the guidelines: All applications for loans up to Rs. 25,000 should be disposed of by the banks within a fortnight and those for over Rs. 25,000 within eight to nine weeks. That is the outside limit, exclusive outside. It should be usually less time from the date of receipt of the application.

The Boards of Directors of the Banks have been enjoined to periodically review the position. Further guidelines are: Bank have been advised to follow the practice of issuing an acknowledgement with a date of receipt for all loan applications in all branches. After the receipt of the application, a definite date has to be indicated to the applicant for discussion, clarification, etc., if necessary. For monitoring the timely disposal of cases,

banks are required to introduce an appropriate system. Regional Managers should review the cases every month. Credit proposals of small-scale units not decided within three months from the date of receipt are to be reported on a quarterly basis to the Board of Directors for a review and effective follow up action. The Regional Managers are also required to visit the rural branches in such a manner that every rural branch is visited by an officer at least once in a period of three months.

I am mentioning these guidelines and I will give, with great pleasure, a copy of other guidelines to the hon. Members. I am mentioning them and I will give them a copy also so that they have this information and at the review meetings they can question and find out to what extent these guidelines are being implemented, and if not, why not....(*Interruptions*)

SHRI A. CHARLES (Trivandrum): May I point out one thing, Sir? It is a good arrangement but out experience is when a person approaches the bank with an application, the application is refused because there is a prescribed form kept in the bank. They will accept the application only on the prescribed form and, at the same time, they would not issue the form also. So, I request you to ensure that when a person applies for loan by writing an application, that should be accepted and thereafter processed.

SHRI EDUARDO FALEIRO: We shall either follow the suggestion of the hon. Member or issue instructions to the banks to issue the form. We shall see what is best. But if the prescribed form cannot be filled up by the man or the woman who seeks the loan, then the branch officer should help in filling up the form...(*Interruptions*)

MR. DEPUTY SPEAKER: That is not the problem. Why should it be necessary to fill up the particular form which is issued from the bank? Whatever columns are there in the prescribed form, they can be typed and the application can be submitted. Why should the printed form of the bank be necessary?

SHRI EDUARDO FALEIRO: You know, Sir, how the banks function... (*Interruptions*)

MR. DEPUTY-SPEAKER: The complaint is that getting the application forms is a problem.

SHRI EDUARDO FALEIRO: We will look into this.

SHRI A. CHARLES: My point is that forms should be issued without any difficulty.

DR. G.S. RAJHANS: They do not give the forms.

SHRI EDUARDO FALEIRO: If there is a demand for the forms, they will be issued definitely. If it is the requirement, we shall issue instructions that on a demand by a bona fide borrower forms should be issued. The other point arises here is that the purpose for which these banking systems have been nationalised is to avoid intermediaries and 'dalals'. To avoid intermediaries and 'dalals' the banking business has been nationalised. Now you are taking this outside the possibility of a person going to the bank and asking for forms and then he will circulate them among certain individuals and then collect them, bring them to the banks. This may not be good practice. Let the borrower himself go to the banks and get the forms. It will be definitely be given.

Now, Sir, a point has also been made that there should not be concentration of bank branches in the urban areas and they should be dispersed in the rural areas. This point is very well taken. I have myself found out that though the policy is to disperse the bank branches in the rural areas mostly because urban areas are already banked and sometimes even over-banked. There is a tendency to open more and more banks in the urban areas while rural areas themselves do not have banking facilities which are necessary. We shall take up this matter with the R.B.I. so that this is kept in mind and all areas will be properly banked which in effect is that more and more banking in the rural areas and less and less banks are

opened in the urban areas because there are already enough bank branches in the urban areas.

Similarly, on the question of Board of Directors in the bank, we have practically finalised this exercised and therefore the suggestion is that there must be a representation from the Scheduled Castes, from women and so on. This is a very good suggestion and to the maximum extent we shall do this and see that representation of Scheduled Castes is there in the Board of Directors of the Bank.

PROF. SAIFUDDIN SOZ: What about the 15-Point Programme?

SHRI EDUARDO FALEIRO: We are implementing the 15-Point Programme when I went to Srinagar. I had request the Chairman of the Minority Commission also to address the banking industry and he has had a talk with them and the things will move in the proper direction. As I have said, it is not in the context of minorities alone, but it is in the context of every section of society. Therefore, this programme has to go in this spirit that we are all one and we are all moving rightly, but it is also our duties to contribute to the economy and if the economy is strong, everybody would benefit. I would not like to say another more on different problems, but here is a point regarding lack of working capital which has been raised in this House. Delay in working capital is another point which has been raised, that is, once we sanction or approve of a particular industry for financial assistance, the complaint is that sometimes we delay the working capital and thereby contribute to the sickness of the industry and on other times, we do not give adequate working capital. For instance, the requirement is say 'X' number of lakhs of rupees, we start bargaining with them and give them 'X' minus so much lakhs of rupees. There is no question of bargaining, either money is necessary or it is not necessary. If it is not necessary, don't give anything. If it is necessary, give whatever is necessary. Otherwise sickness is there. We agree with this. We shall take it up with the R.B.I.

because they are the monitoring on this and I will convey to them the feelings of the hon. Members of Parliament. They are the Central Bank, they manage the banks. Government merely owns them. But your feelings will be conveyed to them. I thank you very much for your valuable suggestions on this bill.

**SHRI RAM SINGH YADAV (Alwar):** If you conduct a survey, you will find that comparatively small-scale industries are much more sick than the big industries. I want to know whether any survey has been conducted by the IDBI, or any other commercial banks which have interest in financing and refinancing those small scale industries.

**SHRI EDUARDO FALEIRO:** Yes, a number of small-scale industries are also sick. They are of course more than the large industries. Therefore, this is true that the sickness in the small-scale sector is particularly larger and even larger than the percentage of units, to large-scale sector, which is not saying that there is no security in the large scale sector also. Sickness unfortunately is more pervasive than one would like to see.

**SHRI ANANTA PRASAD SETHI (Bhadrak):** Sir, I want to know about the continuance of Director. We have amended the Banking Regulation Act. After the amendment, now this has become an Act and in the Act itself it is already there that one Director can continue continuously for a period not exceeding six years. But a Director in a particular bank that is already referred to is continuing since the last 13 years. I want to know why he is continuing like that although we have amended the Act to the effect that one cannot continue continuously for a period exceeding six years. What is the reasons for this continuance?

**SHRI EDUARDO FALEIRO:** I would say this much generally that we have passed an Act in Parliament. What the hon. Member say is, some provisions have not been brought into effect. All provisions will be brought into effect as soon as the preliminary

conditions to make the provision operative come into existence.

**SHRI SRIBALLAV PANIGRAHI (Deogarh):** Sir, I have something to know from the hon. Finance Minister. Of course, this a very welcome measure that the Government have taken a decision to set up a Bank exclusively for the small sector industry. It will definitely give a boost to the small-scale industries.

**MR. DEPUTY-SPEAKER:** No, no. You ask the question, whatever clarification you want to ask.

**SHRI SRIBALLAV PANIGRAHI:** It is also a fulfilment of the commitment made by the Government. The Finance Minister made a reference to this in this Budget Speech in 1989-90.

Sir, the point is, after the establishment of such a Bank, it will naturally take some time to set up its branches in the States. Probably, as I understand, one branch will be there in every State. Since it will not be able to take care of the entire requirement of the small-scale industries in the States initially, I would like to know whether the present arrangement of financing the small-scale industries through different commercial banks also. Will continue or it will be stopped forthwith. If that is going to be stopped, then naturally it will create problems. (*Interruptions*)

**SHRI EDUARDO FALEIRO:** What we are doing is for the benefit of the small-scale sector. Nothing will be done to reduce the facilities available. All will be done to increase the facilities. Therefore, the present arrangement will be continued until and unless a better arrangement is found for the benefit of small-scale industries.

**MR. DEPUTY-SPEAKER:** The question is:

"That the Bill to establish the Small Industries Development Bank of India as the principal financial institution for the promotion, financing and develop-

ment of industry in the small-scale sector and to co-ordinate the functions of the institutions engaged in the promotion, financing or developing industry in the small-scale sector and for matters connected therewith or incidental thereto, be taken into consideration."

*The motion was adopted*

MR. DEPUTY-SPEAKER: The House will now take up clause-by-clause consideration of the Bill. I shall now put clause 2 to 9 to the vote of the House.

"That clauses 2 to 9 stand part of the Bill."

*The motion was adopted*

*Clauses 2 to 9 were added to the Bill.*

*Clause 10—Casual vacancies in office of  
Managing Director*

*Amendment made:*

Page 6, line 8,—  
for "involving" substitute—  
"Not involving" (i)

(Shri Eduardo Faleiro)

MR. DEPUTY-SPEAKER: The question is:

"That clause 10, as amended, stand part of the Bill."

*The motion was adopted*

*Clause 10, as amended, was added to the  
Bill.*

MR. DEPUTY-SPEAKER: The question is:

"That clauses 11 to 54 stand part of the Bill"

*The motion was adopted*

*Clauses 11 to 54 were added to the Bill.*

MR. DEPUTY-SPEAKER: The question is:

"That the First Schedule and the Second Schedule stand part of the Bill".

The motion was adopted.

The First Schedule and the Second Schedule were added to the Bill.

MR. DEPUTY-SPEAKER: The question is:

"That clause 1, the Enacting Formula and the Long Title stand part of the Bill."

*The motion was adopted*

*Clause 1, the Enacting Formula and the  
Long Title were added to the Bill.*

SHRI EDUARDO FALEIRO: Sir, I move:

"That the Bill, as amended be passed"

MR. DEPUTY-SPEAKER. The question is:

"That the Bill, as amended, be passed"

*The motion was adopted*

15.25 hrs.

HIGH COURT AND SUPREME COURT  
JUDGES (CONDITIONS OF SERVICE)  
AMENDMENT BILL

[English]

MR. DEPUTY SPEAKER: Now we take up Item No. 13 for discussion. Shri B. Shankaranand to move the Bill.

THE MINISTER OF LAW AND JUSTICE (SHRI B. SHANKARANAND): I beg to move\*—

"That the Bill further to amend the High Court Judges (Conditions of Service) Act, 1954 and the Supreme Court Judges (Conditions of Service) Act, 1958 be taken into consideration."

As you are aware, during the year 1986 and 1988 substantial improvements in the service conditions of the Judges of the High Courts and Supreme Court had been made. The present Bill is also a result of our concern for bringing further improvements in the service conditions of the Judges. It also reflects our continuous effort to preserve the independence of the judiciary. In the Bill passed by the Lok Sabha on 8-8-1986 and 21.3.1988, enhanced pensionary benefits, enhanced sumptuary allowances and conveyance allowances were extended to the Judges with effect from 1-11-1986.

Now Government proposes to give benefits to the Judges of the High Courts and Supreme Court in the form of raising the quantum of carry forward of leave to Judges from one hundred eighty days to two hundred forty days; enhanced leave allowances after 45 days of leave and to raise the minimum family pension to Rs. 375/- per month to a Judge w.e.f. 1-11-1986 and to clarify the meaning expression 'Family pension' to make it more specific.

In view of above, the present Bill is being introduced. I hope this will meet with wholehearted support from all Members of the House.

MR. DEPUTY SPEAKER: Motion moved:

"That the Bill further to amend the High Court Judges (Conditions of Service) Act, 1954 and the Supreme Court Judges (Conditions of service) Act, 1958 be taken into consideration."

Shri Aziz Qureshi.

[*Translation*]

SHRI AZIZ QURESHI (Satna): Mr.

Deputy Speaker, Sir, I rise to support the High Court and Supreme Court Judges (Conditions of Service) Amendment Bill. As he hon. Minister has stated, there are three main objectives behind bringing this Bill. The first objective of the Bill is that in case of Judges, who have held any pensionable post prior to their appointment as judges, the present ceiling of carrying forward leave earned by them in earlier post be increased from 180 days to 240 days w.e.f. 1.11.1986. The second objective of the Bill is to increase the amount of family pension in case of judges of High Courts who prior to their appointment, have not held a pensionable post and who retire within a period of less than seven years. At present they get a pension of Rs. 15,750 per annum only and in case of their death Rs. 328 a month is paid as family pension to their family. Under the proposed amendment the family pension has been increased to Rs. 375. It means that the amount of family pension has been increased by Rs. 47 a month.

Mr. Deputy Speaker, Sir, when I rose to support this Bill, I had the Constitution of India and its founding fathers in my mind. When our founding fathers were engaged in the task of constitution making, their main object was to safeguard democracy in India through adopting the principle of separation of powers, for which an independent Judiciary was required. In pursuance of the above objective, they provided for an independent judiciary in the Constitution. Many people had raised doubts that by empowering so much power to the judiciary, we were creating a third chamber in our polity. In this context I am reminded of the following words of Pandit Nehru:

[*English*]

"The Supreme Court shall not be allowed to become a Third Chamber."

[*Translation*]

But along with it, the hopes and aspirations of the citizens and the common man of this country rested on the judiciary and it was

[Sh. Aziz Qureshi]

generally expected that fair, full and impartial justice will be made available to them.

[English]

MR. DEPUTY SPEAKER: You can continue on Monday or whenever it comes for discussion next time.

The House shall now take up Private members' business.

15.31 hrs.

COMMITTEE ON PRIVATE MEMBERS'  
BILLS AND RESOLUTIONS

Sixty-Seventh Report

[Translation]

SHRI CHANDRA KISHORE PATHAK:  
I beg to move:

"That this House do agree with the Sixty-Seventh Report of Committee on Private Members' Bills and Resolutions presented to the House on 26th July, 1989 subject to the modification that—

(i) Para 3 and part (i) of para 7 relating to examination of Constitution (Amendment) Bill and

(ii) Sub-paras (1) and (2) of para 6 relating to allocation of time to resolutions be omitted."

[English]

MR. DEPUTY-SPEAKER: The question is:

"That this House do agree with the Sixty-Seventh Report of Committee on Private Members' Bills and Resolutions presented to the House on the 26th

July, 1989 subject to the modification that—

(i) para 3 and part (i) of para 7 relating to examination of Constitution (Amendment) Bill; and

(ii) sub-paras (1) and (2) of para 6 relating to allocation of time to resolutions; be omitted."

*The motion was adopted.*

15.32 hrs.

RESOLUTION RE: MEASURES TO  
CONTROL POPULATION EXPLOSION—  
CONTD

[English]

MR. DEPUTY-SPEAKER: The House shall now take up further discussion on the resolution moved by Dr. Krupasindhu Bhoi on the 31st March, 1989.

Shri Shantaram Naik.

SHRI SHANTARAM NAIK (Panaji): Mr. Deputy-Speaker, Sir, I stand here to support the Resolution moved by my friend and colleague Dr. Krupasindhu Bhoi on the 31st March, 1989. In fact, I would like to congratulate Dr. Bhoi for the exhaustive Resolution covering the various aspects of family welfare programmes and other allied matters. The stress that he has laid down in the resolution can be noted from the six salient features viz. (i) to recognise the family welfare programme as a national imperative; (ii) evolve a national consensus for acceptance of one child per couple norm by the people; (iii) raise the level of education of women; (iv) provide adequate health care to women and children; (v) lay down a uniform civil code for all citizens especially with regard to marriage and family welfare; and (vi) set up a National Population Commission to suggest measures to achieve the target of zero per cent population growth rate by the turn of the

century. That is why I have called it as a very exhaustive Resolution moved by Dr. Bhoi.

Mr. Deputy-Speaker, Sir, no one can today charge the Government to say that our efforts in the matter of family welfare programmes are anywhere lacking. In fact, the Government is exhausting all the avenues open for the purpose of propagating this programme, and specially with the advent of television, this programme has reached every nook and corner of this country. The programmes are telecast at night-time or other times when people sit around the television. Also, certain short films in the advertisement form are shown to convince the people with respect to family planning needs. But here I would like to stress one thing. We have television serials on the various aspects that are produced by private parties which stress the various aspects of our life. And many a time, Doordarshan tells the producers to produce programmes from a given subject and such serials are given priority, just as serials on illiteracy or AIDS or Drugs and like that. I would suggest that the Ministry and the Government should tell the Doordarshan to approach certain producers for the purpose of producing serials to stress the programme of family welfare. No doubt, Government produces documentary and short films which are very effective. But if TV serials of family nature or social nature are produced, the message will go home in a better and effective manner.

Secondly, it has already been stressed in the resolution to raise the level of education of women. In fact, this is very much essential because if any programme is to be carried out effectively, the level of education of women is very essential. In this respect, I will say that whatever rights which are available to the women folk in rural areas, they are today explained by the people or by the Government machinery, rather in technical terms, which fail to make a point reach to the minds of our woman folk. Therefore, these rights or duties or relations with society or the Government programmes should be explained in the most common language for the people concerning that area. If this is

done, people will be aware, especially the women folk will be aware of their rights with respect to them available in the society. We can now know very much about this. In the present Bill which is pending before the House—the Panchayati Raj Bill—when 30 per cent reservation is proposed for woman folk, specially in a place like Goa, whenever there is a meeting of any political party or a social function, women are attending such meetings and functions in large numbers, without even inviting them with special efforts. This is the effect of the legislation which says that the women shall be given proper representation. If women folk in the country are motivated in this manner, then they will not be lagging behind in understanding the matters before the society.

Another aspect which I would like to stress is this. We have got several centrally sponsored schemes for women in the country. In many cases, it happens that as far as implementation of centrally sponsored schemes for women are concerned, unless proposals come from State Governments, the Central Government does not grant any assistance—obviously and rightly so. But in case, the Central Government is really interested that the scheme should be implemented by the State Governments and, if with the respect to certain schemes, proposals have not come from the State Governments, they should be asked as to why good proposals, with respect to a particular scheme, have not come from the State Governments. This has happened. I will not name the States. In respect of certain schemes, no proposals have come. There is a centrally sponsored schemes for women, for which money is lying so that something can be done and the scheme is implemented by the State Governments. Therefore, if we want to keep up the level of education for women or if we want to give any assistance to them, then these schemes should be implemented by the Government effectively.

Another point which has been stressed in the Resolution is about the uniform civil code. I think, this is one of the finest points in the Resolution moved by Dr. Bhoi because

[Sh. Shantaram Naik]

this code gives equal rights to women in the country. Nobody is to be blamed for that. We have not been able to enact a uniform civil code for the country so far, although the Directive Principles state that we should do it. In fact, an effort was made some time back by our Prime Minister in which there was a proposal to have a uniform civil code on voluntary basis to start with, and the idea was very much linked. But in this case whether it is voluntary or compulsory a consensus is required because the Ruling Party alone cannot go with this sort of a proposal even though it might be a voluntary one to start with. Unless the whole country adopts this uniform civil code, there will be problems in many areas and certain religious bodies may not like to give up their religious rights, etc.

But I think very few people know that in a corner of this country the uniform civil code exists in full form for several years. And that is the State of Goa. For several years now there is a uniform civil code being implemented effectively in Goa. This code was enacted by the Portuguese Government under which men and women are treated equally. The moment a person marries, his wife becomes automatically entitled to half of the share in the property without any writing on papers and without making any documents also. After the marriage if the husband wants to sell or do away with the property or ever mortgage a document in a bank, without the consent of the wife he cannot do anything.

So, in Goa the law applies equally to all—Hindus, Christians and Muslims. There is no special enactment. This uniform civil code has been functioning effectively for decades together in this territory. This is the only solution in case we would like to keep the status of women along with men and give them a real status in life in the family. This enactment, of course with consensus, of a uniform civil codes at some future date is a must. We cannot have it without consensus. It is the only solution that will be available.

Therefore, I once again would like to congratulate Dr. Bhoi for moving this Resolution. I think the Government would certainly agree with the spirit of this Resolution.

THE MINISTER OF STATE OF THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI RAFIQUE ALAM): Mr. Deputy Speaker Sir, at the outset I must express my sincerest thanks to Dr. Bhoi for having raised an extremely crucial and important issue of population growth in the country for discussion in the House through his Resolution. Several hon. Members of this House have expressed themselves on the Resolution. I am grateful to all who have participated in the debate on the Resolution and thus given us the benefit of their views in implementing population policies and programmes in the county.

All the Members who have spoken on the Resolution without exception have underlined the gravity of the situation facing us on account of rising population. We are over 80 crores and given the present indications the country's population in 2000 AD could be anywhere between 95 crores and 100 crores. As Kumari Mamata Banerjee said, we are adding one Australia to our country each year; quite true. The projects for the country's population for 2020 AD range from 120 to 150 crores depending upon the degree of success we achieve in our population programme in the coming 4 to 5 years. There seems every possibility that by 2025 AD we would have overtaken China as the most populous country in the world and fears expressed by Shri Sriballav Panigrahi may come true, unless we act fast.

Such a frightening growth of population has severe implications for the entire socio-economic structure of the country. Production of food may not keep pace with the needs of the growing population. Degraded environment, depletion of forests may result in more frequent national calamities such as droughts and floods. Water could be a problem and so could be the sanitation. Unplanned growth of cities and towns could result in larger slums. The century could end

up by our having the largest number of illiterates in the world. Rising population may result in increasing unemployment and may prevent us from reducing the number of people below the poverty line towards whom all our developmental efforts are being directed.

Thus, way back in 1952, a Family Planning Programme was launched in this country, the first ever in the world. The expenditure on Family Planning which was barely 15 lakhs in the First Plan has risen to the neighbourhood of about 3000 crores in the Seventh Plan. The Couple Protection Rate which was about 10% in 1971 has risen to over 40% now. The programme has resulted in averting over 95 million births. There is an universal awareness of Family Planning though no universal acceptance of the same. By and large in most of the areas of this country Family Planning and MCH services are available.

Unfortunately the acceptance of family planning by a couple is not merely a matter of availability of technology. It is an intensely personal decision, which is governed by the socio-economic situations and the peer relations in which the couple is placed. Thus by the very nature of this situation the role of functionaries and the official machinery is limited. It is here that I fully agree with Shri Virdhi Chand Jain that the people's representatives from the grass root level upwards, from Panchayat leaders to Parliamentarians have to play a crucial role. What needs to be disseminated and propagated is that the family planning is an essential ingredient of mother and child health and that family planning is safe. The hon. Members in this House have overwhelmingly admitted that this leadership on the part of the elected representatives is not forthcoming or as Shri Thombi Singh stated that everybody is for belling the cat but no one bells the cat. We need to create a climate and consciousness and treat the issue relating to family planning above all party affiliations and ideologies and I am happy to note that the support for this is forthcoming from all sections of the House.

Many hon. Members of this House including Shri Vyasji and Dr. Manoj Pandey have argued for providing attractive incentives to motivate eligible couples to adopt family planning. While the Government at present extends some incentives to Government servants, to the general public an amount of compensation for loss of wages is available. This amount, however, only represents the Government of India contribution. In reality, it is almost impossible to compute the amounts of incentives being given to the acceptors by various States, by various business groups or by some industrial houses. There are strong arguments in favour of giving incentives and there are equally strong view points against extending the incentives. The whole question of incentives therefore, merits further discussion—both as a matter of policy as well as of strategy.

I do take note and am in agreement with the Members who have expressed their anger, anxiety and anguish over the level of quality of health and family planning services available in many parts of the country. Through our plans we are constantly making attempts to enlarge the infrastructure and the hardware.

Now, we do realise the need of improving the quality of health services and to this purpose we are planning projects based on intensive training and by improvement of management and supervision in our programme particularly in relatively poor performing States. Towards this direction we are determined and I do assure the Members that we will leave no stone unturned to improve the quality of services available to the mothers and children all over.

15.51 hrs.

[SHRIMATI BASAVARAJESWARI *in the Chair*]

Family Planning programme has been and will continue to be a purely voluntary movement. We are absolutely clear in our views that there is no room for coercion of any manner of any kind in our programme.

[Sh. Rafique Alam]

The urge for accepting family planning must come from within and should be based on motivation and persuasion. We do not favour any legal or statutory steps in this regard. In order to keep welfare of a family in focus, we have advocated the adoption of a two child norm and it is in line with the customs and traditions of this country. Smt. Mamata Banerjee has rightly observed that law cannot do everything.

We are fully aware of the role, female literacy plays in bringing about fertility decline. This point has been highlighted by many Members of this House including Smt. Phulrenu Guha, Shri Ajay Mushran, and Shri Manoj Pandey. The success of family planning programme in Kerala is primarily due to high female literacy and high female employment. Our launching of universal Literacy Mission speaks of our awareness and commitment to bring about universal literacy not for the sake of family planning only but for raising the status of women. It is not only literacy but the overall status of women that determines the acceptance of small family norm.

The Hon'ble Members have referred to the success of adoption of one child norm for lowering the birth rate. I do not have the details of success of such a policy in the neighbouring country to which the Hon'ble Members have alluded to, but I am clear that this policy does not fit into our situation. We seek to promote small family norm of a two child family through voluntary adoption by the eligible couples through our programme. To this purpose we have to make all out efforts to reduce the infant mortality rate. The Universal Immunisation Programme with the objective of immunising every child by 1990 was launched in 1985 as a living memorial to the memory of our late Prime Minister Smt. Indira Gandhi. The programme has been moving successfully and I am happy to inform the Members that all the districts in the country will be covered by this programme by the end of the 7th Plan. Our child survival strategies, we believe firmly, are a pre-con-

dition to the success of our family planning programme. I am in agreement with Shri Shahabuddin that we have to ensure that children do not die prematurely. IMR must come down.

Some of the Members, particularly Dr. Bhoi and Smt. Phulrenu Guha have pleaded for adopting birth prevention methods available in indigenous system of medicine. We have been searching in this area but have not been successful so far. Out of about 400 formulations identified for preventing contraception about 20 were singled out and the experiments are on with regard to 4 formulations which have shown promise of success. We are aware of the promise that ISM system might hold and we are involved in exploring the same. But so far, we are not in a position to introduce anything from ISM in the programme for promoting the prevention of pregnancy.

Dr. Bhoi while moving his resolution had pleaded for taking up measures evolving a consensus on one child per couple norm, setting up of a National Population Commission and enacting a uniform civil code or law for all citizens.

In our family planning programme, we promote two child family norm. This norm has been proposed taking into account the realities of the ground situation. Our studies have shown that in most of the States, particularly in north India, people want about four children to complete the size of their family. Nor can we deny presence of a strong son preference in many parts of our country. Our programme is voluntary in nature and at no cost coercion of any sort has any place in our programme. We feel that it is easier and a more likely possibility of adopting two child family norm in near future by our people than that of accepting one child norm. We have also to take into account the fact that our infant mortality rate, though it may have come down, still continues to be high and in view of this, we will not like to promote one child norm as a national policy in the programme. However, there is no bar on educated and well motivated couples in accept-

ing one child family norm if they wish to do so.

In the matter of setting up of a body like National Commission to achieve zero per cent growth rate of population by the turn of the century, I have to state that bodies or institutions like National Population Commission are only a means to an end and not an end in itself. Our goals are clear. We have mechanism of sitting across, discussion and consulting with State the entire range of our family welfare programmes and policies. The Central Council of Health and Family Welfare is the apex national body, set up under article 263 of the Constitution of India, which reviews the situation from time to time and adopts resolutions and guidelines which propel us towards our goal of population stabilisation. In view of this, there is no pressing necessity for establishing any body or commission at least for the present.

In view of this, the Amendment moved by Shri Shankarlal to the Resolution is in line with our policy.

The hon. Member has also sought to add in the Resolution that a uniform civil law for all citizens for adoption of family planning programme prescribing a limit of two children per couple should be enacted.

I would like to inform the hon. Members that the proposal of the uniform civil code to provide for uniform law for marriage, divorce, etc., applicable to all communities had been under consideration of Ministry of Law and Justice for some time. As the necessary atmosphere in the country for bringing forward a uniform civil code is a prerequisite, it is felt not to proceed with the proposal unless the conditions in the country are conducive for bringing forward such a legislation.

I have informed the hon. Member of what is it that we are doing in the field of family welfare and population stabilisation, of our concern and anxieties on the issue and of our continued efforts in that direction. In view of this, I would request the hon.

Member to withdraw the resolution as the objective, the hon. Member has in mind, is fully shared by us. I personally highly value the sentiments and concern that have been expressed by the hon. Member and other Members of the House and assure them that there will be no let up in our efforts for promoting the programme of family welfare on an integrated basis of family planning and mother and child health services. I will also take this opportunity of urging the Members to lend us their support and cooperation irrespective of party affiliations and ideologies in making the family planning programme a real people's movement.

16.00 hrs.

MR. CHAIRMAN (SHRIMATI BASAV-ARAJESWARI): Dr. Bhoi, you have to reply now. Would like to say something?

DR. KRUPASINDHU BHOI (Sambalpur): Madam Chairman, it is a great privilege that you are in the Chair. I have stressed about increasing the status of women and the population control in my Resolution. I also congratulate the Minister and I will chant a *shloka* for him. After hearing the same, it will be for him to consider whether I should withdraw my Resolution or not.

[*Translation*]

"Paropkaray Falanti vriksha Paropkaray bahanti nadyah Paropkaray duhanti gavah Paropkaray midam shariram."

Our trees bear fruits for others, rivers flow for the benefit of others and our cows also give milk for the benefit of others. Therefore, we are endowed with the human body for doing good to others. I have seen the ideal placement of stars of the hon. Minister. He is capable of such charity.

[*English*]

The reply of the Minister is written by a bureaucrat. It has never been consulted with a technocrat or any doctor or an eminent

[Dr. Krupasindhu Bhoi]

journalist or any industrialist like Mr. J.R.D. Tata. The bureaucrat has not advised him properly about the quotations of Smt. Indira Gandhi and repeated by Mr. Rajiv Gandhi. I also congratulate all the hon. Members who have supported my Resolution and out of 31 Members, except Mr. Piyus Tiraky who had been critical, everybody has though not supported all the six points but somehow or other they have supported me. I must mention their names. Otherwise, I will fail in my duty. They are Shri Viridhi Chander Jain, Dr. G. Vijaya Rama Rao, Dr. Phulrenu Guha, Shri Syed Shahabuddin, Shri N. Tombi Singh, Kumari Mamata Banerjee, Shri Girdhari Lal Vyas, Shri Aziz Qureshi, Shri Kammodilal Jatav, Shri Ajay Mushran, Shri Het Ram, Shri Chintamani Jena, Shri E. Ayyapu Reddy, Shri Piyus Tiraky, Shri Sriballav Panigrahi, Shri V. Kishore Chandra S. Deo, Shri Raj Kumar Rai, Shri Harish Rawat, Smt. Geeta Mukherjee, Shri K.D. Sultanpuri, Prof. Saifuddin Soz, Shri Nityananda Misra, Shri Uttam Rathod, Shri Mankuram Sodi, Shri K.P. Singh Deo and Shri Manoj Pandey. The Ministers instead of going into the points comprehensively, have only diluted the points. I was expecting a better reply from the Minister. But, unfortunately, if at all I have to withdraw my Resolution, I should at least be satisfied if he recommends the family planning programme as a national imperative, as I have already spoken. He has to strive for a zero growth rate by adopting one-child norm by 2010 A.D.

According to my information, the present population of India is more than 820 million; it is not 800 million. BBC also announced about thirty days ago that by 2015 AD at this rate of growth of population, the population of India will surpass that of China. In view of this, I had suggested to have a comprehensive legislation to proceed in two phases; first, two-child norm, then sterilization, vasectomy or tubectomy and then re-canalization of vasdeference, if required. The re-canalization success rate in India is only 30 per cent, whereas in the western world, it is 80 per cent. Do you think that our

doctors are not capable to achieve that success rate of 80 per cent? They are very much capable, but you have to supply them laparoscopes in all the primary health centres.

Rs. three thousand crores provided for family planning is not a small amount. We are purchasing copper T tubes, we are importing loop from abroad. When India can produce Intermediate ballistic missiles, when India can produce medium range ballistic missiles, when India can produce intercontinental ballistic missiles, why not this? When Shri Rajiv Gandhi will stop star war by 2000 AD, and for which reason we are not producing polar missiles, why can't we do this?

"Ganga Satudi Yamunadinadyah, yasya prasutum paripalyanti, Shri Ram Sita Charanaih praputah, same priyo Bharat bhavya deshah."

As I said, I suggest once again a comprehensive legislation. If we import Lee Tube now, and with the help of laparoscope, optic fibre can be inserted in vasdeference and Fallopien tube respectively, and after that if you conduct vasectomy or tubectomy, the tube will remain potent. If unfortunately, one child dies, in the couples reproductive age, we can re-cannalise it and the chances of success can be eighty per cent.

We are also testing too non-vulnerable herb, whose chances of success are almost hundred per cent. But for that, bio-medical research is required. Who will do it? I had suggested that in my Ayurved College and Research Institute, I can produce a medicine with the help of a best druggist, from an Institute like AIIMS, Shri Siddiqui, a bio-chemist and a person who is responsible for the reproductive biology. If these three persons combine, we can succeed in a period of three years. That will be very helpful for India and that will be perhaps the biggest achievement of India. These vulnerable herbs are available in my place Gandhmardan and Bastar in Koraput district. ICMR is also doing research, as you told us, but what their findings are, I cannot tell. This vulnerable herb is preserved in my garden also.

As I said, unless the druggist, the bio-chemist and the reproductive biologist combine in this research we cannot succeed.

The fertilization stops for three years after a single dose of one root. If unfortunately, the couple loses their child, then we can give another dose of another root, by which re-fertilization occurs in the woman. So, this should be tested. We can change the terminology of Indian System of Medicine to Indian system of Modern Medicine. We have borrowed Allopathy system from the West. Homeopathy system we have borrowed from Nepal. Ayurvedic system of medicine is our own Indian system of medicine. So, why should we not consider it? First and the foremost thing I would like to know is where does this Rs. 3000 crores have gone. In 1975-76 we could sterilise about 80 lakh eligible couples then why for this year the figure is only 50 lakhs that too when we are spending Rs. 3000 crores. Only 3 to 4 cases which came to the court could be justified. So, I would say let us forget the Health Department. The other day Madam Saroj Khaparde was saying that there is no role of vaccine in Cholera in epidemic area. I was very much surprised to listen it. These vaccines when reach the Primary Health Centre only 17 per cent potency is left in them. I have got no grudge against the bureaucrats. They are the sons of the soil, but they have been given training in the Western style. I would say, if there is Indian medical service or Indian engineering service, then we will get better results. Well, I am not doubting the sentiments of the bureaucrats. My humble submission to the Minister without cutting to the sentiments of the bureaucrats is that these institutions or the Medical Faculty should be headed by a person of eminence and merits and merits alone should be the consideration.

One-child goal is nothing. We can have a legislation about that. There is no bar on this in Malaysia. In Maharashtra they had a legislation but they have withdrawn it. So, the first and foremost thing is to have a Population Control Commission like the one in Malaysia. The Prime Minister is the Chair-

man of that Commission. If the Minister wants, I can quote the debate but I don't want to take much time of the House. The Prime Minister should be its Chairman; Minister should be the convenor and one eminent journalist or an eminent industrialist like Shri J.R.D. Tata, who have knowledge in this field, should also be there. If in the world the success rate is 80 per cent then if we adopt it in our country we can also register 80 per cent success. Just now Mr. Naik told as to how it can be propagated. You don't have to ask doctors to come here or to have a Centre to give training. Through T.V. you can give training. We are giving incentives to the couples who have one child. I have stressed about the education of women, particularly in the below poverty line areas. That question has not been answered. People living below the poverty line do not come to schools, especially the girls are earning money by doing some work at home. So if they send their girl children to the schools, they should be given Rs. 50 per cent incentive. Free education and free books upto the 12th standard should be given to these children. Whether a man is rich or poor, he should be given such facilities. I suggest that 50 per cent of the seats should be reserved for women coming from every category in the Engineering colleges, Medical colleges and in other places, just like Rajivji had done in Panchayats, Panchayat Samitis, Zila Parishads and Municipal Committees. Without education the status of women cannot be increased. It is already mentioned in Articles 14 and 15 of the Constitution. Because in India, if you abrogate any Article of the Constitution, you will not come under privilege. The Act of Parliament is there. The Rule is there. If anybody abrogates it or if anybody infringes it, he will come under privilege and he can be punished.

Mr. Shantaram Naik has categorically told that under Directive Principles, it is there. 'So, nobody can stop it. In London, at the time of appointment and retirement, there is discrimination as far as women are concerned. There are so many other things. I am an MP who comes from Doctors' profession. If my wife is a matriculate, she cannot put pres-

[Dr. Krupasindhu Bhoi]

sure on me. After three or four children, she can tell me. What can you do? So, if a woman is equally qualified, she can ask her husband, she can ask her parents, she can ask her brother-in-law or for that matter everybody that "please don't do this mistake." We have made a legislation that girls below 18 years of age should not marry. But still 48 per cent of the girls, upto that age now, are marrying. Unless and until, some pressure is put on the grey matters on our Indian people, they may never follow it. Just by way of lectures or showing films in the theatres or something like that, can't help. Unless and until the status of women—I could have elaborated much but the Minister is well aware of my sentiments—is improved, it cannot be done. We should have a uniform civil code. I remember the speech which was made by Noorjehan in Rajya Sabha on 13th August, 1982 to the Resolution moved by Mr. Bhandare that "Muslim Personal Law permitting a Muslim to have any number of wives as he likes. When a Muslim is permitted to have his second wife, the law clearly says that he should obtain the consent of the first wife as well as he should have the material support to provide for both." Even Shri Shantaram Naik, Dr. Manoj Pandey and other people who have spoken just before me have quoted different muslim countries as to what their laws are. What is happening in Egypt? What is happening in Bangladesh? In Bangladesh also polygamy has been banned. In Pakistan, they have to take the permission. So, we are not going to touch them their basic personal law. I was giving the quotations of 3-4 Imams who control 27 per cent of muslim population of the globe. So, 27 per cent of the globe represents muslim population. What was their view, that I have quoted. So, this was mentioned by Noorjehan. At that time Shri Hidayatullah was the Chairman.

He was the best person. He said: 'Please form a committee, and change the existing Muslim Personal Law in India.' So many eminent people have said this. So, accord-

ing to me, in this commission, representatives of Imams, of Mullahs, of Shankaracharyas, and of the Sikhs—all the people should be there.

I am a small man; I have not made elaborate points, but I have so much information available in my Chamber. But let them examine my suggestion and formulate a policy as to whether a legislation is required or not, a Common Civil Code should be there or not, and whether a one-child norm should be fixed.

I request that a sanction may be given to me for this bio-medical research centre. I am one hundred percent sure that among these non-vulnerable herbs, two categories are very potent. Just as in *Raulfia Serpentina*, from the root we get Serpasil, from the barks and leaves we get 17 alkaloids and from the fruit we get Cortisone, we have to adopt a method here and see what are the ingredients. Then only we will know by which time the fertilization of ovum is stopped, and by which time we can take steps to revitalize, for re-fertilization purposes.

The provision of Rs. 3,000 crores is not a small thing. Earlier, the allocation was meagre, which was like a drop in the ocean, and like pelting a stone at the mountain. But the present amount is fairly huge. But why should be we import things which are available here itself?

I have already said that the bureaucrats will not be knowing the technicalities of the subject; but I do not cast any aspersions on them. But the correct attitude should be there among the bureaucrats. In the Hindi belt, the most important thing that we have to do concerns the appointment of agents. For every 2,000 eligible couples, four agents should be there. These agents should have a minimum qualification of Matriculation. They should be recruited only from the villages concerned, so that the lady knows the social taboos, and also where the shoe pinches. If she proves her worth in three years, she should be immediately absorbed in the Department of Family Planning.

Population control is now entry No. 20 in the 7th Schedule, under Article 246, it is in the Concurrent List. So, the Finance Minister is giving so much money to different States; but they are spending the amounts as they like, giving incentives as they like. These things are on record. My suggestion is that you can bring it under the Union List. My emphasis would be on the North Indian States, viz. the Hindi belt where the period between 14 and 25 years of age among the females is the most susceptible period for fertilization. During that period, without asking any questions about parentage, Medical Termination of Pregnancy should be done, on a punch button basis. (*Interruptions*)

I am very brief, Madam. If you allow me time, I can speak for ten hours on this subject.

But the Act of the MTP should be amended for conducting Amniocystosis Chononi Villi Test. This test should be abandoned for female foetocide; only it should be allowed if malformation baby is there in the uterus like hydrocephalus or spina bifide, coyined twin pregnancy.

The second point is about non-formal education through word of mouth by women workers. Facilities should be provided to liberalise MTP by providing instant abortion facilities like Japan's push button system. Facilities should also be provided to improve child survival and thereby lower the infant mortality, oral rehydration, breast feeding, health education and applied nutrition supplementary. I am giving concrete suggestions to the hon. Minister for this. The facilities for Gamma Ray sterile kits are now available at Bombay and Bangalore and likely at Sri Ram Institute, Delhi. 160 million eligible couples are there now in India. In Australia, for the lady who is pregnant, these Gamma Rays Sterile kits are given to her freely so that during the time of delivery, these kits can be used; the potency of these kits remains for one year in whichever temperature you keep them. So, the kits can be

used at the time of delivery because the Malaumcoil is susceptible to infection. So, the infant mortality rate which is now 95 per thousand, can be reduced to 30 per thousand by following the example of Australia.

Our Prime Minister is taking some steps which are not palatable to the Congressmen, but still he wants to give justice to everybody. For that reason, he has signed Accords in Punjab and Assam. Until and unless we try to follow one child norm, which is possible—I have been telling for a long time—we cannot go ahead. So, a comprehensive legislation should be brought forward on the suggestions I have given above. Now if the hon. Minister tells me something about it, then I will withdraw my Bill.

“Parabhyate no khalu vighnabhayan  
neechai  
Parabhya vighnavihita viramanti-  
madhyah  
Vighnaih punah punrapi pra-  
tihanyamanah  
Prarabhyamuttam Janah na pari-  
tyajanti.”

[*Translation*]

It means that there are three types of people in this world—the inferior, the average and the excellent. The people who do not want to take any initiative are labelled as the inferior type. The average are those who are able to take an initiative to do a work but abandon it when obstructions come in their way. The excellent ones are those who complete a task once they start it, inspite of all odds. In 1977-78, the term ‘Family Planning’ was changed to ‘Family Welfare’. Shri Rajiv Gandhi is Jawaharlal Nehru’s grandson and, therefore, no one can oust him. I sum up my point with the following Sanskrit verse:

Purusheshu Malli, naganeshu Dilli,  
Narishu Basavarajeshwari, nareshu  
Rafiq Alam’  
Nripavareshu Rajiv Gandhi, Kavyeshu  
Meghdootam Kavi Kalidasah.

[Dr. Krupasidhu Bhoi]

[English]

Zin Dixon had announced in a hotel that Kennedy is being assassinated and after a moment it was announced on T.V. and Radio that Kennedy was assassinated. She wrote a book entitled "Crystal Balls" where she predicted.

Shri Rajiv Gandhi will stop this star war and by 2000 AD, UNO will be shifted to India.

We may not see, but our children will see, not Rahul Gandhi as the Prime Minister, but Priyanka Gandhi.

Let the Minister reply now. Then, I withdraw my Resolution.

THE MINISTER OF STATE OF THE MINISTRY OF HEALTH AND FAMILY WELFARE (SHRI RAFIQUE ALAM): Madam, I am thankful to Dr. Bhoi for his valuable suggestions and I assure him that his observation will be of great value to us in the implementation of our programme.

I have already covered the points raised now by Dr. Bhoi in my reply. I would now request Dr. Bhoi to withdraw his resolution.

We are committed to Family Planning Programme and its success through education and motivation.

MR. CHAIRMAN: There are two amendments which have been moved by Shri Shankarlal and Shri Syed Shahabuddin. Now I shall put them to the vote of the House.

#### Nos 1 and 2

*The amendments were put and negatived*

MR. CHAIRMAN: Dr. Bhoi, are you withdrawing your Resolution?

DR. KRUPASINDHU BHOI: With deep sorrow and anguish and with a heavy heart, I want to withdraw my Resolution.

MR. CHAIRMAN: Has Dr. Krupasindhu Bhoi leave of the House to withdraw his Resolution?

SEVERAL HON. MEMBERS: Yes.

*The Resolution was, by leave, withdrawn*

16.34 hrs.

#### RESOLUTION RE: EMPLOYMENT TO ONE MEMBER IN EACH FAMILY

[English]

DR. G.S. RAJHANS (Jhanjharpur): I beg to move:

"This House urges upon the Government to provide suitable employment to at least one member in each family."

[Translation]

Madam Chairman, I have brought this resolution with a heavy heart. On the basis of my experience of the last 4 1/2 years, I can say that unemployment is the biggest problem facing the country today. Shri Rajiv Gandhi by according highest importance to this problem, has carved out a permanent place for himself in the history of the nation.

While announcing the Jawahar Rozgar Yojana in this House, the Hon. Prime Minister had stated that there was no problem in this country which was more serious than that of unemployment and under-employment. The grassroot level workers in the rural and the urban areas, the people who come across the problems of the people, are the only ones who are able to comprehend the seriousness of this problem.

The Jawahar Rozgar Yojna envisages to provide employment to at least one member of each family living below the poverty line. There are crores of families which have no means of livelihood even

today. I have stated in my resolutions that suitable employment opportunities are not available. In my constituency alone, there are at least one lakh unemployed people and there are many more such cases in the adjoining areas. When I visit my constituency and see these hordes of unemployed people, I get very much worried. I am naturally concerned about their future and I do not know as to where will their unemployment lead them to. The way water finds its own course, these unemployed youths will also go wayward. And they are already going astray. We can observe that from the agitations that are taking place in Central Bihar in the name of Jharkhand movement or elsewhere in the country, it is generally the unemployed youth who participate in them. In this connection I would like to refer to the education system in the country, in general, and in Bihar State, in particular. It is unfortunate that the local politicians have a tendency to set up colleges and recruit lecturers by taking bribes from them and charge capitation fees for admission into these institutions. When a young man comes out from a such college with an intermediate or B.A. degree he becomes a burden on the society as he does not get employment anywhere. In the meantime, his parents marry him off. Thereafter his condition becomes more miserable as the members of his own family start cursing him by saying what a miserable man he is that he can't get a job despite so much expenditure having been incurred on his education for which even landed property of the family had to be sold. Even his wife passes taunting remarks on him and curses her parents for marrying her to a boy who is unable to secure a job anywhere. His in-laws gibe him by saying that he is useless fellow. They say that they married their daughter to him thinking that the man would be able to earn his livelihood one day but he proved to be a worthless fellow. In society also, he is ridiculed by the people for his failure to rope in good connections to secure a job for him. People often cajole him citing examples of other boys who managed to secure jobs purely by virtue of high connections. Under such mental agony, he comes to city in search of employment. But his agony does

not end here also, he has to run from pillar to post but to no avail. When he fails to get a job in the city, he goes back to his village where nothing but the same old gibes are in store for him. This adds fuel to the fire coaxing him to revolt against the law and take to arms. In utter frustration, he joins hands with the terrorists. This vicious circles is going on in the most parts of Bihar today. Educated youths who did not get employment, have taken to arms and formed a parallel Government in some parts of the State. It is feared that this evil may spread in other parts of the State or the country. So it has assumed an alarming proportion, the consequences of which are beyond our comprehension. A time will come when there will be an army of educated unemployed youths plundering the country and we will be helpless in providing employment to them. So there is time for us to give a serious thought to this problem. Article 41 of the Constitution relating to the Directive Principles of State Policy provides:

[*English*]

"The State shall, within the limits of its economic capacity and development, make effective provision for securing the right to work, to education and to public assistance in cases of unemployment, old age, sickness and disablement and in other cases of undeserved want".

[*Translation*]

The need of the hour is that the right to work as contained in the Directive Principles of State Policy should be made a fundamental right. At least one member of each family should be provided employment. I have seen, as I said earlier also, leave aside unemployment among uneducated youths, even hundreds of thousand of educated youths are unemployed. You would be surprised to know that in the cities like Delhi persons with first class degree in Economics, History etc. or with post-graduate degree are doing menial jobs such as washing plates in hotels. Is it not our responsibility to provide proper employment to them befitting their qualifications and ability? What is there for him in his

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village where his family is not in a position to get even two square meals. He does not disclose his qualifications and ability to anybody and whatever is offered to him, he accepts it, whether it is a job of a labourer or a waiter in a hotel or for that matter any other menial work, so that he is able to earn his livelihood. He thinks that even if he is not able to save money to send back for his family home but he is content that he will not longer be a burden on his family and if he is able to save a small amount of Rs. 100/- or so, he may send it to his family for their sustenance. He says that nobody in his village knows the kind of work he is doing in such a big city like Delhi or Calcutta. What I mean to say is that a sense of frustration is fast growing among the youths, particularly the educated youths and it is essential to check it. I would like to tell you that there is a vested interest in the society. Suppose there are six members in a family whose five members are already employed still the sixth member of the same family will get employment. Thus the members of such families whose not a single member is employed, remaining unemployed. If four members of my family are employed, I will try my level best that the fifth member of the family is also appointed. It is the duty of the Employment Exchanges to display the vacancies properly and intimate the persons registered with them about the vacancies. They should arrange employment for the unemployed. But these duties are not being performed earnestly by Employment Exchanges. I am making this submission with full responsibility and my personal experience is that the employment exchanges in the country and Delhi in particular are hot beds of scandals. Firstly, they refuse to register the names of the candidates on flimsy grounds. Suppose a person hails from Bihar or Uttar Pradesh, they would refuse to register his name by saying that his certificates are in Hindi, as if they do not know Hindi or they have come from England. When the concerned individual approaches the people's representative of his area and a man like me asks them over telephone as to why they are not able to read

the certificates issued in Hindi, they would reply that they will look into the matter and request us to direct to persons concerned to them. When the individual again goes there, they again harass him by raising doubt about the genuineness of his certificates. Despite repeated requests and pleas made by him in support of genuineness of the certificates, the employment exchange men do not budge and direct him to get them certified by the Employment Exchange in Bihar to the effect that the certificate is a genuine one. As the functioning of employment exchanges all over the country is more or less the same, when he goes there, they demand a sum of Rs. 100/- as illegal gratification for certifying the genuineness of the certificates. After doing the needful, when he again goes to employment exchange in Delhi, the man in the Exchange will say that his name is already registered in the Employment Exchange in Bihar, so he cannot get employment in Delhi. This time he is asked to furnish a certificate from the exchange in Bihar that his name is not registered there, failing which his name cannot be registered here. This frustrated man again goes to Bihar and requests the officials of the concerned employment exchange in Bihar to strike his name from the live register of the exchange so that he could get his name registered in Delhi. Now, they demand a fat amount of Rs. 500/- from him to do the needful. However, the deal is struck at Rs. 200/- which he has to manage by selling the foodgrains in his house. After fulfilling the requisite conditions, he again comes to Delhi in the hope that this time his name would be registered here and he would get employment in Delhi. But alas ! what a bad luck for him. After a few rounds of the exchange, he is asked to bring a ration card. He is told that unless he brings a ration card, his name cannot be registered in the exchange in Delhi. He again comes to me for help. Being moved on hearing his pathetic story, I ring up the concerned man in the exchange and remind him that the man has got his name struck from the exchange in Bihar on their advice. Not only this, I also certify that he resides in Delhi. But I am told that even my certificate is of no avail in the matter. They insist on producing a ration card.

They say that unless a ration card is produced by him, his name can not be registered. Is it not complete lawlessness? There are no rules and regulations for their own people. Their names are registered and thereafter employment card is also prepared for them. You hold out that the employment exchange authorities are doing good work, but I say that they are causing striking at the very roots of the society. We shall have to face the consequences. In case it fans the flame of resentment among the people, what will be its result? When a person has to visit the employment exchange for a number of times and still his name is not registered with the exchange, will he forgive us? He will be disappointed, join the naxalites and ruin people like us. I request you to find out a solution to this problem.

The proper way for this would be that all the vacancies in the private companies should also be notified through the employment exchanges. All the recruitments in these companies should be made from amongst the candidates sponsored by the employment exchanges. I can say with authority that there are 5 percent such companies where recruitment is made through employment exchanges. I know thousands of companies in Delhi and Faridabad where this practice is not followed. They say that they had despatched letters by post which might not have reached the candidates. In this way they only observe formalities, express their helplessness and later say that they have already filled up the vacancies. Will it not create resentment among the people whether they belong to Punjab, Haryana or Bihar? They will think that the jobs which were supposed to be made available to them, have gone to the people with lower qualifications. It is injustice.

In this way it is difficult to assess as to what shape the resentment and anguish of the people will take. There are instances in other countries where people rose against this type of injustice. I, therefore, request you with folded hands to check this sort of injustice. In fact, what happens is that the private companies engage people on casual or daily

wage basis. Later, they say that they have no vacancies. After a gap of some years a note is put up to the higher ups requesting them to absorb the casual labour working for the last two years on a permanent basis.

I beg pardon of my trade union friends, because it so happens that the trade union people put pressure on the management to recruit their own men and not to hold any open competition. As a result, the relatives of the office bearers of the trade unions get recruited. People who had come from Bihar, Punjab or Haryana continue to remain unemployed. It does not matter for them if they possess far higher qualifications than the persons who were given employment. It is a racket. If we do not bust this racket, we will have infact to face a very difficult situation.

Though I have a number of points to make, yet I amenable to do so as my heart is filled with sorrow. You repeatedly say here that it is difficult to provide employment to each and every person and the people should go in for self employment. Then you should provide the means of self employment and financial assistance from the banks to the people. Earlier also, I had made a plea in my speech and today also I asked Mr. Faleiro to name a bank which has advanced loans to any such people. From what source the people holding a diploma in mechanic trade or in the trade of an electrician from the I.T.I., who have a will to start their own business, will get money for self employment. They are not provided loans by the banks for the purpose. Even after approaching the banks a number of times they are not getting loans. When persons of my status write letters to the hon. Minister, we get a stereotype reply from them. "I am looking into the matter or the matter is being looked into". I want to know as to why do you waste the stationery of the Government. You could convey the same through your P.A. or over the telephone that the matter is being looked into or you could print the stereo-type reply on post cards and reply to hundreds of such letters. The hon. Minister forgets it that once he is relieved of the charge of the Ministry, even the Members of Parliament like us, will take

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no notice of them. Who bothers for the woes of the people? If somebody knows driving, he finds it difficult to get a scooter. Please come with me and arrange a scooter for such a persons. It is very easy to deliver speeches, but it is very difficult to realise the gravity of the problems of people. Until and unless you identify your rules with the problems of the people, you cannot bring social justice in the real sense of the term. When the cake of employment is very small, it is of no use if we make speeches after speeches that everybody in the country will be provided employment. When the cake is small, we should take care to see that people get their due share in it and there should be no injustice on that account. If there is a vacancy in any part of the country, it should be filled up strictly on the basis of open and written competition and interview and there should be no scope for favouritism on the ground that a particular candidate is the near and the dear one of the factory owner or a trade union leader or the blood relation of a politician leader or a bureaucrat. Then you will find that efficiency has become the part of work culture. For that matter if there is a vacancy in any private company or in any part of the country, there is no need to have the names of candidates sponsored through an employment exchange. By doing so you will find that resentment among people has receded because the people will come to understand that they were not so capable as to get through the competition. They will not have a feeling in their minds that they could not get the jobs for want of Rs. 25,000. They will realise that employment will be available for those who hold higher qualifications. People who were hitherto engaged in unproductive jobs will try to find productive work. Because this procedure will instill confidence in them that they also can get this type of employment. Six to seven lakh people of my constituency work in Delhi, Ghaziabad, Faridabad and Balabhar areas. At least 300 to 400 people meet me every day. Every day I write recommendation letters for individuals and hand over to them. After a number of letters are written to the employers, they provide em-

ployment to a person just out of pity. A sort of feeling has gained ground in the minds of the people that without approach they cannot get employment. But I am of the view that it should be the reverse. People should be given to understand that they will get employment on the basis of their qualifications and justice will be done to them. For this, the Government, if necessary, should make suitable amendments in the constitution. It does not matter if the Government faces an uncalled for situation but it must be sure that justice is done to all.

17.00 hrs.

Priority in employment should be given to the people in whose family nobody is an income tax payer. Those families, which have an income from agriculture and which pay income tax and the families which have 3 to 4 members already employed can wait for some time. On the other hand, preference should be given to those families where the members of first generation are educated and are now in search of employment. If they cannot be given preference over others, they may be provided necessary opportunities to compete with others. Priority should be given to the members of those families in trade and business, the outgoing generation of which has been educated and who are making every endeavour to come up with a hope that justice will be done to them. You go to any part of Bihar, you will find that people are travelling on bus roofs and hanging like bees. Why is it so? It is because the Government does not issue permits to run new buses. What a grave injustice it is! Please provide financial assistance from banks to unemployed people to form a society of the un-employed people and issue them permits to operate new buses. It will be beneficial to passengers also. The need of the hour is that you mix with the people, please liberalise the entire system without any restriction on the number of buses to be plied by a single individual or the group of individuals. Let any number of people run any number of buses to be financed by the banks. It will boost up economic activities with the availability of additional opportuni-

ties of employment for the people. Keynes had said that employment is spiral. For example, somebody sets up a bread factory and by that he gets wages making him capable of purchasing milk. It will help open more dairy farms. By that money he will purchase clothes which will necessitate the opening of more cloth mills. With the opening of new cloth mills more people will be given employment and they will purchase furniture resulting in the setting up of furniture units. It is called the multiplier effect. You create avenues of employment and the employment multiplier effect will automatically start working. During the period of recession in England Keynes made a suggestion to overcome the situation not by taking any special measures but by taking necessary measures like the digging of pits during the day and filling them up in the night to ameliorate the condition of the masses by infusing money in the market. By that people will get money and the money will be brought in circulation and thus the condition of people will be ameliorated. If we think of finding ways to provide employment, it is not necessary that one should be dependent on the Government. The only thing that is necessary is that the Government should give guidance and ensure that justice is done to all. Some more friends of mine want to speak on this occasion. It is such a subject which concerns all. I would like to request the Government to think seriously on this matter and make every effort to provide some employment, at least, on the principle of 'one job one family' depending on the qualifications of the individual, in the rural as well as in the urban areas.

[English]

SHRI SHANTARAM NAIK (Panaji): Madam, I stand here to support the Resolution moved by my friend Dr. G.S. Rajhans. In fact, in the last four years I have been seeing that all the Private Members' Resolutions or Private Members' Bills which are discussed here have to be withdrawn in consonance with the wishes of the Government or due to some mild assurances given by the Government. And we do it. In fact, the Members of

the opposition parties have done it. If a small assurance to that effect comes from the Government with respect to Private Members' Bills or Resolution, and if this Resolution is adopted, the Government has to take consequential steps to implement that Resolution and, many a time, unless budgetary provisions are made available to that effect, Government may not be able to implement that Resolution or Bill. I can understand this. But here, I would like to state that Dr. Rajhans is very lucky in one respect as this policy has already been accepted by the Government and the Government has started implementing it. Therefore, the question now arises is as to what is to be done at the fag end of the debate on this particular Resolution? You can very well tell the House and direct that this Resolution should be adopted by the House. And if it is done, we will be only agreeing, falling in line with whatever the Government has agreed to because in this particular Resolution, unlike the Resolution moved by Dr. Bhoi, you cannot ask Dr. Rajhans to withdraw it for the simple reason that you have already accepted it in principle. So, at the most, unless it becomes redundant, you can say that it is not necessary. But if at the fag end of the debate you accept this Resolution and start implementing it, it will only strengthen the resolve of the Government.

Secondly, I would like to inform the Madam Chairperson that Goa is the first State which has started implementing this scheme of 'one job one family' almost two years back. We could do it because we are a smaller State. It is a problem for a bigger State. But being a smaller State, Goa Government enacted the scheme and started implementing the scheme. Therefore, this scheme undoubtedly is a laudable scheme accepted by the Government. Connected with this employment scheme, this first machinery, the only vital machinery which comes into play is the employment exchange. Dr. Rajhans has very vividly told about the employment exchanges. You have to admit that corruption is rampant there. In fact, I have got an authentic information that even the Central Government is fully thinking of as

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to what is to be done with respect to our employment exchanges. Corruption is there. We cannot avoid it. But may I know from anyone who can reply to me—either at the State level or at the central level—about the corruption which takes place or acts of indiscipline on the part of the Government servants which takes place with respect to employment exchanges? Are there any cases filed under Prevention of Corruption Act, 1947 and if so, how many such cases are filed with respect to this? Suppose, in a State, if you file five or ten cases per year with respect of giving of jobs to the people or the malpractice which takes place in the employment exchanges, these things will be reduced automatically. But despite the existence of logical machinery, we do not file cases, we do not prosecute those who harass the people. In case, we start prosecuting these persons, whatever may be the result, in course of time, I think, the corruption which is there in the employment exchanges will be reduced or minimised.

Apart from this, what is required to be done today with respect to employment exchanges is this. In case, human discretion is to be avoided, what is to be done is the computerisation of all the employment exchanges in the country. Maybe that exchanges are now at the disposal of the State Government; but the State Governments have to be prevailed upon. I learn that there is a scheme of the Central Government to assist the State Governments in this matter. If so, that scheme should be implemented and within a period of two-three years, all the employment exchanges in the country should be computerised, so that the minimum human discretion is involved. I don't say that if computerisation is done corruption can be totally avoided. No. But I can tell you that straightway corruption to the extent of 50% can be avoided if computerisation of employment exchanges is done.

As we are the representatives of the people, people come to us requesting that 'please tell some officer to take my name to

send a call to some Department'. Suppose we tell them that there is a yearwise list and we cannot interfere, they will laugh at us because they know that nobody goes by the list, nobody takes the name yearwise today. I cannot tell them that I cannot interfere because I also know that everybody interferes from all the sides. So I wish that let a day come with a representative of the people should be able to say that 'no, I will not interfere in this matter because everything is being done systematically, when your turn comes, your name will be called and a call letter will come to you.' He should be able to tell people like that. But now unfortunately we have to ring certain people to see what has happened to a particular case, whether a call letter is sent or not, etc.

Some people think that because we have got employment problem, we should discourage higher education. This is a policy matter. I am totally opposed to this idea. Because we have got sufficient number of engineers if we stop opening engineering colleges and because we have got sufficient number of lawyers and we stop encouraging law colleges, that idea somehow does not attract me. Whether it is lower or middle education, ultimately we have to go on increasing the scope of education, whatever may be the fate of the educated people. As I said earlier, water will find its own course. Perhaps these youngsters may also find their own course in the matter of employment.

Another aspect I would like to stress is that we are opening in various places industrial training institutes. There we admit people because ultimately they should get some job of a technical nature. The other day in Goa I found some admissions were made and somebody challenged the admissions given in the ITI. The Court decided that on the basis of simple interview no one should be admitted in the ITI; but an aptitude test should be taken. Ultimately the aptitude test was taken and it was found that hundreds of boys who appeared for that aptitude test failed. The question is, in such matters is it the Government which is going to decide as

to what should be the test. how they should be admitted in the ITI or is it the court of law If a court of law had decided that aptitude test should be taken in the matter of admissions to ITIs, I would say the Government should frame rules to say the manner in which the boys should be admitted in the ITI We should not leave these things to court of law because it is a policy matter It should be framed by the Government and the laws or rules should be enacted to that effect

Lastly, I would like to submit that since we are for creating jobs—maybe jobs of a particular category are not available in the country—jobs of divergent categories, maybe of smaller grade, will have to be created But jobs of lower grade category may not be acceptable to some of our well educated people For that, we should create the work culture If work culture is there then jobs of any grade would be acceptable to the people at large Today people seek only white colored jobs If they get jobs of manual nature they feel that the dignity gets lowered They should recognise the dignity of labour with regard to all sorts of works The educated man prefers to go in for white colored jobs Therefore, the employment problem will be solved only to that extent

At the end, I once again congratulate Dr Rajhans for bringing forward such a Resolution I would say that he is lucky because there is no reason for the Government to ask the hon. Member to withdraw it It has to be accepted In the last four years, no Private Members Resolution had been adopted Perhaps, he may be the only person to be lucky enough to get his Resolution passed

SHRI SRIBALLAV PANIGRAHI (Deogarh) Madam Chairperson, At the outset I thank you for calling me to speak on this Resolution I thank the mover of the Resolution, Dr Rajhans, our good friend, for having brought this Resolution before the House which has ultimately provided the opportunity for discussing this important problem in this House

Madam, today the country faces so many

problems We confront problems one after another The most serious problem is the problem of unemployment The ruling party—the Indian National Congress—has also addressed itself to this problem in its Session which was held in May last It was discussed and the spirit of the Resolution at least one member from every family should be given some sort of employment was approved in principle As you know, in pursuance of that, the Jawahar Rozgar Yojana has been launched Of course, the Jawahar Rozgar Yojana is also being discussed in this House It is inconclusive From the Budget Session itself, the discussion has been going on Yesterday also we have discussed Today also all that we are discussing have some such bearing on this problem, the problem of a very serious nature, the problem of unemployment Just prior to this what was the matter that we were discussing It related to population explosion That was the private members' resolution which was being discussed That is also connected with the problem Again earlier to that the Government business transacted today related to setting up of small industries development bank That is also in a way connected with this problem of unemployment So all the three discussions today that we have had in the House related to this problem The Jawahar Rozgar Yojana which has a provision of expenditure to the tune of Rs 2613 crores will go a long way to provide succour to the needy and poor people in rural areas It is meant to benefit the uneducated labour but Madam our unemployment problem is not confined to that It is two-fold It is educated unemployment, and uneducated unemployment and also under-employment and Government has to evolve a strategy to effectively tackle this problem It has taken a very alarming proportion I am not going to quote figures It is just alarming Members are very much aware of these figures I may also say that the figures that we have in the live registers of our employment exchanges cannot be fully depended upon The real figure of unemployed persons is much more than what is contained in Government records that are being maintained in the form of live registers in the employment exchanges.

[Sh. Sriballav Panigrahi]

Whatever it is here I would like to narrate the experiences of the people of the year 1944, viz., at the time of Second World War and before Independence. That situation continued in some areas even till sometime after Independence. They say that the moment young men and women left the universities and were in the midst of enjoying their vacations and even sometimes before the results were published they used to get appointments as lecturers. I had a Professor who used to tell us that during the vacations itself before his MA result was published he got an offer. He was requested to join and the appointment was to be confirmed subject to publication or results.

Now look at the situation. Today even Ph.D. degree holders are not even getting calls from the Public Service Commission to be considered for the post of lecturer. I have seen myself half a dozen such Ph.D. degree holders. I can name them. It is most pathetic. Here I would like to narrate one incident. I represent the entire coal-belt in Orissa stretching over two districts, viz., Sambalpur and Dhenkanal. They come within my parliamentary constituency. The coal industry is expanding. We are opening up new coal mines. That gives employment to people and since British days what is the qualification required for a loader a coolie who cuts coal in the underground mine. The qualification required is 'LTI' Left Thumb Impression. I also appreciate the wisdom of British administrator who can go in a tunnel-like thing to get to the underground mine. Unless one is an illiterate fellow, one who is not conscious of prestige, etc., he cannot go there and work. There is no light and air. We make only some artificial provision. Now the situation is very bad for such posts in the country, particularly in the field of employment. I have come across young men, having good family background and with graduate or post-graduate degree, who are appearing for interviews after swearing affidavits that they are illiterates. They are graduates but are putting 'LTI' qualification on Government records. What for do they swear

affidavits? It is just for getting a job. This is the situation prevailing now.

As you know, even matriculates and degree-holders are pulling rickshaws. I don't mind their doing so because it is dignity of labour. Shri Shantaram Naik said that he was not opposed to expansion of education. Who opposes expansion of education? Let there be BAs and MAs in every family. At the same time, let them not unnecessarily have prestige, consciousness which unfortunately is associated with the university degree in this country. Even after university education, one should be prepared for manual work. One should be prepared to start a 'paan' shop or run a grocery shop with financial assistance, etc. You look at the communist society. What is happening in China today? New things are happening all over the world. What happened in the Soviet Union? That is the country under a new system which has not witnessed any strike under the present system. But recently, a very large number of coalminers went on strike in the Soviet Union. Thus things are changing every where. A sense of unrest is creeping in. At the same time, we cannot take solace that it is happening here, there and everywhere. The young people, who are the future of the country, are talented people. They have potentialities. They are enthusiastic and have a lot of physical power. How can we channelise them in a proper direction? Schools and colleges are opening. That is a good sign. Our youngmen are getting educated. When they don't find suitable jobs at the end of their education, they get frustrated. There are instances when some such children, coming from good families or children of well-paid officers, have taken to theft. The newspaper reports say so. It is happening because they develop a habit of spending money. They cannot manage with pocket money. Everyone has to practice simple-living in a country like India. So, a change in attitude is needed. The problem is very much there. In the area of uneducated labour force, etc., if we provide irrigation facilities early, it can take care of that problem. Almost throughout the year, some agricultural operations are going on in the irrigated and ayacut areas. There we do

not find anybody without employment. They get involved and engaged in the agricultural process but who can help people who sit idle without liking to do such work? Basically, ours is an agricultural country. We have an agricultural economy. Most of our people are involved in agricultural operations. Of course, Government have got several development programmes also. We are spending crores of rupees on such programmes. Such programmes also engage people. But as far as educated unemployment is concerned, it is going to take a serious and dangerous turn. Therefore, what is required is change of attitude in young men and women. The dignity of labour has to be manifested in our educational system. We have brought some reforms in our educational system. We have the new educational policy also. We were very enthusiastic in the beginning but it could not have that much effect as was expected. It is an improvement on the earlier system or earlier policy. But the whole lot could not be changed by this policy. It requires a revolutionary change. The minds of our young folk have got to be revolutionalised. I would suggest to give them bank finance and self-employment opportunities. Banks give Rs. 25000 or something like that as loan. There are a large number of applicants coming forward. They are also putting pressure on us as to ring this man or that man or to approach somebody. There is a limit to all these things. Whatever it is, they should get the benefit of banking finance to become self-reliant. At the same time, after leaving the alma mater, the university or after getting the degree, young men and women should be made to work in camps in rural areas before entering their real life. Their entire expenditure like pocket expenses and food should be borne by the Government. They should work in the rural background and do work like cleaning tanks, constructing roads etc. We are spending a lot of money in illiteracy programme. We have our own reservations about the implementation of this programme. We have some voluntary organisations and some of them are doing good work. But many of the organisations which are indulged in this work are looting money. The young men and women can be

entrusted in this programme. They can stay in the villages. They can go for mass plantation, social forestry, illiteracy programmes, village cleaning and things like that. I believe, this will change the minds of younger generation to some extent. This change should be at all levels such as leaders, MLAs, MPs and teachers. We should not hold only the young men and women coming out of the schools and colleges responsible for this situation. We should not blame them that they are not able to stand on their own legs and they have become parasites. It will not be fair or just to blame like this. So, the situation is quite serious and it needs a change in our approach, in all sections, in our society and administration. We can tackle the problem this way. I appreciate that a regular campaign was going on. I do not know whether it is complete. Our Minister of State for Home Affairs, Shri Chidambaram is touring throughout the length and breadth of the country, visiting State capitals and other centres, one after another, to review the vacancy position with regard to scheduled castes and scheduled tribes, that is the posts reserved for them. That is good. But at the same time, we are forgetting that a large number of vacancies also meant for general categories have remained unfilled for a long time and those include scheduled caste and scheduled tribe candidates also, because they can also compete for that. Of course, where these are reserved for scheduled castes and scheduled tribes, the general candidates cannot come. But all those vacancies are there. I do not understand the wisdom of not filling all these posts.

I can give you another example. In Coal India, coal industry, a large number of vacancies are there are there is a ban on recruitment. The industry is expanding, coal mines are expanding and they want people. For one post, you can find hundred qualified people, but why have you imposed a ban? It is quite contradictory. I would request the hon. Minister to take note of it and sort it out at the highest level. The problem is quite serious. There are a large number of unemployed people. All posts should be filled up.

[Sh. Sriballav Panigrahi]

Somebody was suggesting introduction of computers. When it is a question of qualitative improvement, it is welcome, but not for everything. We should modernise, but more modernization means less of manual labour. In a country like India with such a vast population and when this problem is taking serious proportions, there is the problem of educated unemployment, we cannot resort to modernization in everything. Where it is a must, it is all right, because of international factors we have to go for it. But at the same time, the less of it, the better it is considering our situation and the problems that we have.

A large number of persons are registered in the employment exchanges. If a person is registered in an employment exchange for five years and then he gets a call and in case he does not qualify, he has to wait for another couple of years and by that time the candidate would become overage. When the posts are few in number and the candidates are quite large in number, what is the ultimate result? It is corruption. I am sorry to make this observation. In many offices Central and State it would not be an exaggeration at all, if I say that the jobs are being auctioned. During the last four years' time, I could not oblige anybody with a job. So many people are coming to me. If I approach some authority, they say, they are doing everything absolutely with honesty; they are holding competitions, written test, interview and all that and that it is being overseen by the Collector or other higher authorities. One or two boys, however, came to me and told me, how they got in. They told me that they can get the job by spending this much amount. So, this is what is happening. I don't say this is happening in all cases but at many places this is the case. So, strict measures are called for to check corruption. When such boys or girls get jobs, then there is a heart burning among the more meritorious boys and girls who are denied the job opportunity. So, if through the back door by paying money people are getting into Government services then what reaction will it have in the minds

and hearts of young meritorious men and women? You kindly realise this point.

There are many other things also but I don't want to take much time of the House. Many learned friends are waiting to participate in the debate. But I would say that we have to lay emphasis on the population control. Whatever growth rate we may be able to attain, we cannot afford our young men and women not be educated. They will have to be educated. Schools and colleges are there and the education is not only there for the sake of jobs but the purpose of education is much higher than that. It arouses good feeling in a boy or a girl. It awakens the potentialities in a young child which make him stand on his own legs rather than being a parasite on the parents ultimately. He should not lose heart if he does not get a good government job. So, we have to do a lot in this field. Here, we prescribe the minimum qualification but in Japan they prescribe for the maximum qualification for any job. So, what happens is that many people do not like to go in for higher education. So, this is a serious problem. It is a national problem and we all should put our heads together and solve this problem with all seriousness. Of course, one need not lose heart. We have to train our youngsters accordingly. We have to change the principles of our life style. We have to see the scientific developments that are taking place around us. Ours is a country of Gandhiji and Jawaharji. So, we have to combine the scientific developments with our old Gandhian principles and we have to look to this problem scientifically with some purpose and with sincerity. When there is sincerity, no problem however big or however serious, will remain unsolved. Our determination, sincerity and our united approach will overcome this problem, however great this may be.

SHRI MAHABIR PRASAD YADAV (Madhepura): Madam Chairperson, at the outset, I thank Dr. Rajhans for bringing into focus so vital an issue in the situation obtaining as this.

This subject is in the Constitution and

that is under the head Directive Principles of State Policy and so it is not justifiable, like Fundamental Rights. But in the Preamble of the Constitution, it has been there, i.e. socialism is a part of the Constitution and from the point of view of socialism, this subject touches so much importance that it should have been brought by the Government in the form of a Bill.

I thank Dr. Rajhans that he has brought in the form of a Resolution. But it is so burning and vital a point that it requires and deserves to be brought in the form of a Bill. It is so burning a problem.

The society is an associative organism of co-existence and co-operation. For the co-existence and co-operation, every section of the society should be taken into consideration so far as the development of a comprehensive society is concerned. At present to my humble understanding, the Government is taking into consideration the interests of the lower class, the interests of the upper class, but the interests of the middle class is not being taken into consideration. A majority of the people who live in India come from the Agriculturist class. When India became independent, from the families of the agriculturist class, young men were taking to education. They were getting educated. For example, Mr. Panigrahi was telling that the educated young men should not think of the position and place they should occupy. In my humble understanding, psychological satisfaction is also very important. Can Mr. Panigrahi tolerate if his son passes the MA examination and goes to a Pan Shop? Can he or his son bear that attitude? I think this point is very important.

India's average literacy point has not gone beyond 45 percent. Of course Kerala is ahead. Bihar is at the literacy point of 18 percent. Yet, young men are loitering from pillar to post. Youngmen are loitering in the streets to get a job of even Rs. 200. I can give

you an army of educated young youth, who are facing this problem, i.e. they are not even getting job of Rs. 200. What a heart-burning will be there when a non-Matric Peon in a bank gets a salary of more than Rs. 3,000 and there is one M.A. or M.Sc. who does not get any job! You can well understand the psychological effect on him.

I come from Bihar which is the richest State, where the poorest people live. I know the reasons; I will give you, in short, the causes behind this. Everything is there in Bihar, but outsiders are capturing the vital points. They are getting key positions. Non-Biharis are getting G. III and Gr. IV posts. Bihar is not getting them. Anyway, since they are not getting jobs, Government should make a policy, and give a little grant to them.

Madam, I do not know whether you come from rural or urban areas. But please go to the rural areas. Dr Rajhans come from rural areas. He has a feeling of the reality of the situation in the society at present. Armies of young men come to us for help in getting any kind of a job. One B.Sc. is there at my residence; he is searching for job even on a salary of Rs. 500. He is not getting it.

History is not only a continuity, but also an advance. Society is not static; it is dynamic. If it is not dynamic, it has got to be dynamic. I know Government has got limitations; I know the Prime Minister has got limitations. But society or the Government belongs to all. Government is of the people, for the people, by the people; and it has to work for all classes of people. From the point to view not only of economic considerations but from the point of view of political considerations also, I request cur hon. Prime Minister to take into consideration the difficulties faced by the middle class and the agricultural classes. Where are they; what are they getting?

We learn at present from the news media

[Sh. Mahabir Prasad Yadav]

that appointments of Scheduled Castes are being made, to 45,000 posts. Fortyfive thousand appointments are to be made from among the Scheduled Castes. I do not envy them. I do not ask why they should get these posts. Let them get it. But what is the Government thinking for the bubbling youth of the middle class and the agriculturist classes? This is a vital issue.

I also have a feeling that the Prime Minister and the Government have got limitations. But Napoleon Bonaparte had said that ambition is the chief force of humanity, and a man puts forth his power according to his hopes of advancement. If the ambitious of a young man are shattered, if the pious hopes of the parents are shattered after their sons and daughters get educated, we find that they become jobless, then hopeless and then helpless. This situation has to be remedied.

Like Dr. Rajhans, I am also moved when I find our young men growing old without getting any job. You will appreciate that from the year 1981, in Bihar no appointment has been made in the constituent colleges.

You will wonder what would be the fate of those young men who got First Class, who got Gold Medals? They are not getting jobs. In what form they are getting jobs? They are getting jobs by opening private colleges and giving donation of Rs. 20,000 or Rs. 15,000. After getting jobs, they are not getting their salary for years together. Therefore, I am appealing to the hon. Minister to consider this issue. This issue should be brought before the House in the form of a bill so that it can carry great weight and meaning.

job gives to a man a sense of satisfaction; it also give to a man a sense of psychological satisfaction. So, it is useless to say to our young boys to get themselves educated so that they can find a respectful place in the society. No. Every man should get job according to his qualifications if at all the socialistic pattern of society concept is to be taken into consideration.

The banks do not give an advertisement mentioning that they require Graduates; they give an advertisement mentioning that mere Matriculation is required. A Matriculation is getting a job in a bank or in the LIC at a salary of more than Rs. 2000. Another man is M.S.c. or MA. He is not getting even a dole of Rs. 200. Therefore, those young youths should have their foothold in the society. They should get their position in the society; they should also get their livelihood for leading a respectable life in the society. It is the business of the Government to see it is not a Police Raj; not it is a welfare society the welfare of the young youths and middle class boys.

Every country has got history and geography. India has got 80 crore people. It has a territorial jurisdiction of 12 1/2 lakh square miles. India is to only country which has got so much of population. In spite of that, India is going ahead; in spite of that, it is surrounded by external forces hostile to India. India has also got internal problems. In spite of so many difficulties, India is going ahead.

MR. CHAIRMAN: It is already Six. I have to make one small announcement. So, you can continue next time. Now, you kindly resume your seat.

18.00 hrs.

The Speaker has accepted his resignation with immediate effect.

RESIGNATION BY MEMBER *CONTD.*

[*English*]

MR. CHAIRMAN: I have to inform the House that the Speaker has today received one more letter of resignation from Shri C. Janga Reddy, member from Hanamkonda constituency of Andhra Pradesh.

18.01 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, July 31, 1989/ Sravana 9, 1911 (Saka)*