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**Friday, April 26, 1985  
Vaisakha 6, 1907 (Saka)**

# **LOK SABHA DEBATES**

**Second Session  
(Eighth Lok Sabha)**



सत्यमेव जयते

**LOK SABHA SECRETARIAT**

**NEW DELHI**

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# LOK SABHA DEBATES

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LOK SABHA

Friday, April 26, 1985, Vaisakha 6,  
1907 (SAKA)

*The Lok Sabha met at Eleven of the Clock*

[MR. DEPUTY SPEAKER *in the Chair*]

ORAL ANSWERS TO QUESTIONS

[*Translation*]

## Survey for Locating Minerals

\*608. SHRI MOOL CHAND DAGA :  
Will the Minister of STEEL, MINES AND  
COAL be pleased to state :

(a) whether geographical survey for locating minerals in the country has been completed and whether Government have come to know the type and quantum of minerals that are available at different places;

(b) if so, when the work was completed and the total expenditure Government have incurred on this account so far;

(c) if the survey has not been completed the time by which the same will be completed;

(d) whether the State Governments have sought co-operation from Union Government in this regard;

(e) if so, the names of the States which have taken help from Union Government; and

(f) the State-wise details of the minerals found during the last three years ?

[*English*]

THE MINISTER OF STEEL, MINES  
AND COAL (SHRI VASANT SATHE) :  
(a) to (f). A statement is laid on the  
Table of the House.

## Statement

(a) to (c). Geological Surveys, *inter alia*, for locating minerals are a continuous process in which various Central Government Departments and Public Sector Undertakings like Geological Survey of India, Mineral Exploration Corporation Limited etc. and the State Directorates of Mining and Geology are engaged.

2. As a result of these surveys, substantial reserves of major minerals have been established in the country. These minerals are coal, iron ore, manganese ore, limestone, chromite, dolomite, copper, lead-zinc, bauxite, phosphorite etc.

3. The programme of work of Geological Survey of India, which is the main Central Government organisation responsible for carrying out geological surveys in the country, is formulated every year in consultation with the State Governments in the State Geological Programming Boards, and finalised at the national level, at the Central Geological Programming Board on which various agencies involved in exploration for minerals are represented. In this manner, exploration for minerals by the Geological Survey of India and other State Government organisations is taken up in a coordinated manner.

4. As the search for minerals is part of the total activity of Geological Survey of India which includes geological mapping, detailed mapping, geophysical and geochemical tests, drilling etc., no separate accounts are

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maintained specifically for expenditure incurred on search for minerals.

(d) and (e). Several State Governments have, from time to time, sought cooperation from the Government of India in the exploration of minerals in their States. More recently, the Government of Rajasthan has sought collaboration in the exploration of tungsten and lignite; the Government of

Madhya Pradesh has sought assistance for exploration of phosphorite; and Jammu & Kashmir Government for exploration of sapphire deposits. This assistance is being extended.

(f) Details of the mineral deposits, State-wise, estimated during the last three years are given below :

(In Million tonnes)

Name of the mineral	State-wise break-up	Total
1	2	3
Coal	Andhra Pradesh (74.73), Bihar (2144.75), Madhya Pradesh (3,327.19), Meghalaya (2.35), Orissa (2,737.13) and West Bengal (2,275.57)	10,561.62
Lignite	Tamil Nadu (592.05) and Rajasthan (62.94)	654.90
Iron ore (Hematite)	Goa (1061), Karnataka (6.00) Madhya Pradesh (480.00 resource)	1547
Manganese ore	Orissa (1.34), Karnataka (1.43) and Andhra Pradesh (3.85)	6.62
Nickel ore	Bihar (7.26)	7.26 (with 0.35 to 0.7% Ni)
Chromite	Orissa (131 re-assessed)	131 (reassessed)
Limestone	Andhra Pradesh (10.00), Arunachal Pradesh (4.45), Himachal Pradesh (68.00) and Madhya Pradesh (970.00)	1052.45
Dolomite	West Bengal (40.19) and Arunachal Pradesh (210.00)	250.19
Copper ore	Bihar (0.49), Maharashtra (1.00), Orissa (0.70) and Rajasthan (6.96) Haryana (15.00 resource)	9.15 (with 0.70% to 1.47% Cu) 15.00 (resource) (0.35% Cu)
Lead-Zinc ore	Maharashtra (1.70), Rajasthan (115.00) and West Bengal (0.45)	117.16
Bauxite	Bihar (4.95), Madhya Pradesh (14.60) and Orissa (81.00)	100.55

1	2	3
Phosphorite/ Rock Phosphate	Madhya Pradesh (29.00), Meghalaya (3.00) and West Bengal (3.93)	35.93
Gold ore	Andhra Pradesh (4.33) and Karnataka (3.17)	7.50 (average grade 4 gms/tonne)
Diamond	Madhya Pradesh (0.2545 million carats)	0.2545 million carats
Tungsten ore	Maharashtra (3.96) and Rajasthan (0.17)	4.13 (0.1 to 0.3% W)
Tin ore	Haryana (8.00)	8.00 (0.15 to 0.20% Tin)

## [Translation]

**SHRI MOOL CHAND DAGA :** Mr. Deputy Speaker, Sir, four to five departments are engaged in the work relating to geological survey. These are the Central Government Departments, Public Sector Undertakings, the Geological Survey of India, the Mineral Exploration Corporation Ltd., and the State Directorates of Mining and Geology. Kindly tell us whether you have set up any machinery for coordination of the work of these separate Departments and what type of jobs have been assigned to them? When did these Departments come into existence and how much total money has been spent on them till today? I am not asking for the break up of the expenditure on each of them separately. I want to know how much total money has been spent on them by the Central Government?

**SHRI VASANT SATHE :** In this matter, the major responsibility is that of the Geological Survey of India. The work is done at two levels, *i.e.*, at the Central Geological Programming Board level and at State Geological Programming Board level. You have asked about coordination. Coordination work in connection with the Geological Survey of India is done by the Central Geological Programming Board which finalises the mapping of the whole of the country.

The Hon. Member has asked how much expenditure has been incurred so far. I do not have with me the figures of the exact

amount but this much I can tell him that in the Second Five Year Plan exploration was done for about 20,000 metres. More stress was laid on it in 1972 when the coal mines were nationalised. It is a matter for happiness that besides oil fields, we did exploration of 5 to 6 lakh metres in the Sixth Five Year Plan. Detailed mapping in respect of 59 per cent of our total land has been done so far. We hope that by the end of next Plan, mapping, which is called detailed mapping for the purpose of minerals, of the entire country will be completed. There are 3.28 million square kms. of land in our country. I am talking of on-shore land and not about off-shore land. Detailed mapping of 59 per cent of on shore land, *i.e.*, systematic Geological coverage of this area has been completed by 1984 and it is hoped that by 1990 the entire country will be covered.

**SHRI MOOL CHAND DAGA :** You have given a correct answer and have done a good home work but I had asked since when these Departments had started working? When you say that Geological Survey of 59 per cent of area has been done, I would like to know since when you started this work and how much total expenditure has been incurred from the First Plan to the Sixth Plan separately?

**SHRI VASANT SATHE :** I have already said that I do not have figures of expenditure with me at the moment. I shall collect and send this information to the Hon. Member.



**SHRI MOOL CHAND DAGA :** You may inform me about this later on or send this information to me through a letter.

**SHRI VASANT SATHE :** I shall definitely send this information.

**SHRI MOOL CHAND DAGA :** You have put a lot of hard work. Important metals and minerals like gold, zinc, uranium and diamond are being exploited in the country and during the last three years you have made detailed survey. Now kindly tell me whether you have prepared any specific programme or have found out any new method with the help of the latest technology to develop these metals? I also want to know whether you are thinking of preparing an atlas of the work of Geological Survey of India so that if any body wants to know, he may be able to see from the atlas that this much work has been done.

Another thing I want to know is that a Review Committee of the Geological Survey of India had been constituted and it had given some suggestions. Which of these suggestions have been accepted by you and have you implemented them or not? If not, why not and with what results?

**SHRI VASANT SATHE :** Geological Survey is continuous process. It is not that today you start and tomorrow you stop it. Continuous review goes on and assessment of the findings is made along with it. Later on, precise assessment is made as to the extent of minerals and whether exploration will be economical or not. The exploration stage comes only after all these things have been done. Therefore, a constant review of the work goes on.

You have given a good suggestion that an atlas should be prepared. We have an atlas but it goes on becoming obsolete. New finds are made and it becomes necessary to update it. I assure the House that the Geological Map, which is called the atlas, will be updated and I welcome the idea of the Hon. Member. We shall endeavour to see that the atlas, when prepared, is provided, to all the Hon. Members and we shall issue it to the general public also.

[English]

**SHRI MOOL CHAND DAGA :** Sir,

there is already an answer that a Review Committee was set up and it gave its Report also, and now he says that this is..... (Interruptions).

[Translation]

**SHRI VASANT SATHE :** I have said that the Reports keep on coming in and are considered. It is not and it should not be the practice that once a Report is submitted and considered, the matter should end there.

**SHRI MOOL CHAND DAGA :** You have already answered that a Committee was set up and it gave its recommendations, some of which you have implemented and left the rest of them. I can read out the answer given by his Department...(Interruption).

**MR. DEPUTY SPEAKER :** Mr. Mool Chand Daga, please sit down now. You can go to the Minister's chamber and discuss it further.

**SHRI THAMPAN THOMAS :** Sir, in the statement furnished by the Minister, the names of certain States are mentioned but I find that there is no mention of Kerala which is supposed to be one of the States rich in minerals and metals. Even there is a company known as Kerala Metals and Minerals Ltd., and the rare earth, which is a very rare mineral, is also available only in Kerala. There is a place in Kerala, known as Attapady Valley, where very costly metals like tungsten and gold are available and where a survey was also made in this respect. I do not know why Kerala does not find any mention in the statement given by the Minister. So, I would like to know whether the Government will consider under some Central scheme, to explore the possibilities of getting these minerals and metals available in Kerala, which are of rare quality, and whether surveys will be made in that respect to promote their exploration. There is also a possibility of getting diamonds in Trivandrum area. These are fresh news that minerals and metals like gold, diamonds, tungsten, ect. are also available in Kerala. Since there is no mention about Kerala in the statement, I would like to know whether it is true that no survey has been conducted in that State or is it not known to the Central Government that such surveys have been conducted. I personally know that there were some surveys conducted.

**SHRI VASANT SATHE :** I agree that in Kerala, some good minerals have been found but this statement relates only to the last three years. The questioner has asked what are the details of the mineral deposits, State-wise, estimated during the last three years. That is why this list has been given. May be during the last three years we may not have found anything in Kerala, but before that we had already found, and that detailed information if the Hon. Member wants about Kerala as to what has been found up-till now, I will send.

**SHRI THAMPAN THOMAS :** I want the Government to take more steps to dig out those deposits and bring them as a national wealth. My request is to allot some money for this purpose.

**SHRI VASANT SATHE :** We are constantly doing it. As far as rich minerals are concerned, we are ourselves interested in them. Whichever is the State, it belongs to India and we are very keen to explore every mineral.

**SHRI SHANTARAM NAIK :** In your answer, you have given some figures with respect to mineral deposits estimated during the last three years, and in respect of Goa, the figure is 1,061 million tonnes regarding iron ore. I would like to know whether Government of India has made any survey with regard to iron ore deposits which are likely to be extracted during the coming twenty years and whether these deposits will be exhausted, as it is feared, after a period of twenty years, as a result of which Mormugao Port Trust authorities have even started to plan the diversification of their activities of exports.

**SHRI VASANT SATHE :** I agree that any deposit ultimately will get exhausted. Now, how soon in Goa the iron ore deposits will get exhausted is a matter which depends on now we are going to exploit it. The idea of conservation of our deposits is also a very important point and we are also keeping that aspect in mind wherever any minerals are exploited.

**DR. V. VENKATESH :** We are producing four grams per tonne of gold in our country. This is a very pitiable condition. I come from Kolar where the Kolar Gold Field

is situated. I would like to know from the Hon. Minister whether any scientific approach is formulated to get more gold from the same mines or any other alternative is being thought of, because thousands and thousands of people are working in the gold mines and are working deeper and deeper with the result their health is very much affected. Their future is also affected because of this. The Hon. Minister may also throw light on what measures has the Government taken in order to extract more gold as well as to see that the health of the labourers who are working in that field is not adversely affected.

**SHRI VASANT SATHE :** We ourselves are very seriously concerned about this subject. We are looking into all these matters of trying to find in the reef if there are any gold deposits which can be exploited and how we can more scientifically exploit the remaining two per cent of the deposit in the Kolar Gold Field.

Of course, I agree we cannot go deeper and deeper at the cost of the health of our people. So, we are having all this in mind as we are concerned with the future of those employees.

**SHRI MUKUL WASNIK :** A few days back it has been reported in the local newspapers of Nagpur that a geological survey of the Vidarbha region has been conducted. May I know from the Hon. Minister whether such a survey has been conducted. If so, the findings of the survey; and also whether any action has been taken to explore the minerals of the Vidarbha region.

**SHRI VASANT SATHE :** I do not have any information whether we have conducted a separate geological survey of the Vidarbha region as such, because we do not go by region in each State. But I can tell the Hon. Member that we have conducted a survey in the Maharashtra State as a whole. Vidarbha is a part of this region and most of the very rich mineral deposits of the entire Maharashtra State are found in the Vidarbha region, such as Tungsten, Manganese, Bauxite etc. Therefore, wherever I have used the word Maharashtra, you can say that it is either in some part of it, in Ratnagiri or in some areas around it. Most of it is in the Vidarbha region. That is a fact and we are constantly

trying to explore and find out as much of minerals all over the country and also in Maharashtra.

**SHRI AMAL DATTA :** The methods of geological exploration have changed over the years because of developments in science and technology. I would like to know from the Hon. Minister to what extent we are taking advantage of the latest methods of exploration like remote sensing or echo sensing and things like that; and whether the areas which we have already explored or are going to explore are being explored by using the new methods.

**SHRI VASANT SATHE :** Yes, Sir. We are using the latest methods, including air, space investigation from satellite, mapping; then seismic and other methods of trying to find out what is contained underground. So, the latest and most scientific methods are being used. Even in areas which were explored by earlier methods, if new methods can give us anything more, we use those new methods also. We leave no stone unturned to see what is hidden underground.

**SHRI G.G. SWELL :** In a written answer to one of my questions, the other day, the Government confirmed that it has successfully detected poly-metallic modules from the seabed in our exclusive economic zone. I would like to know whether the Minister in his Ministry has done any survey of the amount and the type of poly metallic modules which may be available to us from our exclusive economic zone.

Secondly, I would like to know whether our INSAT-IB has revealed any exciting prospect of mineral deposits in our mountains or in our plains or in our maritime economic zone.

**SHRI VASANT SATHE :** Sir, about all

the detailed information about this poly-metallic modules in the sea bed and in the air which the Hon. Member has given, I will get the details and pass them on to him.

**SHRI G. G. SWELL :** I asked about INSAT-IB also.

**SHRI VASANT SATHE :** From INSAT-IB also whatever is possible to get I will convey it to him.

#### Export of Locomotives and Coaches

\*609. **SHRI AMARSINH RATHAWA :** Will the Minister of COMMERCE be pleased to state :

(a) the number of locomotives and coaches exported during the last three years, year-wise and the foreign exchange earned thereby;

(b) whether there is a decline in the export of locomotives and coaches;

(c) if so, the details thereof and the reasons therefor;

(d) whether Government propose to review their present policy of export of locomotives and coaches;

(e) if so, the details thereof; and

(f) the other measures being taken to increase the export of locomotives and coaches in future ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA) :** (a) to (f). A statement is laid on the table of the House.

#### Statement

(a) and (b). Export of coaches and locomotives in the last three years are given below :

Year	Coaches		Locomotives	
	Number	Value	Number	Value
		(Rs. lakhs)		(Rs. lakhs)
1982-83	—	—	—	—
1983-84	—	—	—	—
1984-85	24	264	15	1380

(c) Does not arise

(d) No, Sir;

(e) Does not arise

(f) Keeping in close touch with the market through various means including visits of PEC managers; dialogue with foreign delegations visiting India; participating in exhibitions and trade fairs; development of new markets; extension of credit facilities wherever feasible etc.

[Translation]

SHRI AMARSINH RATHAWA : Mr. Deputy Speaker, Sir, through you I would like to tell the Hon. Commerce Minister that I had asked for figures for three years but he has provided figures for only one year *i.e.* 1984-85. Why is he not providing figures for the other two years? Why were engines and coaches not exported? What were the shortcomings in them?

[English]

SHRI P. A. SANGMA : Sir, in 1982-83, and 1983-84 for two years, I have not given any figures, because there have been no exports in that period.

[Translation]

SHRI AMARSINH RATHAWA : My second question is whether any policy is being framed to ensure that railway engines and coaches are exported and we sell them in the world market? You have mentioned about providing loans also. In what way are you going to provide more loans and new facilities which will be helpful in increasing the exports?

[English]

SHRI P. A. SANGMA : Sir, as far as the coaches are concerned, we have three factories, the Integral Coach Factory, Madras, the Bharat Earth Movers in Bangalore and Jessops in Calcutta. As far as locomotives are concerned, we have Chittaranjan Locomotives and Diesel Locomotives Works, Varanasi. All these units have been licensed keeping in view the domestic requirement of

the Indian Railways and at that time we were not contemplating exports. That is the reason why our export in these two items is very very negligible, and as far as the locomotives are concerned, it has been just one-time export to Vietnam under the credit system. I agree with the Hon. Member that we should make all efforts to export these locomotives and coaches and railway wagons, and I am given to understand that the administrative Ministry is taking effective steps to upgrade the technology in all these industries so that our goods may be made competitive in the world market.

SHRI CHINTAMANI JENA : May I know from the Hon. Minister which are the countries which have imported our locomotives and coaches and whether any other countries have expressed their desire to import our locomotives and coaches and the reason why any particular country is selected for this purpose and...

MR. DEPUTY SPEAKER : That is enough. You wanted to know the countries. That is all.

SHRI CHINTAMANI JENA : ..... whether these exports were made after meeting the indigenous demand of our country.

SHRI P. A. SANGMA : Sir, as far as the coaches are concerned, we export them to Bangladesh, Philippines, Sri Lanka, Vietnam, Uganda, Nigeria, Mozambique and Tanzania. As far as locomotives are concerned, we have exported them to Vietnam as one time export, as I have mentioned. The other countries where there are potentialities, there are enquiries from those developing countries. But the problem is they themselves have a lot of foreign exchange constraints and they want our wagons coaches, and locomotives to be accommodated on credit system for which we also have certain problems.

[Translation]

DR. CHANDRA SHEKHAR TRIPATHI : Mr. Deputy Speaker, Sir, I would like to ask the Hon. Minister, whether the coaches and locomotives being manufactured here are sufficient to meet our domestic

demands? If not, what is the propriety of exporting them?

[English]

SHRI P.A. SANGMA : I think, I would not be able to answer this question. I think, the administrative Ministry will be able to answer this question.

SHRI K. RAMAMURTHY : Mr. Deputy Speaker, Sir, I would like to mention that in the last Railway Budget discussion also, it was mentioned that the Railways are very badly in need of some wagons. But due to financial stringencies, they could not place orders to our wagon industry as well as coach building industry. I would like to know from the Hon. Minister, what are the steps taken by the Ministry of Commerce to explore the possibilities in other countries where we can export our wagons and coaches and get profit also.

Sometime back, it has been observed in the newspapers that West Bengal is facing a very bad crisis due to non-placement of orders in the wagon building industry. I would like to know from the Hon. Minister what are the steps that he is taking to see that wagons are being exported to other countries and also to see that our industries are not closed in the country.

SHRI P. A. SANGMA : Sir, production is not in my hands. I can export only when there is a surplus after meeting the domestic requirements. As far as the production is concerned, it is not within my jurisdiction. But I am willing to export wagons and coaches to as many countries as possible.

SHRI K. RAMAMURTHY : What about the possibilities to export.

SHRI P. A. SANGMA : Possibilities are there.

[Translation]

SHRI RAM PYARE PANIKA : Mr. Deputy Speaker, Sir, three years back the Government of Burma had invited tenders for the purchase of locomotives. Three

countries, namely, South Korea, Japan and India had presented the tenders. Though Burma is nearer to India, South Korea got the order. What is the reason for the higher cost of the Indian locomotives because of which India could not get the order.

[English]

SHRI P. A. SANGMA : I have no information about this point. I will pass on the information to the Hon. Member.

#### D.A. To Central Government Employees

\*613. SHRI K. MOHANDAS : Will the Minister of FINANCE be pleased to state :

(a) the percentage of increase in the cost of living neutralised by each instalment of dearness allowance paid to the Central Government employees;

(b) the amount required to fully neutralise the increase in the cost of living;

(c) whether Government have thought about any other method of neutralising the increase in the cost of living in place of dearness allowance;

(d) if so, the details thereof; and

(e) if not, whether Government propose to evolve such a method to neutralise increase in the cost of living?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). A Statement is placed on the Table of the House.

#### Statement

(a) The Government have adopted, on the recommendations of Third Pay Commission, a scheme of paying Dearness Allowance to neutralise the effect of the rise in prices on the pay of Central Government employees. Under this scheme, there is 100% neutralisation of the rise in average price index in the case of employees drawing pay upto Rs. 400/- and 75% in the case of employees drawing pay more than Rs. 400/- up to Rs. 1000/-. However, the percentage of neutralisation is

less in respect of employees drawing pay above Rs. 1000/-.

(b) The last instalment of dearness allowance has been paid w.e.f. 1-11-1984 (average CPI 568) covering employees upto the basic pay ranges of Rs. 1000 p.m. Employees

on higher pay range have not been sanctioned dearness allowance on this date according to the existing scheme of dearness allowance. At the average CPI of 568, the percentage neutralisation of rise in cost of living and the amount of D.A. required for 100% neutralisation at selected pay points are as follows :

Pay point (Rs.)	DA/ADA Adhoc DA	Percentage neutralisation	Actual amount required for 100% neutralisation
196	357	98.99	361
200	363	98.64	363
400	666	90.49	736
600	813	73.64	1104
1000	1300	70.65	1840
1200	1270	57.51	2208
1500	1270	46.01	2760
1800	1476	44.56	3312
2000	1640	44.56	3680
2500	2050	44.56	4600
3000	2250	40.76	5520
3500	2250	34.93	6440

(c), (d) and (e). Since the Fourth Pay Commission is already going into the entire amount of pay and allowances and other conditions of service of Central Government employees, such issue would be examined by them.

**SHRI K. MOHANDAS :** Sir, the Minister has stated in his statement that the percentage of neutralisation is less in respect of employees drawing pay above Rs. 1,000. I would like to know what exactly is the percentage neutralisation in respect of this category of employees.

At present, when two instalments of D.A. are announced, the employees drawing pay above Rs. 1,000 get only one instalment.

Price-rise hits everyone badly. It is therefore wrong and unfair to presume that this category of employees is rich enough to absorb the rise in prices. Therefore, I would like to know from the Hon. Minister whether the Government would remove this restriction and pay all D.A. instalments to all categories whenever these are announced.

**SHRI JANARDHANA POOJARY :** Sir, the Hon. Member has said about the neutralisation point. The last instalment of DA has been announced when the average price index stood at 568. For the information of the Hon. Member, I may be permitted to say that so far as pay upto Rs. 400 is concerned, the neutralisation upto 100 per cent will be there. So far as pay above Rs. 400

upto Rs. 1,000 is concerned, the neutralisation is to the extent of 75 per cent.

The Hon. Member has brought before us certain difficulties. That is why the Fourth Pay Commission has been appointed. The Fourth Pay Commission will certainly go into the pay structure as well as the dearness allowance structure. The Government will definitely take all this into consideration when the Report of the Fourth Pay Commission is placed before us.

**SHRI K. MOHANDAS :** The D.A. is paid to lessen the impact of price rise. This cannot be treated as income. At present, it is taxed. I would like to know whether the Government would consider exempting D.A. from income-tax and, if not, what is the reason for not doing so.

**SHRI JANARDHANA POOJARY :** The Government is not saying anything, at this point, till the Report of the Fourth Pay Commission is placed before us. The Hon. Member can pass on the suggestion to us and, in turn, we will pass it on to the Pay Commission. He can also directly approach the Pay Commission and place his suggestion before the Pay Commission. After the Report of the Pay Commission is placed before us, all this will be taken into consideration. Generally, the Government will improve upon the recommendations of the Pay Commission.

[Translation]

**SHRI K. N. PRADHAN :** Although Government have set up the Pay Commission to examine the pay and allowances of the Central Government Employees, yet no time limit has been fixed for the Commission to submit its report. After the Commission submits its recommendations to Government, Government will consider them and take a decision. On the other hand, as we know, the cost of living is rising continuously and when under the leadership of our Prime Minister, we are taking all good steps without any delay, does the Hon. Minister not feel that he should accomplish the noble task of granting interim relief also to the Central Government Employees right now ?

[English]

**SHRI JANARDHANA POOJARY :** As I said earlier, the Fourth Pay Commission is going into every aspect, price rise, inflation, etc. When the Pay Commission's Report is placed before us, definitely, we will take all that into consideration and while giving our decision, we will consult the employees also.

**SHRI SATYAGOPAL MISRA :** The dearness allowance is linked with the rise in prices. I do not know why the Government is blocking the increase in dearness allowance by setting up the Pay Commission. The employees are not responsible for the rise in prices. After the Budget, the consumers' price index and the wholesale price index have gone up. In this context, may I ask the Hon. Minister whether they are going to hold a meeting of the JCM and settle the question of increase in dearness allowance there ?

**SHRI JANARDHANA POOJARY :** For the information of the Hon. Member, I may point out that the Government has not blocked the payment of instalment of dearness allowance. On the contrary, the Hon. Member knows the fact that last year nine instalments were paid and only one instalment is due, according to the employees, as on 1.1.85. The Government is actually considering the payment of the instalment and it is under the active consideration of the Government.

**SHRI DHARAM PAL SINGH MALIK :** The Fourth Class employees or the peons of the Central Government who are posted in the States are getting more pay than the Section Officers of the State Governments. Is there any proposal of the Government to remove the disparity in the salary of employees who are getting more pay than the employees of the State Governments who are posted at the same places ?

**SHRI JANARDHANA POOJARY :** So far as the payment of the emoluments by the State Government is concerned, we do not have a hand in it. Our jurisdiction is limited to the Central Government employees. If the State Government employees are aggrieved, they can approach the State

Government for the redressal of their grievances.

### Export of Yarn

\*616. SHRI SUBHASH YADAV : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether attention of Government has been drawn to the news-item appeared in the "Jan Satta" of 10 February, 1985 wherein it has been stated that the President of the Indian Spinners Association has urged the Union Government to export yarn instead of cotton;

(b) whether there will be a saving of Rs. 90 crores yearly thereby; and

(c) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :  
(a) Yes, Sir.

(b) and (c). Limited export of yarn above 40s and unrestricted above 60's counts is permitted to promote utilisation of long and extra long staple cotton. However, there is only limited performance in export of yarn of higher counts and hence surplus of such varieties of cotton is exported.

[Translation]

SHRI SUBHASH YADAV : My submission to the Hon. Minister was that last year about 16 lakh cotton bales were carried over and this year the production is expected to be in the range of 106 lakh bales, whereas our requirement is about 84 lakh cotton bales. Therefore, there is a likelihood of a carry-over of 22 lakh bales. If it happens, naturally, our cotton growers will get a low price, the price of cotton will fall and we shall suffer. Will the Hon. Minister make arrangements for the export of long staple cotton yarn and help our farmers to get a remunerative price for their cotton ?

SHRI CHANDRA SHEKHAR SINGH :

The Hon. Member has expressed his apprehension about long staple cotton yarn. So far as the export of yarn is concerned, there is no policy constraint in it. There is no constraint as per the policy of the Government.

The fact is that the surplus cotton which we have, is of the long and extra long varieties. The demand in foreign countries is for medium and short staple cotton from which cloth can be manufactured. Therefore, due to mis-matching of these two, it is not possible to convert the decision of export of 2 lakh bales of cotton into export of yarn.

There is no demand for yarn of long staple and extra long staple cotton which is being exported. As I have made clear, there is no constraint on export from the Government side except that priority has been given to meet the requirements of the hand-loom sector and due to this, there is difficulty in the export of yarn up to 40 counts because it can result in difficulties to the weavers on a large scale. Therefore, it is not possible to export 2 lakh cotton bales by converting them into yarn, as asked by the Hon. Member in his question.

At the same time, I would also like to make it clear that unlike what Hon. Member has indicated, the difference in export earnings will not be Rs. 90 crores but only Rs. 30 crores because we get 28.16 million kgs. of yarn by converting 2 lakh cotton bales into yarn and the realisation of foreign exchange earnings will be Rs. 90 crores, whereas the direct export of 2 lakh cotton bales will fetch a foreign exchange realisation of Rs. 60 crores.

[English]

SHRI UTTAM RATHOD : It has been seen that, even while exporting bales, Government has always been partial. What are the reasons ? What are the criteria on which you allow export of bales ?

SHRI CHANDRA SHEKHAR SINGH : What is exported is just what is surplus to our domestic requirements. We assess the total production and the consumption needs of the mills and of the non-mill sector. What is surplus is exported. We make a



study, we make a review of the price trends, and then a decision is taken.

**SHRI UTTAM RATHOD :** Is it a fact that the Millowners Association generally guide you in fixing the targets? Our main anxiety is that you are guided by them.

**SHRI CHANDRA SHEKHAR SINGH :** There is nothing like that. The millowners also have their right to place their case before us. The cotton-growers also have equal right and their interests are fully safeguarded.

**Decline in Export of Engineering  
Goods During Sixth Five Year  
Plan**

+

\*617. **SHRI BRAJAMOHAN  
MOHANTY :**  
**SHRI MOHANBHAI PATEL :**

Will the Minister of COMMERCE be pleased to state :

(a) whether the export of engineering goods has declined during the Sixth Five Year Plan period;

(b) if so, the reasons therefor;

(c) whether the Indian engineering goods are not being competitive in the international market; and

(d) the areas in which the decline in export of engineering goods is more manifest?

**THE MINISTER OF STATE IN THE  
MINISTRY OF COMMERCE (SHRI P. A.  
SANGMA) :** (a) No, Sir.

(b) Does not arise.

(c) Many of the Indian engineering goods are becoming uncompetitive in the international markets mainly on account of high cost of inputs and high shipping freight.

(d) There has been no decline in aggregate exports of engineering goods during the Sixth Five Year Plan as compared to the Fifth Five Year Plan. Even if we take the broad groups capital *viz* goods; primary

steel and pig iron based items; non-ferrous based items; consumer durables and management and technical consultancy, there has been no fall in exports in any of these areas during the Sixth Plan.

**SHRI BRAJAMOHAN MOHANTY :** Plan-wise, the figures may not be less. As a matter of fact, this year's Annual Report of the Ministry of Commerce has categorically stated that the export of engineering goods, *viz.*, machinery and transport equipment, metal manufacturers, which did not do well in the previous year showed some pick-up during the first half of 1984-85. The previous year Annual Report also indicates on page 8 paragraph 5...

**MR. DEPUTY SPEAKER :** There is no need to quote. Put the question.

**SHRI BRAJAMOHAN MOHANTY :** He cannot understand...

**MR. DEPUTY SPEAKER :** Put the question.

**SHRI BRAJAMOHAN MOHANTY :** My question is this. There are constraints mentioned in the last year's Annual Report of the Commerce Ministry, and there are constraints mentioned in this year's Annual Report. I want to know whether those constraints which were mentioned in the last year's Report and which are not mentioned in this year's Report have been sorted out or removed. I am trying to mention specifically two or three things ..

**MR. DEPUTY SPEAKER :** He will answer.

**SHRI BRAJAMOHAN MOHANTY :** Otherwise, the answer will be evasive. My submission is this. Last year there was competition from China. I want to know whether we have met that. There was also our inability to manufacture the type and range of products required in the importing countries. I want to know whether that has been met. Some constraints were mentioned in the last year's Report relating to payment difficulties in Nigeria and other African countries. I want to know whether those things have been sorted out. Another thing is whether

the Soviet Union has been persuaded to purchase more than it did last year. The question is only one : namely, whether the constraints which were mentioned in the last year's Report and which are not included as constraints in this year's Report have been removed or sorted out.

**SHRI P. A. SANGMA :** The Hon. Member has asked the question whether there has been a decline during the Sixth Five Year Plan. Now the exports of engineering products during the Fifth Five Year Plan was to the tune of Rs. 3037.47 crores. During the Sixth Plan minus the last 3 months, the exports were of the order of Rs. 5246.16 crores, which shows an increase of 72.71%. So if we take the Fifth Plan and the Sixth Plan there has been no decline. But it is true that if we take some individual items there has been decline in some of the items. But there are thousands of items in this engineering group and we have sub-divided it into 5 groups and even if we take these five groups which I have mentioned in my main answer, there has been no decline. But there are individual products which I can name but I do not think I should take the time of the House by naming all the items, where there has been a decline.

As far as constraints, as has been mentioned, it has been our constant endeavour to overcome the constraints. There are two types of constraints—one, constraints pertaining to our own country which we try to remove and try to improve it. There are constraints beyond our reach like the protectionist tendencies which exist in the world. If you look at the figures of the global trade in engineering exports, we see that even in the global picture it has been coming down in the last 3 to 4 years. When we talk to our partners during the bilateral talks, we try to impress upon them and we always make efforts to remove all those constraints.

**SHRI BRAJAMOHAN MOHANTY :** My question was : whether the Soviet Union was persuaded to purchase more, whether our payment difficulties with the African countries have been sorted out and whether the Chinese competition has been overcome. These specific questions I have put. However, the answer is not there.

My next question is : in the action plan for engineering exports they have adopted two major steps. One was regarding exploring the possibility of better participation of Indian firms in aided projects and (2) exploring better avenue for product exports by means of joint tendering and sub-contracting with renowned prime contractor in West Europe, Japan and USA. My question would be : what has been the progress in this regard ?

**SHRI P. A. SANGMA :** It is a very wide question. Unless the Hon. Member puts me a specific question on a specific country and gives me notice, I don't think I will be able to answer the question.

**SHRI BRAJAMOHAN MOHANTY :** What is the progress—I want to know. If the information is there, it is all right. Otherwise he can collect and place it on the Table of the House.

**SHRI P. A. SANGMA :** It is a very wide question. For example, take this joint venture. Whenever there is a bilateral talk, we discuss on this issue. We come to an agreement that we should enter into it. We ask the parties to explore it. I cannot furnish the information regarding the whole world. It is not possible.

**SHRI C. P. THAKUR :** I would like to ask the Minister whether we are not able to compete with the other countries on the ground of costs or quality. If it is on the ground of costs. India having a cheap labour, the costs should not be high. So what is the actual ground on which we are not able to compete with the foreign countries ?

**SHRI P. A. SANGMA :** We have to compete on both angles—quality as well as the cost. Though the Indian labour is cheap as the Hon. Member has said, the cost of labour is not the only factor in determining the cost of production. It is the raw materials and many other inputs like power etc. which contribute to the cost. If we make a comparative study our cost of production is much higher than other countries. That is why we are not able to compete. One of the reasons why our goods are not competitive is because our cost of production is high on account of the inputs.

**SHRI PRIYA RANJAN DAS MUNSI :** The Hon. Minister has stated that our prices are not competitive in the international market because of huge cost of production etc. Does the Minister know the fact that a large number of engineering export items inspite of LCs having been opened, the orders were cancelled. On account of the poor quality they were rejected and sent back to India. If so, what steps the Minister is going to take in this regard because it is not enhancing our reputation abroad? Long back India used to export a large number of cycles to African countries. What has happened in the last few years is that the quality of cycles is such that those who had placed the orders have started cancelling the orders inspite of opening LCs. Although the cost of production in North Korea and South Korea is more than that of India yet they are competing in the international market.

**SHRI P. A. SANGMA :** As far as the quality of goods is concerned I agree with the Hon. Members that we need to improve the quality and we have to upgrade our technology. It is with this idea that in this year's policy which we have just announced we have made accessibility of the inputs more liberal as far as the technology is concerned. It is only because we want our industry to go in for upgrading the technology and modernise. Why our industry has not modernised is because we have such a large domestic market that they do not feel it necessary to modernise it. So, we have not been able to compete in the international market. Now, we are going towards improving it and that is why the policy has been framed in that manner.

[*Translation*]

**SHRI GIRDHARI LAL VYAS :** As the Hon. Minister has just now told us that the quality of engineering goods is deteriorating and as a result there is a decline in exports, I would like to ask the Hon. Minister what steps have been taken to push up exports and to improve the quality of the goods.

[*English*]

**SHRI P. A. SANGMA :** We have taken several steps. In the beginning I mentioned

the raw-materials are costly. We have come out with a scheme whereby we try to supply raw-materials to the industry.

[*Translation*]

**SHRI GIRDHARI LAL VYAS :** What steps have been taken to improve the quality?

[*English*]

**SHRI P. A. SANGMA :** I have already answered this question. We have to improve the quality and, therefore, we are telling them to upgrade the technology. Unless the present technology is upgraded and unless the industry goes in for modernisation the quality cannot improve. In order to modernise the industry we have to make the technology available to them. That is why we have formulated a policy where the import of technology has been made liberal.

#### Steel Import Bills

\*618. **SHRI MUKUL WASNIK :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that on an average steel import bills have touched rupees 1100 crores annually since 1981-82 till 1983-84;

(b) if so, the details of items imported each year and countries from which those were imported, alongwith total cost of import of steel made in 1984-85;

(c) whether the production programme had been chalked out by the five integrated steel plants so as to avoid these imports; and

(d) if so, the reasons for such huge import bills?

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** (a) to (d). A Statement is laid on the Table of the House.

**Statement**

(a) The imports of iron and steel group of items which include iron, steel, pipes, tubes and fittings castings and ferro-alloys during 1981-82 to 1983-84 have been on an average of the order of about Rs. 1100 crores per annum. There is, however, a declining trend in those imports as may be seen from the following :

Year	Total imports of iron and steel (value in Rs. crores)
1981-82	1203.5
1982-83	1146.0
1983-84 (provisional)	962.9
1984-85 (provisional)	
(April September, 1984)	351.9

(b) Data regarding total steel imports is available only upto 1981-82. Information regarding total itemwise imports of steel during 1981-82 and data on canalised imports of steel during 1982-83 to 1984-85 is annexed. Countries from which steel has been generally imported include Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czechoslovakia, France, Holland, Hungary, Italy, Japan, Luxemburg, North Korea, Norway, Romania, South Korea, Spain, Switzerland, U.K., U.S.A. and West Germany.

(c) and (d). Production programmes of the integrated steel plants are drawn up keeping in view the demand of various items, their product-mix and the necessity to keep imports to the minimum. It is normal practice to allow adequate import of various items to meet the needs of the engineering industry and other users.

## Annexure

Total Steel Imports During 1981-82 and Canalised Steel Imports made by Sail During 1982-83 to 1984-85.

Quantity : In '000 tonnes.  
Value : In Rs. crores

Category	Total Steel Imports		1982-83		Canalised Steel Imports		1984-85 (Prov.)	
	1981-82		Quantity	Value	1983-84	Value	Quantity	Value
<b>STEEL</b>								
Spade Ingots	—	—	1.9	0.53	—	—	—	—
Semis	237.9	68.05	43.7	10.07	14.0	2.75	—	—
Structurals	261.7	94.06	682.3	223.23	97.7	30.62	5.3	2.25
Bars and Rods	416.5	170.85	44.4	17.58	18.8	8.23	32.5	12.63
Plates	456.5	153.33	239.1	80.50	87.3	27.10	111.5	38.86
HR Sheets/Coils	1069.7	391.66	25.5	11.16	34.9	12.60	98.7	36.89
CR Sheets/Coils			77.8	32.82	113.2	44.59	215.3	92.53
Tin Plates	100.4	51.04	16.7	11.05	—	—	3.2	2.79
<b>TMBP</b>								
Tin Plates Waste/Waste	—	—	65.3	33.48	151.7	75.15	135.7	83.24
Electrical Steel Sheets, GP/GC Sheets	77.5	31.53	40.7	38.71	48.0	46.38	53.6	52.25
			74.3	37.45	—	—	8.3	4.82



**SHRI MUKUL WASNIK :** I thank the Hon. Minister has agreed that from the year 1981-82 to 1983-84 the steel import bill has been of the order of Rs. 1100 crores per annum. May I know from the Minister as to what were the reasons for incurring such a huge amount of import bill for steel? May I know whether the steel plants in the public sector are under-utilised and are not working to their fullest capacity for the purposes of production? May I know whether the Government has any proposal to modernise the existing steel plants in the country?

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** I am grateful to the Hon. Member for raising this particular issue. Government are very conscious of the fact that we have to pay such a bill for import of steel. But if you see the statement that we circulated you will see that there is a decline in the imports. You will see that during 1983-84 there is a decline of 16% over the previous year. Then again in 1982-83 this was 5% lower than 1981-82. The imports in the first 6 months of 1984-85 were 15.5% lower than the imports of the corresponding period of the earlier years. I might add here that we have a Joint Plant Committee which goes into this very carefully indeed. While there is this decline,—I think it will continue for some time I might with your permission inform the House that our projections for the year 2000 AD, even if all our plants are working at maximum capacity, and even if Vijayanagar and Vishakapatnam are fully operating, in the year 2000 AD, the demand would be 22.47 million and our production would be 17.27 million and we will still be short of 5 million. I went round the plants the other day. I was given a figure that the plant has fulfilled 85 or 82% of its capacity. My question was, our target should be the installed capacity, not the capacity given by the management. It is the installed capacity of the plant which we should reach.

**SHRI MUKUL WASNIK :** May I know from the Hon. Minister, in a situation where the demand is very much more than what we are producing at present, has the Government got any proposal to open new steel plants in the country to meet the demand of the day? If there is any such proposal, I would like to know from the Minister whether any new steel plants in public sector will be

opened in the Vidarbha region which is the most backward region in Maharashtra?

**SHRI K. NATWAR SINGH :** It is not related to Q No. 618. You asked me whether you have plans for opening any more plants. That is not in your question. *(Interruption)* The plants are not working to full capacity. Our endeavour is to see that they work to full capacity.

**SHRI MUKUL WASNIK :** Even if they work to full capacity will the steel plants meet the entire demand? That is the question.

**MR. DEPUTY SPEAKER :** He has already answered that question.

**THE MINISTER OF STEEL MINES AND COAL (SHRI VASANT SATHE) :** Sir, May I just answer this question? If we find that there is a need and we have the new technology to open new steel plants, after we have found resources for the plants,...that are already in process like Visakhapatnam, Vijayanagar and others, then we will definitely consider having a steel plant in Vidharba as a whole.

**AN HON. MEMBER :** What about Vidharba?

**SHRI VASANT SATHE :** Actually there is a State-owned mini-steel plant in Chandrapur and we are seriously considering of doing something for this. It is in difficulty because of power shortage. Maharashtra also is not giving power, as I said the other day. I am not partial only to Karnataka, Maharashtra is also not giving power to Chandrapur. Chandrapur plant is in doldrum. They are asking us to take over it. We are seriously considering taking over it.

#### WRITTEN ANSWER TO QUESTIONS

[English]

#### Investment in Coal Sector

\*610. **KUMARI PUSHPA DEVI :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Union Government have recently approved investment of Rs. 203.50 crores in the coal sector;

(b) if so, the names of the new coal projects proposed to be taken up with this investment;

(c) whether the above approval includes any underground coal project of Madhya Pradesh; and

(d) if so, the details of the amount proposed to be spent on the newly approved underground coal mining projects in Madhya Pradesh and also on other projects ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :  
(a) to (c). Yes, Sir. During March, 1985, Government have approved a total investment of Rs. 203.50 crores for development of following four new coal projects :

Sl. No.	Name	Location	Investment (Rs. crores)	Capacity (Lakh tonnes)
1.	Silewara	Maharashtra	38.06	10.00
2.	Churcha West	Madhya Pradesh	32.64	6.00
3.	Manuguru II	Andhra Pradesh	132.00	27.50
4.	Manuguru III (Advance Action)	Andhra Pradesh	0.80	4.20
Total :			203.50	47.70

(d) The allocation for the four projects mentioned above is Rs. 8.71 crores in 1985-86.

In Madhya Pradesh, 13 underground projects have been sanctioned by the Government during Sixth Plan and are under implementation. An amount of Rs. 20.20 crores have been earmarked for expenditure on these projects during 1985-86. Besides, there are 10 opencast mining projects sanctioned by the Government during the Sixth Plan which are also under implementation in Madhya Pradesh. For these projects the budget allocation for 1985-86 is Rs. 106.20 crores.

#### Regional Offices of Nationalised Banks

\*611. SHRI SRIBALLAV PANIGRAHI : Will the Minister of FINANCE be pleased to state :

(a) the basis on which regional offices of nationalised banks are established;

(b) the number of such regional offices presently functioning in the country;

(c) the number proposed to be opened during the financial year 1985-86, State-wise; and

(d) when such proposals pertaining to Orissa will be implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Regional Offices of nationalised banks are established with a view to providing guidance, monitoring progress and controlling activities of a group of branches. The span of control of Regional Offices generally varies between 40 to 70 branches.

The need for such offices in specific areas is decided by the banks concerned taking into account various criteria like, level of business, area of operation and number of branches. Banks are required to obtain licences from Reserve Bank of India before opening such offices.

According to the information available with the Reserve Bank, at present there are 646 Regional Offices/Area Managers' Offices of public sector banks in the country. It is



difficult to say at this stage as to how many Regional Offices will actually be opened during 1985-86. There is no proposal for a regional office pertaining to Orissa pending for implementation.

**Export-Oriented Units for Manufacture of Studded Gold Ornaments and Emerald Processing Units**

\*612. SHRI C. MADHAV REDDI : Will the Minister of COMMERCE be pleased to state:

(a) whether there is any proposal under consideration to set up export-oriented units for the manufacture of studded gold ornaments and emerald processing units in the country ;

(b) if so, the sites selected for setting up of such units;

(c) the funds allocated for the purpose; and

(d) the foreign exchange likely to be earned from these units ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (d). The Scheme for setting up Special Export Oriented Complexes for manufacture of gold jewellery for export was notified *vide* Public Notice No. 54-ITC (PA)/84, dated the 12th September, 1984. To start with, the Complexes will be permitted at five centres, viz, Delhi, Jaipur, Calcutta, Madras and Bombay. As these Complexes will be identified by the trade or sponsored by either State Government or a Public Sector enterprise the individual units sharing the expenses on the common facilities, no allocation of funds by the Central Government is involved in setting up these complexes.

Foreign exchange likely to be earned by the export oriented gold jewellery units set up in these Complexes will depend on the actual response of the industry and markets abroad.

The proposal of the Minerals and Metals Trading Corporation to set up an emerald processing unit in Jaipur is estimated to generate exports equivalent to Rs. 2.5 crores in a year.

**Smuggling of Foodgrains to Nepal and Bangladesh**

\*614. SHRI BHOLA NATH SEN :  
SHRI PIYUS TIRAKY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have received report(s) of mushroom growth of unscrupulous traders in the border areas indulging in illegal export of rice and other foodgrain items to Nepal and Bangladesh;

(b) if so, the details thereof;

(c) the modus operandi of persons involved in smuggling rice and foodgrains to Nepal and Bangladesh; and

(d) the steps taken/proposed to be taken to check proliferation of smugglers in the border areas and/or to check smuggling of rice and foodgrains to Nepal and Bangladesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reports received by the Government do not indicate mushroom growth of unscrupulous traders in the border areas indulging in illegal export of rice and other foodgrain items to Nepal and Bangladesh, though seizures have been reported.

(c) Small quantities are stored near the border and smuggled out through unauthorised routes and by boat to Nepal and Bangladesh during the night and at odd hours.

(d) The drive against smugglers has been intensified. Appropriate anti-smuggling measures have been taken by the Government to check smuggling activities in general across the land borders. The trend and pattern of smuggling is also kept under constant review and suitable anti-smuggling measures, both short-term and long-term, are taken in close co-ordination with the concerned Central and State Government authorities.

**Measures to Deal with Sick Units**

\*615. SHRI V. KISHORE CHANDRA S. DEO : Will the Minister of FINANCE be

pleased to refer to para 27 of his Budget Speech regarding measures to deal with sick units and state :

(a) when the proposed Board for Financial and Industrial Reconstruction will be set up and other measures will be taken;

(b) whether it is correct that Pure Drinks Pvt. Ltd., Pure Drinks (Calcutta) Ltd., Southern Bottlers, Punjab Beverages, Mohan Machines Ltd. and Mohan Bottling Co. are all sick units;

(c) whether it is also a fact that Punjab and Sindh Bank and Punjab National Bank and the financial institutions have advanced large sums of money to these companies and continue to do so; and

(d) what action is proposed to be taken to change the management and to stop giving any more loans to these companies and companies promoted by this management ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POJARY) : (a) Enactment of legislation for setting up a Board for Industrial and Financial Reconstruction is under the consideration of Government.

(b) to (d). In accordance with provisions of the statutes governing public sector banks and financial institutions and also the Public Financial Institutions (Obligation as to Fidelity and Secrecy) Act, 1983, information relating to individual constituents of the public sector banks and public financial institutions cannot be disclosed.

**Proposal to make National Mineral Development Corporation a Subsidiary of Minerals and Metals Trading Corporation**

\*619. PROF. RAMKRISHNA MORE :  
SHRI YASHWANTRAO  
GADAKH PATIL :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the National Mineral Development Corporation is being made a subsidiary of the Minerals and Metals Trading Corporation; and

(b) if so, the reasons therefor ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) No, Sir.

(b) Does not arise.

[Translation]

**Misuse of Import Licences by Small Scale Industrial Units**

\*620. SHRI C. D. GAMIT : Will the Minister of COMMERCE be pleased to state :

(a) whether any complaints have been received about misuse of the import licences by the small scale industrial units in Gujarat;

(b) if so, the details thereof and the particulars of such industrial units which have misused import licences;

(c) whether any penal action has been taken or is proposed to be taken against these units; and

(d) if so, the details thereof ?

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

(b) to (d). The matter is being investigated and necessary action will be taken depending upon the result of investigation.

[English]

**World Bank Aided Projects**

\*621. SHRI G.S. GHOLAP : Will the Minister of FINANCE be pleased to state :

(a) whether for the projects which are taken up by States with the aid of World Bank loans, the Union Government gives only 70 per cent of the amount which they get from World Bank;

(b) if so, the reason why 100 per cent of the loan is not given; and

(c) the amount of loan given for the Water Supply Project of Bombay and the actual receipt from the World Bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). A statement is laid on the table of the House.

**Statement**

(a) and (b). Government of India have a well defined arrangement for transfer of resources from the Centre to States. The Finance Commission determines the norms of devolution of funds from Central tax rece-

pts to state revenue every five year. The developmental plans of the States which include all externally aided projects are assisted through central assistance the bulk of which is distributed on the basis of what is generally described as the revised Gadgil formula. In determining the total resources for the country's plan, foreign assistance received is taken into account. The central assistance distributed to States therefore already takes into account the total foreign aid received. Consequently, the Central Assistance to any foreign aided project is more than what is reflected through the 70 per cent additional central assistance on account of externally aided projects.

(c)

Name of the Project	Total credit amount \$ million	Amount disbursed till 28.2.85 \$ million	Additionality released by GOI to Govt. of Maharashtra till 31.3.85 Rs. crores
First Bombay Water Supply & Sewerage Project—Credit No. 390—IN	55.00	55.00	32.735
Second Bombay Water Supply & Sewerage Project—Credit No. 842—IN	196.00	65.959	52.767

**Study Conducted by NABARD Regarding Assistance under IRDP**

\*622. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether a study conducted by the National Bank for Agriculture and Rural Development has revealed that as much as 20% of the assistance under the Integrated Rural Development Programme is not reaching the target families in rural areas; and

(b) if so, the principal recommendations contained in this study and the action being taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). A statement is laid on the Table of the House.

**Statement**

(a) and (b). The study conducted by the National Bank for Agriculture and Rural Development has revealed that out of the families assisted, nearly 15% were not below the poverty line and, thus, were not qualified to be included in the target group for assistance under Integrated Rural Development Programme. The principal recommendations contained in the study report are as follows :

(1) The targets for each block should

be fixed taking into account the resource potential, the infrastructure available and incidence of poverty;

- (2) In the selection of investment activities due consideration should be given to the skills and capabilities of the beneficiaries and their preferences;
- (3) The cluster approach should be such so that both spatial and functional requirements are met;
- (4) The banks and district rural development agencies should impress upon the beneficiaries the need for adhering to technical specifications;
- (5) The development of infrastructure may be given greater attention to support the large programme of investment envisaged under the Integrated Rural Development Programme.

2. The findings of the study were considered by the Board of Directors of National Bank for Agriculture and Rural Development and the concerned authority was advised to rectify the shortcomings brought out in the study report.

#### **Task Force set up to Monitor Coal Supplies to Thermal Power Stations**

\*623. SHRI B. V. DESAI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether a Task Force comprising of senior representatives from Railway Board, Departments of Power and Coal has been set up to monitor coal supplies to all the thermal power stations;

(b) if so, the other functions this Task Force will perform;

(c) the main decisions taken by this Task Force; and

(d) the extent to which the setting up of this Task Force has helped in the supply of coal to all the thermal power stations ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir. It was decided in the meeting held in the Department of Coal on 30.3.85 that a Task Force would be set up to review coal supplies to Power Stations.

(b) to (d). The Task Force has been reviewing coal supplies to Power Stations so that any problems can be tackled on urgent basis. There has generally, been improvement in the coal supplies to Power Stations with low stocks, since the Task Force was set up.

#### **Export Quota for Cotton from Andhra Pradesh**

\*624. SHRI M. SUBBA REDDY : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether in order to overcome the distress sale of cotton by farmers of Andhra Pradesh, Government propose to apportion export quota of cotton from Andhra Pradesh; and

(b) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). There is no information regarding distress sale of cotton by farmers of Andhra Pradesh. Effective price support is extended by Cotton Corporation of India.

Besides the price support operation, the Cotton Corporation of India also makes commercial purchases in Andhra Pradesh for domestic consumption as also for export. Out of the assessed surplus of long and extra long staple cotton, the Co-operative Marketing Federation of Andhra Pradesh has been allotted 10,000 bales for export.

#### **Ad-Hoc Licences Issued for Import of Dry Fruits to N.C.C.F.**

\*625. SHRI K. P. UNNIKRISHNAN : Will the Minister of COMMERCE be pleased to state :

(a) whether ad-hoc import licences were issued to M/s National Cooperative

Consumers Federation Ltd. during 1982-83, and later for import of dry fruits;

(b) the reasons for issuing such licences;

(c) the value and conditions imposed while granting these import licences;

(d) whether these conditions have been fulfilled or violated by the Licence-holders;

(e) whether any action has been taken by the Chief Controller of Imports and Exports in this regard;

(f) if so, the details thereof; and

(g) whether any further action is contemplated in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Yes, Sir. Only one licence, dated 18.6.1982, was granted during the period 1982-83 and later.

(b) for making goods available at low prices to the consumers by bulk buying and eliminating middle-man.

(c) Rs. one crore (cif).

The licensee was required to distribute the imported dry fruits in consumer packs through Super Bazaars at a profit margin of five per cent only.

(d) The licensee was found to have violated the conditions.

(e) and (f). The licensee and its branches have been debarred, from receiving import licences, Customs Clearance Permit, allotment of imported goods through canalising agencies or import under Open General Licence for five licensing periods namely, April-March, 84 to April-March, 88.

(g) No further action is contemplated at this stage.

#### Decline in Export of Cardamom

\*626. SHRI N. DENNIS : Will the Minister of COMMERCE be pleased to state :

(a) whether there has been a decline in cardamom export;

(b) if so, to what extent, since when and the reasons thereof; and

(c) the quantity of cardamom exported during the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). The production and export of Cardamom for last 4 years are given below :

Year	Production (tonnes)	Export (tonnes)	Value (Rs. crores)
1981-82	4100	2387	31.11
1982-83	2900	1021	16.23
1983-84	1600	258	5.44
1984-85	*3500	2340	63.53

\*estimated.

The decline in export of Cardamom during 1982-83 and 1983-84 was mainly due to the fall in production because of unprecedented drought. The short supply and higher prices adversely affected the exports.

During 1984-85, there has been a considerable recovery both in terms of quantity and earnings. The total value of the exports is the highest in the last ten years.

### Self-sufficiency in Aluminium

\*627. SHRI SOMNATH RATH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the time by which India will become self-sufficient in aluminium;

(b) the expected total production of aluminium after the Orissa plant of National Aluminium Co. Ltd., starts commercial production; and

(c) the year by which the above plant is expected to go on stream ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) to (c). The present installed capacity for production of aluminium is sufficient to meet the present domestic demand. On account of inadequate and erratic power supply to the aluminium smelters, production has been below the installed capacity, necessitating imports. As per present indications, National Aluminium Company Limited would go on stream towards the end of 1986-87 in so far as production of aluminium is concerned. The expected total production of aluminium in the country after National Aluminium Company Limited starts commercial production, will be :

1987-88	..	393,000 tonnes
1988-89	...	483,000 tonnes
1989-90	...	499,000 tonnes

According to the present projections of demand and supply of aluminium metal, India will have surplus of aluminium metal from 1988-89 onwards, for some years, until the demand builds up again.

### Expansion of Merchant Banking Divisions of Nationalised Banks

\*628. SHRI Y. S. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering any proposal to expand the activities of the merchant banking divisions of nationalised banks which at present are only limited to

managing the public issue of shares/debentures of limited companies; and

(b) if so, whether Government propose to consider assigning the merchant banking division such roles as corporate counselling, credit syndication, Eurodollar loans, amalgamations and merger of non-resident Indian funds ?

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

(b) Does not arise.

[Translation]

### Removal of Directors of Nationalised Banks

4460. SHRI PIYUS TIRAKY : Will the Minister of FINANCE be pleased to state :

(a) whether 95 members of the Board of Directors of the nationalised banks had been removed from service during February, 1985;

(b) if so, the details thereof;

(c) whether the Reserve Bank of India had earlier drawn the attention of Government towards the irregularities being committed in these banks;

(d) if so, the reasons for not paying attention earlier towards the objections raised by the Reserve Bank; and

(e) the effective steps being taken by Government to bring about necessary improvement in the banking system ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). In terms of the provisions of the Nationalisations Schemes, 1970/1980 the Central Government have issued notifications to the effect that specific non-official Directors on the Boards of the twenty nationalised banks as had completed three years, as Directors shall cease to hold office from the dates they completed a period of three years from the date of their nomination,

(c) to (e). Government have an ongoing process of consultations with the Reserve Bank of India regarding the operation and the administration of public sector banks and such steps as are considered necessary are taken at the appropriate time.

[English]

**Housing Programme for Calcutta under L.I.C. Schemes**

4461. SHRI MANIK SANYAL : Will the Minister of FINANCE be pleased to state :

(a) whether the former Minister of Finance had publicly given assurance in Calcutta just before the Lok Sabha elections in December 1984 that Government would construct houses for low and middle income groups of people under the L.I.C. Schemes as has been done at Bombay and Bangalore;

(b) if so, when Government are going to implement the assurance in view of acute housing problem in Calcutta; and

(c) whether similar housing programme would be undertaken in other divisions also ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to information furnished by the Life Insurance Corporation of India, the then Finance Minister, while laying the foundation stone of LIC's Branch Office-cum-Investment Building at Calcutta on the 18th December, 1983 had made announcements regarding construction of houses/flats at Calcutta for the policy holders, under LIC Schemes.

(b) and (c). L.I.C. has noted the above for appropriate necessary action.

[Translation]

**Amount under Suspense Accounts with Accountant General, Uttar Pradesh**

4462. SHRI DHARAMVIR SINGH : Will the Minister of FINANCE be pleased to state :

(a) the amount in the Suspence Account

with the Accountant General of Uttar Pradesh;

(b) the break-up of the amount in the Suspence Account since 1970-71;

(c) the number of unsettled claims of State employees and the amount involved in each case and since when they are lying;

(d) the reasons for delay in settling these claims;

(e) whether action is proposed to be taken against the employees and officers responsible for this; and

(f) if so, details thereof and if not, the reasons therefor ?

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

[English]

**Nomination of Director of PNB as Representative of Small Scale Industries**

4463. SHRI INDRAJIT GUPTA : Will the Minister of FINANCE be pleased to state :

(a) whether Government have nominated a Director of the Punjab National Bank as representative of small-scale industries; and

(b) if so, whether the Director concerned was promoter of M/s Rolta Industries in Dewas, which received over Rs. 2 crore loans from the State Bank of Indore, of which Rs. 40 lakhs had to be written off as the firm never commenced production ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Clause 3 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme 1970 provides for constitution of Boards of Directors of nationalised banks by the Central Government. In terms of sub-

clause (f) of the said clause, not more than five Directors may be appointed from among persons having special knowledge or practical experience in respect of one or more matters which are likely to be useful for the working of the nationalised banks. There is no provision in the Scheme for appointment of any Director on the Board of a nationalised bank as a representative of Small Scale Industries.

One of the Directors appointed by the Government in January 1982, in terms of clause 3 (f) of the Scheme on the Board of Directors of Punjab National Bank was Shri K. K. Singh, Chairman and Managing Director of Rolta Computer and Industries (P) Ltd., Bombay.

Section 13(1) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 prohibits a nationalised bank from divulging any information relating to or to the affairs of its constituents except, in accordance with law or practices and usages customary among bankers. In the circumstances the information relating to the account of Rolta Computer and Industries (P) Ltd. cannot be divulged.

**Setting up of a Centre in Orissa**  
by E. D. I.

4464. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the national level Entrepreneurship Development Institute of India (E. D. I.) Ahmedabad, will set up a centre in Orissa soon; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Entrepreneurship Development Institute (EDI) has decided to support the efforts of Orissa State Government to set up an Entrepreneurship Development Centre in the State. The object of the proposal is to give a concentrated and coordinated major thrust to identification and development of local entrepreneurship and to create an autonomous, professional organisation with qualified, trained motivators developed by the EDI. The detailed proposal is

being worked out by the Directorate of Industries, Orissa.

**Smuggling of Skins, Hides and Ivory**

4465. SHRI SRIKANTA DATTA  
NARASIMHARAJA WADIYAR :

Will the Minister of FINANCE be pleased to state :

(a) whether a large number of skins hides and ivory is being smuggled out of the country;

(b) the steps proposed to be taken to prevent this illegal trade;

(c) the number of cases detected and the value of goods seized in terms of Rupees in 1984-85;

(d) the steps Government propose to take to stop illegal poaching; and

(e) if no action is being taken the reasons thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reports received by the Government indicate that snake skins, goat skins and skins of some wild animals are sensitive to smuggling. Government has however, no report about large scale outward smuggling of ivory.

(b) The drive against smugglers in general, has been intensified. The preventive and intelligence machinery of the Customs Department has been reinforced in vulnerable areas in terms of man-power and equipment. In addition, the concerned Central and State Government agencies remain vigilant and appropriate concerted anti-smuggling measures are taken. The matter is also kept under constant review for appropriate action.

(c) The number of cases detected and the value of the goods seized during the year 1984 and 1985 (upto March), as reported, are furnished below:



Year	Items	Numbers of cases	Value (in Rs.)	
1	1984	Snake skins	16	1.04 crores
	1985	Snake skins	NIL	NIL
2	1984	Skins of other wild animals	3	14,200
	1985	Skins of other wild animals	NIL	NIL
3	1984	Hides and Skins other than (1) and (2) above	35	61,875
	1985	Hides and skins other than (1) and (2) above.	2	5,52,450

(Figures are provisional)

(d) Enforcement measures have been tightened with the assistance of all concerned departments, to curb such activities. State Wild-life Organizations have intensified their vigilance against poachers. Programmes have been taken up to create public awareness and enlist support for the causes of protection of wild life. A new Centrally-sponsored programme for the control of poaching and illegal trade in wild life, having inter-state and international implications, is being introduced to supplement the efforts of the State wild-life Organizations.

(e) Does not arise.

#### Inspection of Mines

4466. SHRI LAKSHMAN MALLICK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether every working mine is being inspected at least once a year by the officers of the Indian Bureau of Mines;

(b) if so, the number of iron ore, manganese, mica etc. mines inspected once a year and the details thereof, year-wise, separate figures for each ore for last three years; and

(c) the major violations noticed during these inspections and the steps taken to rectify them ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b). The Officers of Indian Bureau of Mines inspect a number of mines every year in connection with the implementation of the provisions of the Minerals Conservation and Development Rules, 1958. Out of nearly 3540 reporting mines, the numbers of mines inspected for iron ore, manganese, mica etc. during past three years is given below :

Mineral	1982-83	1983-84	1984-85
1. Iron ore	175	131	152
2. Manganese ore	125	60	115
3. Mica	188	161	131
4. Others*	1197	1288	1216
Total	1685	1640	1614

\* Viz. China Clay, Limestone, Fireclay, Soapstone, Silica sand, Bauxite, Quartz, Felspar etc.

(c) The major violations related to contravention of rules regarding the notices of intention of abandonment of mines and submission of plans and sections in such cases, notice of reopening; submission of quarterly returns in respect of explosives; maintenance of notices and returns at the mines; employment of mining Engineers; compliance with directives etc.

Majority of the violations were rectified after these were pointed out and were followed up. During the three years, 170 Court cases were filed against defaulting mine owners. 118 cases were decided in favour of the Department and 33 cases were compounded.

#### **New Strategies For Increasing Export Earnings**

4467. SHRI BHOLA NATH SEN : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have adopted and/or are contemplating new strategies for increasing the export earnings during the next five years particularly during the current year 1985;

(b) if so, the details thereof;

(c) the target for growth in exports during the periods mentioned above; and

(d) the success, if any, achieved in the matter so far ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (d). Policy measures are being continuously evolved by the Government for increasing India's exports. The Import and Export Policy recently announced for a period of 3 years from April, 1985 to March, 1988 has been formulated to give a major thrust to exports as well as encourage efficient import substitution. As major objectives the Policy seeks :

(i) to import continuity and stability in Import-Export policy;

(ii) to facilitate increased production through easier and quicker access to inputs that need to be imported;

(iii) to strengthen the base for export production and strive for a major thrust in exports;

(iv) to make all possible savings in imports to support indigenous production, and to promote efficient import substitution;

(v) to facilitate technological upgradation and modernisation in production; and

(vi) to reduce licensing, to streamline procedures and to decentralise decision-making, which should reduce costs in terms of time and resources.

The export target for the current financial year 1985-86 is under formulation. The target for growth in exports for a five-year period would be incorporated in the Seventh Five Year Plan 1985-90 which is in the process of finalisation.

#### **Nationalisation of Swadeshi Cotton Mills**

4468. DR. C. S. VERMA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the amount of funds required for modernisation and working capital for each units of Swadeshi Cotton Mills Co. Ltd. presently managed by National Textile Corporation;

(b) the present inventory levels of raw materials and finished products being maintained by each of the mills of Swadeshi Cotton Mills; and

(c) whether in view of the huge losses/liabilities incurred and in the interest of workers/staff, Government propose to nationalise the Swadeshi Cotton Mills?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHER SINGH) : (a) The required information is given below :

(Rs. in crores)

Name of the unit under the Swadeshi Cotton Mills Co. Ltd.	Estimated requirement of fund for modernisation during Seventh Five Year Plan Period 1985-90.	Estimated Working capital Present requirement as per Pathak Committee norms.
(1) Raebareli Textile Mills, Raebareli.	1.29	1.02
(2) Swadeshi Cotton Mills, Naini	2.37	9.79
(3) Udaipur Cotton Mills, Udaipur.	0.99	2.12
(4) Swadeshi Cotton Mills, Maunath Bhanjan.	1.02	1.90
(5) Swadeshi Cotton Mills, Pondicherry.	4.12	6.18
(6) Swadeshi Cotton Mills, Kanpur.	14.44	9.95
Total :	24.23	30.96

(b) The inventory levels of raw materials and finished products maintained by each of the units of Swadeshi Cotton Mills Co. Ltd., as on 28. 2. 1985 are given below :

(Rs. in lakhs)

Name of the Unit	Raw Material	Finished goods (Provisional)
1 Raebareli Textile Mills, Raebareli	5.64	6.64
2 Swadeshi Cotton Mills, Naini	74.45	36.89
3 Udaipur Cotton Mills, Udaipur.	26.02	6.92
4 Swadeshi Cotton Mills, Maunath Bhanjan.	9.06	16.47
5 Swadeshi Cotton Mills, Pondicherry.	51.15	119.50
6 Swadeshi Cotton Mills, Kanpur.	26.31	26.43

(c) Final decision on the future set up of the group of undertakings has not been taken so far.

**Removal of ban Imposed on Creation  
of New Posts**

**4469 PROF. NARAIN CHAND PARASHAR :** Will the Minister of FINANCE be pleased to state :

(a) whether any demand has been received from the people/Government of any State for the removal of the ban imposed by his Ministry on the creation of new posts or filling up the existing vacancies;

(b) if so, the action taken by Government in this regard and the likely date by which the ban would be removed;

(c) whether Government have taken into account the impact of the ban and the normal functioning of the various projects resulting in deterioration in their functioning on account of an increased work load and shortage of staff; and

(d) if so, Government's response thereto ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :**(a) to (d). As a part of anti-inflationary measures, Ministries/Departments of the Government of India were advised in January, 1984 not to create new posts or fill up existing vacancies. Instructions issued in this regard were valid up to 31st March 1985. Having regard, however, to the continued need for utmost economy in Government expenditure, it has been decided that the above instructions should stand extended until further orders. No State Government as such has represented for lifting of the ban which in any case does not apply to State Government public services. Proposal for creation of posts/filling up of vacancies are considered on merits and relaxations are given in most exceptional circumstances.

**Enhancement in Interest Rate of Unit  
Trust of India**

**4470. SHRI VIRDHI CHANDER JAIN :** Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Unit

Trust of India under its monthly interest payment scheme for retired persons, war widows etc. pay 12 per cent interest;

(b) whether Government have authorised private limited companies to pay interest upto 15 percent; and

(c) if so, the reasons for this anomaly and whether Government propose to enhance the interest rate for the Unit Trust of India under its monthly interest scheme ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Yes, Sir. Under the monthly income unit scheme of the Unit Trust of India (UTI), which is meant for the people above the age of 55 years, widows, physically and mentally handicapped persons and certain eligible institutions, the Trust pays 12 per cent dividend per annum payable on monthly basis.

(b) Yes, Sir. In terms of the provisions of Rule 3(1) (c) of the Companies (Acceptance of Deposit) Rules, 1975, framed under Section 58A, of the Companies Act, 1956, the non-banking non-financial companies can invite and/or accept/renew deposits at a rate of interest not exceeding 15% per annum.

(c) The units issued by the UTI as an investment institution are not comparable to deposits with companies engaged in manufacturing and other activities. While units carry dividend based on return on further investments by the UTI, interest has to be paid on deposits irrespective of the profitability of the companies. Besides, certain tax concessions are available in the case of dividend on units.

**Regional Offices Started by State  
Bank of India**

**4471. SHRI ANANTA PRASAD SETHI :** Will the Minister of FINANCE be pleased to state :

(a) the State-wise number of Regional Offices started by the State Bank of India as per policy to recognise the State Bank administration in the States;

(b) the names of Regional Offices and the names of the Branch Offices covered by each Regional Office;

(c) whether some Regional Offices have been opened where there is a Head Office of the State Bank of India and if so, the details thereof; and

(d) the names of the Regional Offices opened to cover the tribal districts and tribal areas particularly in the State of Orissa ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) A statement showing State-wise number of Regional Offices started by the State Bank of India is attached.

(b) The information is being collected and will be laid on the Table of the House.

(c) Yes, Sir. Fifteen Regional Offices of State Bank of India have been opened where local head offices of the bank are located. The names of such centres are as under :—

Name of the Centre	Number of Regional Offices.
1. Bombay	1
2. Ahmedabad	1
3. Bhopal	1
4. Bangalore	1
5. Bhubaneswar	1
6. Chandigarh	2
7. Calcutta	2
8. Gauhati	1
9. Hyderabad	1
10. Lucknow	1
11. New Delhi	1
12. Madras	1
13. Patna	1

(d). While Tribal Districts are covered by one Regional Office or the other, the tribal districts and tribal areas in the State of Orissa are controlled by the Bank's Regional Offices located at Bhubaneswar and Sambalpur.

#### Statement

States	Number of Regional Offices
1	2
1. Maharashtra and Union Territory of Dadra and Nagar Haveli	4
2. Union Territory of Goa and Three Districts of Maharashtra	1
3. Tamil Nadu and Union Territory of Pondicherry	3
4. Kerala	1
5. Karnataka	2
6. Andhra Pradesh	4
7. West Bengal, Sikkim and Union Territory of Andaman and Nicobar Islands,	4
8. Union Territory of Delhi and three districts of Haryana	1
9. Uttar Pradesh	7
10. Rajasthan	1

1	2	
		may successfully compete with synthetic materials and jute products of other countries ?
11. Gujarat	2	<p><b>THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :</b> (a) and (b). India's jute goods exports have been adversely affected during the past few years mainly because of uncompetitive prices in comparison to Bangladesh and Synthetics substitutes rather than due to contractual defaults.</p> <p>(c) In order to make Indian jute products competitive, the Government have taken the following steps :—</p> <p>(i) Providing higher cash compensatory support to jute carpet backing cloth and yarn on the basis of matching performance by the industry;</p> <p>(ii) Formation of STC-jute industry consortium on 50:50 loss sharing basis for exports of carpet backing cloth to North America;</p> <p>(iii) Encouraging development of exportable products through R and D efforts; and</p> <p>(iv) Constituting a new JMDC and a Jute Fund out of proceeds of jute cess to give boost to R and D efforts and export promotion.</p>
12. Madhya Pradesh	4	
13. Bihar	5	
14. Orissa	2	
15. Punjab	1	
16. Himachal Pradesh	1	
17. Jammu and Kashmir	1	
18. Union Territory of Chandigarh and 9 districts of Haryana	1	
19. Meghalaya, Nagaland, Manipur, Tripura and Union Territory of Mizoram	1	
20. Assam and Union Territory of Arunachal Pradesh	1	

#### Export of Jute Goods

4472. SHRI ATISH CHANDRA SINHA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether uncompetitive prices in comparison with Bangladesh and synthetic materials and/or occasional contractual defaults by Indian jute exporters have adversely affected export of jute goods during the past few years;

(b) if so, the details thereof; and

(c) the steps taken/proposed to prevent contractual defaults and/or to subsidise jute manufacturers so that Indian jute products

#### Saving Consequent on Ban on Fresh Recruitment

4473. SHRI K. KUNJAMBU : Will the Minister of FINANCE be pleased to state :

(a) whether any assessment as to the saving to the public exchequer as a result of the ban on fresh recruitment has been made; and

(b) if so, the amount of the saving made on this account ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI**

**JANARDHANA POOJARY) :** (a) and (b). It is not possible to make an estimate of the expenditure that would have occurred had there been no ban on fresh recruitment. As such, an estimate of the amount saved on this account is not available.

[Translation]

**Regional Office of Central Silk Board  
at Patna**

**4474. PROF. CHANDRA BHANU DEVI :** Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the Central Silk Board, after passing a resolution in a general body meeting and after the approval of the Planning Commission had submitted a proposal to his Ministry long ago for opening its regional office in Bihar but approval has not so far been given thereto;

(b) if so, the reasons therefor;

(c) whether Bihar is the leading State in the matter of tussar production;

(d) if so, the reasons for neglecting Bihar in view of the fact that Government are opening regional office in the States with less production of silk as compared to that of Bihar; and

(e) whether Government propose to open a regional office of the Central Silk Board in Patna, Bihar and if so, when ?

**THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :** (a) to (e). Bihar is one of the leading States in production of Tassar Silk and Government has approved the proposal of the Central Silk Board for opening a Regional Development Office for Bihar at Patna during the year 1985-86.

[English]

**Indo-Vietnam Trade Relations**

**4475. SHRI K. PRADHANI :** Will the Minister of COMMERCE be pleased to state :

(a) whether Government have established trade relation with Vietnam;

(b) if so, the items on which Indo-Vietnam trade relation has been established; and

(c) the details thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) :** (a) Yes, Sir.

(b) and (c). India has exported items like railway rolling stock, wagons, textile machinery, wheat, rice and cotton yarn to Vietnam. Exports from Vietnam to India have been cement and tin.

**Energy used per Unit Production  
of Aluminium**

**4476. SHRI SRI HARI RAO :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the energy used per unit of production of aluminium in India is one of the highest in the world;

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

(c) the corrective steps proposed to be taken ?

**THE MINISTER OF STEEL MINES AND COAL (SHRI VASANT SATHE) :** (a) to (c). The average consumption of power in the production of aluminium in leading aluminium producing countries varies from 15,655 units to 17,435 units per tonne as per the Report of International Primary Aluminium Institute, London (1983), whereas in India it varies from about 16,410 units to about 18,240 units in the three major aluminium producers in India and is about 20,200 units in the smallest aluminium producer — Madras Aluminium Company. Power consumption in a smelter is dependent on the technology adopted as well as adequacy and steadiness of power supply. The aluminium producers have been making endeavours to reduce energy consumption in the smelters through better control techniques and modernization measures. The smelter being set up by the National Aluminium Company in

Orissa is based on the latest technology and its energy consumption will be comparable to modern smelters abroad.

**Energy and Man-Power used per Tonne  
Production of Coal**

4477. SHRI B.B. RAMAIAH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether energy and man-power used in the country per tonne production of coal is one of the highest in the world;

(b) if so, the details thereof in comparison with some other advanced/more efficient countries; and

(c) the corrective steps taken or proposed to be taken ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). The information is being collected and will be laid on the Table of the House.

[Translation]

**Loan Sanctioned by Nationalised  
Banks to Adivasis and Tribals  
in North Eastern Region**

4478. SHRI MOHAR SINGH RATORE : Will the Minister of FINANCE be pleased to state :

(a) the total amount of loan sanctioned by the nationalised banks for industries during the year 1984-85 for the border States of North Eastern Region and the amount actually disbursed;

(b) the amount of loan out of it, sanctioned for adivasis and tribals and the amount actually given to them;

(c) the amount of loan sanctioned for the non-tribals and the amount of loan actually given to them and also the amount, out of it, given to new entrepreneurs;

(d) whether the sanctioned amount of loan has not actually been given; and

(e) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The data reporting system of the Reserve Bank of India for the public sector banks, does not yield the information in the manner asked for. However, as per the latest available data with the Reserve Bank of India, as on the last Friday of December, 1983 the outstanding advances to small scale units in the North Eastern Region was Rs. 42.32 crores involving 26887 units (Data provisional).

**Availability of Pump Sets through Banks  
in Madhubani and Darbhanga,  
(Bihar)**

4479. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether on the occasion of birthday celebration of late Pandit Jawahar Lal Nehru on 17th November, 1983 the then Member of Parliament of the Madhubani area inaugurated a pump set operating without diesel and electricity in Bahadurpur Block in Darbhanga district and whether after that, such pump sets were made available in Madhubani and Darbhanga districts through banks; and

(b) if so, the reasons for which such pump sets were not commissioned immediately throughout Bihar State, particularly in Gaya, Patna and Aurangabad ?

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

[English]

**Production of Rubber, Cashew, Cardamom,  
Coconut and Coffee in  
Kerala**

4480. SHRI MULLAPPALLY RAMACHANDRAN : Will the Minister of COMMERCE be pleased to state the percentage of rubber, cashewnut, cardamon, coconut



and coffee produced in Kerala in comparison with the total production in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A.

SANGMA) : The percentage of production of rubber, cashew, cardamom, coconut and coffee for the period 1983-84 in Kerala as compared to that of the total production in the country is given below :

Product	All India Production (M. Tonnes)	Production in Kerala (M. Tonnes)	Percentage of production in Kerala to that of total in the country
Rubber	175,280	162,212	92.5%
Cashew	195,760	118,000	60.28%
Cardamom	1600	1100	68.77%
Coconut	5871.0 (Million Nuts)	2694.7 (Million Nuts)	45.9%
Coffee	1,04,000	9,465	9.1%

Note : Figures for Cashew are estimates for 1981-82

**Saving of Foreign Exchange due to Policy of Import Substitution**

4481. SHRI E. S. M. PAKEER MOHAMED : Will the Minister of COMMRCE be pleased to state :

(a) the progress achieved in regard to the policy of import substitution; and

(b) the total amount of foreign exchange likely to be saved by this policy, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) The progress with import substitution is inter-alia reflected in the growth in the domestic production of importables. The following table outlines the trends in the domestic production of principal items of bulk imports during the 1980s. These selected items constituted about 63% of total imports in 1981-82 and, according to provisional trade figures, around 50% of total imports in 1983-84.

**Domestic production of selected items of bulk imports**

Item	1980-81	1983-84
1	2	3
Crude petroleum (Mn. tonnes)	10.5	26.0
Petroleum refinery products (Mn. tonnes)	24.1	32.9
<b>Fertilizers</b>		
(a) Nitrogenous ('000 Tonnes)	2164	3485
(b) Phosphatic ('000 Tonnes)	842	1048

1	2	3
<b>Steel</b>		
(a) Finished steel (incl. secondary producers) (Mn. Tonnes)	6.82	6.14
(b) Pig iron (incl. secondary producers) (Mn. Tonnes)	9.55	9.19
<b>Non-ferrous metals</b>		
(a) Aluminium ('000 Tonnes)	199.0	220.3
(b) Blister copper ('000 Tonnes)	25.3	35.4
Cement (Mn. Tonnes)	18.6	27.1
Newsprint ('000 Tonnes)	51.18	175.86
<b>Foodgrains</b> (Mn. Tonnes)	129.59	151.54
of which wheat (Mn. Tonnes)	36.31	45.15
Oil-seeds (Mn. Tonnes)	9.37	12.81

Import substitution is taking place across the board in the economy, including the capital goods sector and the consumer goods sector, where it is difficult to quantify.

provides the following assessment with regards to import-substitution, in terms of the percentage share of imports in indigenous supplies. The details for selected sectors are given below :

(b) The Sixth Five Year Plan Document

#### Import Substitution

(Percentage share of imports in indigenous supplies)

Sl. No.	Item	Pre-Plan 1950-51	1977-78
1	Foodgrains	5.9	0.2
2	Iron & Steel	25.2	1.1
3	Machinery*	68.9	15.3
4	Petroleum@	92.5	63.1
5	Nitrogenous fertilisers	72.5 +	27.5

\* Imports as a percentage of machinery component of gross investment.

@ On calendar year basis.

+ For 1951-52.

It is not possible to estimate the total amount of foreign exchange saved on account of the policy of import substitution.

### Objectives of Nationalisation of Coal

4482. SHRI G. BHOOPATHY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the objectives for nationalisation of coal have not been achieved in any significant manner;

(b) if so, the reasons therefor;

(c) whether workers in coal mines have been provided elementary facilities for themselves and their families in terms of education, health and housing; and

(d) whether any job openings in industries other than coal mines have been provided for the families and if so, the details thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) No, Sir.

(b) Does not arise.

(c) Improvement in the living standard of the coal mines and providing them welfare amenities has been given adequate priorities after nationalisation. During 1984-85, an amount of Rs. 55.00 crores was allocated by Coal India Limited for providing housing facilities. As in December, 1984, there were 445 dispensaries, 64 hospitals with 3911 beds, 544 ambulance vans, 973 Doctors including specialist, in Coal India Limited to provide medical facilities to colliery employees. At present 845 educational institutions are working in coalfield areas. Coal companies are also giving financial and other assistance for running various schools and colleges catering to the needs of the words of the colliery employees.

(d) Subsidiary Companies of Coal India Limited have developed ancillary units for production of consumable items like baskets, etc. in coal units to open up job avenues for local people including coal miners' families.

[Translation]

### Development of Mines in Rajasthan

4483. SHRI LALA RAM KEN : Will

the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the number of mines in Rajasthan which are under the control of Union Government or their Corporations and the number of workers earning their livelihood from these mines;

(b) whether Union Government have any scheme for the development of these mines and if so, the details thereof; and

(c) the number of mines in Bharatpur and the action being taken by Government to improve the lot of stone quarry workers ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). The information is being collected and shall be laid on the Table of the House.

[English]

### Manufacturing of Inexpensive Cloth for Common Man

4484. DR. G. VIJAYA RAM RAO : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government have decided to use handloom industry for supply of cloth for public distribution system;

(b) if so, the reasons for such a shift in the earlier policy;

(c) whether Government are aware that small scale handloom industry has vast scope for exports oriented for special needs of various countries and should therefore be export-oriented rather than PDS-oriented; and

(d) whether Government propose to use large scale textile industry for manufacture of long lasting inexpensive cloth for the common man ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHUKHAR SINGH) : (a) No such decision has been taken by Government.

(b) Does not arise.

(c) Government are aware about the vast scope of exports for handloom items. However, handlooms are not currently PDS-oriented.

(d) NTC Mills are producing 8 million metres of polyester cotton blended shirting per annum under the controlled cloth scheme with effect from 15th August, 1983 priced at Rs. 10.50 per metre.

[Translation]

#### Issue of Fake Drafts in Central Bank

4485. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) whether fake drafts to the tune of crores of rupees have been issued by the Central Bank of India;

(b) whether any inquiry has been made into this matter; and

(c) if so, the findings of the inquiry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (c). The Central Bank of India has reported that six fake drafts aggregating Rs. 3,78,600/- were paid in clearing during 1984 at its three local branches in Bombay and three local branches in Jammu. The bank has further reported that seven fake drafts aggregating Rs. 3,07,700 were presented at its seven local branches in Nagpur. However, the fraud was averted and the culprit has been arrested. The bank has lodged FIR with the local police authorities and the police investigations are in progress.

[English]

#### Loss to Government due to Hike in Prices of Steel

4486. PROF. MADHU DANDAVATE : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that in the past

when prices of steel were increased, anticipating the hike, from certain quarters heavy purchases of steel were made and as a result there was a great loss to Government;

(b) if so, who made such heavy purchases of steel and what was the loss incurred; and

(c) whether there has been a recurrence of the same situation during the recent hike in prices of steel ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (K. NATWAR SINGH) : (a) to (c). An analysis of total monthly domestic sales of steel by SAIL during the months preceding the months in which steel prices were increased during 1984-85, viz., June, 1984 and February, 1985 reveals that no heavy or abnormal sale of steel took place in anticipation of price hikes.

#### Auditing of Accounts of Nationalised Banks by Comptroller and Auditor General

4487. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal before Government to entrust the auditing of accounts of all nationalised banks to the Comptroller and Auditor General of India from the existing procedure of auditing by the Chartered Accountants; and

(b) in view of the fact that all the accounts of the public undertakings, are done by the Comptroller and Auditor General, whether Government propose entrusting the auditing of accounts of the nationalised banks also to Comptroller and Auditor General ?

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

#### Proposal to Setting up more Tea Industries

4488. SHRI R. ANNANAMBI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have any proposal to set up more tea industries in order

to give more tea industries opportunities to the public;

(b) if so, the details thereof; and

(c) the total number of fresh areas to be undertaken under this scheme ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). The tea industry is mainly in the private sector. However, the 7th Plan envisages incentives for increasing the area under tea cultivation as well as investments in existing tea areas with the objective of increasing the production.

Target for extension planting is 24,450 hectares. Targets in respect of four major tea producing States are given below :

Assam	...	11,050 hect.
West Bengal	...	3,500 hect.
Tamil Nadu	...	1,900 hect.
Kerala	...	1,600 hect.

The employment potential in tea plantations is about 2.5 workers per hectare.

[Translation]

#### Agreement for the Welfare of Colliery Workers

4489. SHRI SARFRAZ AHMED : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any agreement was concluded by Government through joint bilateral committee for the welfare of colliery workers under the NCWA III-Chapter-9 (Social security) clause number 9.4.4;

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

(c) whether Government are aware of the non-implementation of the said agreement for the welfare of colliery workers by the Coal India Ltd; and

(d) if so the reasons therefor ?

THE MINISTER OF STEEL, MINES

AND COAL (SHRI VASANT SATHE) :  
(a) Yes, Sir.

(b) The Clause provides that one dependant of the retiring employee would be provided employment.

(c) and (d). The constitutional validity of this provision has been challenged in a Court of Law and the matter is now *sub-judice*.

#### Allotment on Land of Lease for Opium Growing in Madhya Pradesh

4490. SHRI BALKAVI BAIRAGI : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to remove the anomalies in the policy of allotting land on lease for growing opium in Mandsaur and Ratlam districts of Madhya Pradesh;

(b) whether even the criteria fixed by Government are not being adhered to as the lease of those farmers have been cancelled who could not provide prescribed average quantity of opium owing to loss of their opium crop on account of natural calamities;

(c) if so, the time by which Government propose to take a policy decision so that cancelled leases are restored to the farmers; and

(d) whether Government have decided to bring more area under opium cultivation in Mandsaur and Ratlam districts and the time by which this decision will be implemented ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Licensing Principles framed for each year lay down the policy for issue of licences for opium-poppy cultivation. No anomalies in these principles have been brought to the notice of Government.

These principles also contain provisions for affording appropriate relief in regard to the minimum yield to be tendered by the cultivator for obtaining licence, in case of crop damage caused by natural calamities,

etc. The criteria fixed in this regard are adhered to while issuing licence.

(c) and (d). In view of the continued difficult situation faced by India opium in the international market and the large stocks of opium lying with the Government factories, there is no proposal to restore cancelled licences or to increase the area under opium-poppy cultivation.

[English]

#### Smuggling of Uranium to Pakistan

4491. SHRI RAM RATAN RAM : Will the Minister of FINANCE be pleased to state :

(a) whether uranium which is a base material in the manufacture of atom bomb is being smuggled illegally from U.P., Bihar and from some other parts of the country into Pakistan through Nepal;

(b) if so, the number of such cases detected by Government;

(c) whether any arrest has been made; and

(d) the preventive measures taken by Government in regard thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reports received by the Government do not indicate smuggling of uranium from India into Pakistan through Nepal.

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

(d) Strict security measures exist against any pilferage of uranium from the mine and mill complex. Further, appropriate anti-smuggling measures have been taken by the Government to check smuggling activities in general across the Indo-Nepal border. Bilateral arrangements also exist between India and Nepal under the Agreement for Co-operation to Control Unauthorised Trade. The preventive and intelligence machinery of the Customs department has been reinforced in the region, in terms of man-power and

equipment. In addition, the concerned Central and State Government agencies remain vigilant for appropriate action.

#### Allotment of Residential Accommodation to MMTC Employees

4492. SHRI RAM PUJAN PATEL : Will the Minister of COMMERCE be pleased to state :

(a) whether Minerals and Metals Trading Corporation of India Ltd., New Delhi, constructed its own residential colony for allotment to its employees;

(b) if so, the number of quarters constructed (type-wise) and date of appointment upto which allotments have been made (category-wise);

(c) number of employees not yet allotted accommodation alongwith date of their appointment in each category;

(d) whether MMTC propose to construct more flats for those employees who have not been allotted;

(e) if so, by what time and if not reasons therefor; and

(f) whether Government propose to issue instructions to MMTS to give priority to such employees who do not own house in Delhi ?

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

(b) and (c). A statement is enclosed.

(d) Yes, Sir.

(e) The first phase of construction is likely to be taken up during 1985-86.

(f) Government have no proposal under consideration to issue instructions on this subject to MMTC, which has its own Allotment Rules and procedures.

**Statement**

(B) Details of residential accommodation (type-wise) constructed by MMTC vis-a-vis date up to which employees have got accommodation

Type	Total No.	Date of appointment upto which employees got accommodation
'A'	64	July, 1980
'B'	92	August, 1980
'C'	52	March, 1978
'D'	20	October, 1975
'E'	10	November, 1980

The number of quarters indicated above do not include flats initially leased to NCERT (158 No's) and also which are being used by CPWD, to house their maintenance offices (6 No's) post office (1 No) Doctors Clinic (1 No) Resident's Welfare Association (2 No's) and Dormitory for common purposes (2 Nos).

(C) Details of employees who have applied but could not be provided accommodation in the colony :

'A'	18	Date of appointment varying from 14-7-1980 to 20-7-1983.
'B'	12	Date of appointment varying from 15-12-1978 to 10-11-1982.
'C'	13	Date of appointment varying from 23-12-1966 to 1-2-1984.
'D'	4	Date of appointment varying from 27-5-1963 to 16-5-1978.
'E'	Nil	

**Policy Regarding Ship-Breaking in Seventh Plan**

4493. SHRI S. M. BHATTAM : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether during 1984-85 ship-breaking industry had registered a decline by about 60 per cent in terms of LDT (Light Displacement Tonnage) demolished;

(b) if so, the reasons therefor;

(c) the steps taken to improve the situation;

(d) the policy of Government with regard to ship-breaking in Seventh Five Year Plan; and

(e) whether there is any proposal to reduce the duties to make the ship-breaking units viable ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c). During the year 1984-85 the quantity of vessels delivered for scrapping to the shipbreaking industry was 3.32 lakh LDT compared to 4.32 lakhs in 1983-84. However, on 1.4.85, 2.16 lakh

LDT of ships were awaiting delivery at the ship-breaking sites. The corresponding figure of ships awaiting delivery on 1.4.1984 was only 21,548 LDT. Thus, no decline has taken place in the ship-breaking activity.

(d) The quantity of ships to be imported is decided from year to year on the basis of demand for and availability of rerollables in the country.

(e) The question of exemption of ship-breaking activity from excise duty on rerollable scrap generated from ship-breaking is under consideration of the Government.

**Scheduled Caste and Scheduled Tribe  
Employees in Geological  
Survey of India**

4494. SHRI ANADI CHARAN DAS : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the total number of employees in the Geological Survey of India and also in the office of the Geological Survey of India, Bhubaneswar as on 1 March, 1982 and on 1 March, 1985, category-wise;

(b) the number among them of Scheduled Caste and Scheduled Tribe employees on these dates, category-wise;

(c) whether reservation rules in favour of Scheduled Caste and Scheduled Tribe employees are being followed and rosters maintained;

(d) the reasons for the shortfall, if any;

(e) the steps taken to fill the quota reserved for Scheduled Castes and Scheduled Tribes; and

(f) the number of reserved posts lapsed during the last three years and whether carried forward rules were applied in these cases ?

THE MINISTER OF STEEL, MINES AND COAL : (SHRI VASANT SATHE) : (a) to (f). The information is being collected and will be laid on the Table of the House.

**Multinational Companies and Balance  
of Payment**

4495. SHRI C. P. THAKUR : Will the

Minister of FINANCE be pleased to state :

(a) the help the multi-national companies have given the country in respect to balance payment position during the last three years; and

(b) the ratio of import and export bill of these companies ?

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

**Spurt in Gold Smuggling in  
Bombay Coast**

4496. SHRI R. M. BHOYE : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there has been a sudden spurt in smuggling of gold in Bombay coast particularly from Kolaba District during the last three years;

(b) whether reports have been received regarding the smuggling of gold from other districts of Maharashtra, also, if so, the names of such districts; and

(c) the new places from coastal areas which have come to the notice of Government where the activities of smuggling are on large scale ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Reports received by the Government indicate that West Coast of India, particularly the Bombay Coast, continues to be highly vulnerable for smuggling of gold in particular. There has been a substantial increase in the seizures in 1984, as compared to 1983 due to the further widening of the difference between the domestic and international prices of gold. However, no district-wise data regarding seizures etc. are maintained. Owing to the various factors, the vulnerability of any particular area on the West Coast keeps on varying.

**Provision of Adequate Funds for  
Development of Corporate Sector**

4497. SHRI AMAR ROY PRADHAN ;



Will the Minister of FINANCE be pleased to state :

(a) whether Union Government had invested inadequate funds in corporate sector during the three years ending 1983-84;

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

(c) the steps Government propose to take to provide adequate funds for the development of corporate sector in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Union Government does not directly invest in the private corporate sector;

(b) Does not arise.

(c) The steps taken by the Government to improve the capital market are indicated in the Statement attached.

#### Statement

The steps taken by Government to improve the capital market are indicated below :

- (i) The rate of dividend on preference shares has been raised from 13.5 per cent to 15 per cent per annum from 16th May 1984.
- (ii) Updated guidelines were issued for the debenture issues. As a result the following facilities were extended for improving the market for debentures :—
  - (a) The objects of issue of debentures have now been liberalised to include merger, amalgamation, restructuring of capital etc.
  - (b) Linking of non-convertible debentures with equity is permitted if the rate of interest on debentures is restricted to 13.5 per cent.
  - (c) Public sector companies are allowed to raise debentures

from the public even if their shares are not listed on the stock exchanges.

- (d) The companies were given the option of redeeming the debentures from the 5th to 9th year from the date of issue; which amounted to staggering of repayment of the debenture amount.
- (e) In the case of over subscription to the issue of debentures, the companies are permitted to retain subscription for non-convertible debentures upto a maximum of 50 per cent over the original issues for which consent was originally obtained from the Controller of Capital Issues.
- (f) In order to facilitate smaller companies to raise resources relatively easily non-MRTP and non-FERA companies are allowed to issue convertible debentures to the public at a rate of interest not exceeding 15 per cent instead of 13.5 per cent which was fixed earlier.
- (iii) With a view to facilitate existing profit-making closely held companies to get their shares listed in the stock exchanges, Government have recently relaxed the guideline that bonus issue out of capitalisation would be allowed only within the maximum ratio of 1 : 1. In other words, a relaxation of this ratio will be considered favourably by Government if these companies go for enlistment of their shares in the stock exchanges.
- (iv) Companies are allowed to retain oversubscription to their capital issues to the extent of 25 per cent of the amount for which they received the consent of the Central Government.
- (v) With a view to further develop the capital market and to have more companies listed on the stock ex-

changes, it has been decided by the Government that the existing non-FERA companies which are more than 10 years old or which have been earning profits in at least 4 out of the past five years would be granted listing with a public offer of 40 per cent as against the present requirement of 49 per cent of the issued capital of the company. Further such companies may at their option, make the public offer in two stages, viz. the first stage of 20 per cent being offered at the time of listing and the balance being offered within a period of three years from the date of enlistment.

- (vi) The issue of securities which could be made by a non-MRTP company during a period of 365 days under the Capital Issues (Exemption) Order, 1969 was only Rs. 50 lakhs. This limit of Rs. 50 lakhs has been raised to Rs. 1 crore by the Controller of Capital Issues.

**Setting up of Career/Directs Agents Branch of LIC at Agartala**

4498. SHRI AJOY BISWAS : Will the Minister of FINANCE be pleased to state :

(a) whether Government have any proposal to set up a career agents branch or direct agents branch of Life Insurance Corporation at Agartala to encourage educated young men to choose insurance agency as a profession and side by side rendering effective services to the people and also explore the new business possibilities;

(b) if so, when it will be set up; and

(c) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Life Insurance Corporation has a branch at Agartala where a few direct agents are now attached. More educated young men can also join the Branch to work as Direct Agents. The Rural Career Agents Scheme 1979 is also applicable to the area covered by the Agartala Branch. However, since the number of Direct Agents

and also the Career Agents operating under Agartala Branch is very small, LIC does not have any plan at present to set up such offices at Agartala.

(b) and (c). The matter is to be decided by LIC on merits.

**Facilities Provided by Nationalised Banks to Backward Districts in Maharashtra**

4500. SHRI VIJAY N. PATIL : Will the Minister of FINANCE be pleased to state :

(a) the names of the districts in Maharashtra which are considered to be backward and the facilities and improvements that are being provided by the nationalised banks for their developments; and

(b) the details of the results achieved in these districts during the last three years, year-wise, district wise and bank-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Information to the extent available will be collected and laid on the Table of the House.

**Development of new Coal Mines at Singareni and Manuguru in Andhra Pradesh**

4501. SHRI V. SOBHANADREESWARA RAO : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the steps proposed to be taken for development of new coal mines at Singareni and Manuguru to make available more coal for consumption of thermal power stations; and

(b) the details of the scheme and the estimated cost and schedule of work to be taken up at Singareni and Manuguru in Andhra Pradesh ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b). The total production of the Singareni Collieries Co. Ltd., in 1984-85 was

12.3 m. t. and about 45% of this was supplied to thermal power stations. During the Seventh Five Year Plan period (1984-85 to 1989-90), the coal production of Singareni Collieries Co. Ltd. is planned to be increased to 24 m. t. per annum, and about half of

this will be supplied to the thermal power station. For increasing the production in this area, three new coal projects have been sanctioned during 1984-85. Details of these projects are as follows :

S. N.	Name of Project	Target capacity (mty.)	Capital cost (Rs. crores)
1.	Bellampalli OCP	0.35	11.28
2.	Manuguru OCP-II	2.75	132.00
3.	Advance Action for Manuguru OCP-III	—	0 80

Some more new schemes have also been identified for development during the Seventh Five Year Plan and the feasibility reports for these schemes are under preparation.

#### Liquid Assets with L. I. C.

4502. PROF. SAIFUDDIN SOZ : Will the Minister of FINANCE be pleased to state :

(a) the total liquid assets with the Life Insurance Corporation of India during the year ending December, 1984; and

(b) the pattern indicating specifically the areas where investments were made ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The liquid assets of the Life Insurance Corporation of India during the calendar year ending 31st December, 1984 were Rs. 1510.10 crores and these assets were invested as under :

Description	Amount (Rs. in crores)
Central Government Securities	455.21
State Government Securities	14.75
Other approved Securities	252.56

Socially Oriented Sector 532.78

Private Sector 190.95

Increase in call deposits with Banks and Bank Balances 63.85

Total 1510.10

#### Loans Sanctioned/Released for Gramodaya Scheme by Nationalised Banks

4503. SHRI M. RAGHUMA REDDY : Will the Minister of FINANCE be pleased to state :

(a) the total amount of loans sanctioned and actually released by nationalised banks for Gramodaya Scheme in various States for the last three years;

(b) whether any independent evaluation has been made in this regard; and

(c) if so, the details of the running of the project as per targets approved ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) It is presumed that the Hon'ble Member is referring to Integrated Rural Development programme.

The total term credit disbursed by commercial banks under the Integrated Rural Development Programme during the last three years i. e. 1982-83, 1983-84 and 1984-85 (till February, 1985) has been Rs. 1642.91 crores. Present data reporting system does not yield information separately for nationalised banks.

(b) and (c). As per the studies conducted by Reserve Bank of India and National Bank for Agriculture and Rural Development Bank as also monthly progress reports, the targets fixed for the Sixth Five Year Plan are likely to be achieved.

**Scheme for Raising Money Through Convertible Preference Shares by Corporate Sector**

4504. SHRI B. V. DESAI :  
SHRI RAM SAMUJHAWAN :

Will the Minister of FINANCE be pleased to state :

(a) whether Government's scheme to allow the corporate sector to raise money from the market through convertible preference shares has run into rough weather;

(b) if so, whether the draft guidelines prepared by his Ministry do not stand legal scrutiny;

(c) whether Government have realised that the guidelines as proposed in the draft cannot be implemented under the present law.

(d) if so, whether Government are considering two alternatives either to change tax laws or the guidelines; and

(e) if so, whether the major hurdle in the implementation of the guidelines relate to the conversion of the shares ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The modalities of a scheme to allow the corporate sector to raise money from the market through convertible preference shares are being worked out and legal aspects will be taken care of before formulating the guidelines in this regard.

**Import of Rolled Coils from Japan by Salem Steel Plant**

4505. PROF. M. R. HALDER : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Salem Steel Plant depends upon imports of rolled coils from Japan;

(b) if so, the details of rolled coils imported by the Steel Plant during the past three years; and

(c) the steps taken/proposed for indigenous production of rolled coils at the Durgapur Steel Plant and/or at any other steel plant in the country ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b). Hot rolled coils for Salem Steel Plant are imported from world-wide sources including Japan based on tenders. The details about the imports of Hot Rolled Coils by the Salem Steel Plant during the past three years are given below :—

(Quantity in Tonnes)

Sl. No.	Country	Imports made by Salem Steel Plant		
		1982-83	1983-84	1984-85
1	2	3	4	5
1.	Finland	7,665	1,911	7,539
2.	Japan	5,130	3,368	5,676

1	2	3	4	5
3.	Italy	796	—	1,185
4.	Spain	197	1,992	—
5.	West Germany	146	—	—
6.	France	756	44	—
7.	Brazil	—	200	—
8.	Belgium	—	55	—
Total		14,690	7,570	14,400

(c) The Stage II expansion of Alloy Steels Plant, Durgapur under implementation envisages production of continuous cast stainless steel slabs to be hot rolled in Bokaro Steel Plant for supply to Salem Steel Plant as feedstock. Trial rolling of imported slabs at Bokaro has been carried out. Continuous cast slabs from Alloy Steels Plant are expected to be available during the last quarter of 1986-87. As an interim arrangement limited quantity of stainless steel ingots produced at Alloy Steels Plant are being hot rolled at Rourkela Steel Plant for supply to Salem Steel Plant. Production is being progressively stepped up through this route.

[Translation]

**Loans to Scheduled Castes by New Bank of India, Ghantaghar Saharanpur, (U.P.)**

4506. SHRI VILAS MUTTEMWAR : Will the Minister of FINANCE be pleased to state :

(a) the number of Scheduled Caste persons who applied for loans from New Bank of India, Court Road, Ghantaghar, Saharanpur, Uttar Pradesh during the past three years and the number of applications sanctioned so far;

(b) whether loans have been advanced against all the sanctioned applications and if not, the reasons therefor ?

(c) the time by which loans will be

sanctioned to the remaining applicants and the amount of loans disbursed to them; and

(d) the reasons for delay in disposing of the remaining applications and when these applications were received by the bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). Reserve Bank of India have reported that under the present reporting system, banks are not required to furnish the branch-wise informations of financial assistance extended by them with particulars of applications received, sanctioned, rejected, pending, etc.

However, Banks have been advised to consider loan applications of SC/ST borrowers sympathetically and expeditiously. If applications in respect of SC/ST borrowers are to be rejected, it should be done at the next higher level instead of at the branch level. Applications for loans up to Rs. 25000/- are required to be disposed of within a fortnight and those for over Rs. 25000/- within 8 to 9 weeks. The banks have been further advised that adequate discretionary powers should be vested with branch managers or, if this is not possible, at least at the district level so that applications for loans from weaker sections of the society can be disposed of without reference to any higher authority. Branches are also required to maintain a record of applications rejected so that competent authorities can verify whether rejections had been on valid grounds.

[English]

**Implementation of Time Bound  
Contracts of Modernisation in  
Units Under NTC**

4507. SHRI M.V. CHANDRASEKARA MURTHY : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether time-bound contracts awarded by the National Textile Corporation Ltd. and its various subsidiaries from time to time during the last three calendar years for implementation of modernisation schemes in given units have been properly implemented or are being delayed due to want of timely payments and escalation clause for price increase in contract agreements generally;

(b) whether statutory increase in steel and other items has not been given effect to the existing contracts;

(c) if so, the facts thereof and details of those units where implementation of modernisation schemes execution has been badly delayed; and

(d) action being proposed to assist for expeditious implementation of such schemes ?

**THE MINISTER OF STATE OF THE  
MINISTRY OF SUPPLY AND TEXTILES  
(SHRI CHANDRA SHEKHAR SINGH) :**

(a) Modernisation projects of NTC during the last three years have proceeded in most cases on schedule. In some cases, there were delays, but not on account of wanting timely payments of escalation clause for price increase in contract agreements.

(b) Existing civil construction contracts have a clause for statutory increase in prices except for steel and cement, which are the responsibility of the NTC to provide. As regards machinery supply orders, these do not contain escalation clause because price is finalised with the suppliers after each budget and holds valid for the year.

(c) Does not arise.

(d) Implementation on modernisation is closely monitored and suitable action taken wherever necessary.

[Translation]

**Survey Conducted by G. S. I. in  
Shivalik Range of Himalaya**

4508. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Geological Survey of India has conducted a survey in Shivalik range of Himalaya as a result of which there is possibility of finding gold there;

(b) whether gold contained sand has been found as a result of survey conducted in the rivers such as Markanda, Somb, Gangasar, Kosi and its tributaries originating from Upper Shivaliks and Middle Shivaliks; and

(c) if so, whether mining of this gold mineral will be started and the quantity of gold likely to be found there ?

**THE MINISTER OF STEEL, MINES  
AND COAL (SHRI VASANT SATHE) :**

(a) and (b). Yes, Sir. As a result of surveys carried out by Geological Survey of India in Shivalik Range of Himalaya, the incidence of placer gold has been reported from stream sediments of rivers such as Markanda, Somb, Gangasar, Kosi and its tributaries.

(c) The traces of gold so far found are not economically significant. However investigations are continuing.

[English]

**Freight Equalisation of Cotton to  
Fight Imbalances in Textile  
Industry**

4509. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether Government are aware that the freight equalisation of cotton is essential to fight the imbalances in textile industries growth in eastern India, specially in West Bengal;

(b) while having equalisation of steel and coal, the reasons for not taking same step for cotton or abolish the equalisation in

steel and coal; and

(c) the steps Government are taking in this regard ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :

(a) to (c). The Government had earlier considered and accepted the recommendations of the Marathe Committee that it would be inadvisable to extend the freight equalisation scheme to cotton. The Government had also accepted the recommendations of the Pande Committee on National Transport Policy to phase out any such existing schemes.

[Translation]

**Geological Survey of Minerals in Chhaterpur and Tikamgarh Districts. (MP)**

4511. SHRIMATI VIDYAWATI CHATURVEDI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether a geological survey of minerals has been carried out in Chhaterpur and Tikamgarh districts of Bundelkhand area in Madhya Pradesh;

(b) if so, the name of the minerals likely to be found there; and

(c) the step being taken by Government to harness them ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir.

(b) Based on the survey carried out by Geological Survey of India and State Government, the important minerals found in Tikamgarh and Chhaterpur districts of Bundelkhand area of Madhya Pradesh so far include Rock Phosphate, Pyrophyllite, Diamondiferous Ultramafic Rocks/Dykes, Basemetal ore (lead-zinc-copper), Clay, Iron ore and Barytes.

(c) The Madhya Pradesh State Mining Corporation is already exploiting the deposits of phosphorites and pyrophyllite. The other minerals will be extracted on a commercial scale as and when these become industrially significant.

[English]

**Import of Coconut Oil and Copra**

4512. SHRI THAMPAN THOMAS : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of coconut oil and copra imported into India from foreign countries during the years 1982-83, 1983-84 and 1984-85;

(b) the rates of import duty and other taxes levied on import of coconut oil and copra;

(c) whether Union Government have received any representation from Government of Kerala requesting for ban or restriction on import of coconut oil and copra; and

(d) if so, the action taken on the representation ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) During 1982-83, upto December, 1152 M.T. of coconut oil was imported and no import of copra was made. The data beyond this period is not available. The State Trading Corporation of India has imported 9,000 M.T. of coconut oil in April 1984 against the authorisation of 10,000 M.T. made by the Government.

(b) Import duty on coconut oil is 125% (basic) plus 40% (auxiliary). In addition cess at the rate of Rs. 5/- per quintal is leviable. Coconut oil, if processed, also attracts additional countervailing duty at the rate of Rs. 100/- per M.T.

The rate of import duty on copra is 60% (basic) plus 40% (auxiliary). In addition, cess at the rate of Rs. 5/- per quintal is also leviable.

(c) Yes, Sir.

(d) The import of coconut oil and copra is canalised through the State Trading Corporation of India and Hindustan Vegetable Oils Corporation, New Delhi, under the current Import and Export Policy. The Government has no proposal to take any other action.

**Bad Debts of State Bank of India and Nationalised Banks**

4513. SHRI R.M. BHOYE :  
SHRI V. SOBHANADREESWARA  
RAO :

Will the Minister of FINANCE be pleased to state :

(a) whether some cases of bad debts (as on 31st December, 1984) of the State Bank of India and the nationalised banks have come to the notice of Government; and

(b) whether the banks propose to disclose annually the names of bad debtors and the amounts outstanding against them as is the practice in U.K. ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). According to the forms of Balance Sheet and Profit & Loss Account prescribed in the Banking Regulation Act, 1949, banks are given statutory protection from disclosing the particulars and quantum of bad and doubtful debts for which provision is made to the satisfaction of auditors. The required information therefore cannot be made available.

**Export of Betel Leaves**

4514. SHRI SATYAGOPAL MISRA :  
SHRI HANNAN MOLLAH :

Will the Minister of COMMERCE be pleased to state :

(a) the details of export of betel leaves from India to other countries during the year 1984-85;

(b) the quantity of betel leaves likely to be exported during the current year and the amount likely to be earned thereby; and

(c) the details of steps taken by Government for the promotion of export of betel leaves ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A. SANGMA) : (a) According to the provisional statistics compiled, export of betel leaves in the year 1984-85 was 448 Metric Tonnes valued at Rs. 74 lakhs.

(b) No separate target has been fixed for betel leaves.

(c) For promoting export of betel leaves concessional freight rates have been introduced.

[Translation]

**Opening of Regional Rural Banks in U.P.**

4515. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) the names of districts in Uttar Pradesh where regional rural banks have not been opened;

(b) whether there is any proposal to open the regional rural banks in some of these districts in the year 1985-86; and

(c) if so, the locations thereof and the names of lead banks of these regional rural banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The districts where regional rural banks have not yet been opened in Uttar Pradesh are indicated below:

1. Bulandshahr
2. Chamoli
3. Ghaziabad
4. Mathura
5. Meerut
6. Pauri Garhwal
7. Saharanpur

(b) and (c). There is a proposal to open regional rural bank providing coverage to the districts of Chamoli and Pauri Garhwal in the year 1985-86.

The location of headquarters of the regional rural bank approved for establishment is intended to be Pauri and the name of the sponsor bank of the regional rural bank is State Bank of India. No final decision has been taken by Government on the



proposal to open regional rural bank in Saharanpur. Proposals have already been received for the setting up of regional rural banks covering the remaining four districts from the State Government by National Bank for Agriculture and Rural Development (NABARD). No final decision has so far been taken by NABARD in this regard.

[English]

**Illegal Mining in Orissa, Bihar and Madhya Pradesh**

4516. SHRI JAGANNATH PATNAIK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are aware of illegal mining operations going on in the mining belt of the States of Orissa, Bihar and Madhya Pradesh where there has been concentration of tribal population;

(b) if so, whether Government have assessed the extent of loss by way of revenue, royalty and exploitation of the local Adivasi workers by way of nominal payment of wages by these illegal operations; and

(c) if not, whether Government propose to institute an enquiry to assess the extent of loss and damages caused by these illegal operations ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). Information is being collected and shall be laid on the Table of the House.

**Outstanding Maturity Claims in L.I.C**

4517. SHRI BANWARI LAL BAIRWA : Will the Minister of FINANCE be pleased to refer to the replies given to Unstarred Question Nos. 2851 and 2937 on 10 August, 1984 regarding lapsed life insurance policies lying with Life Insurance Corporation and lapsed insurance policies lying in branches of LIC offices in Delhi respectively and state :

(a) the number of maturity claims under paid up life policies outstanding as on 31 March, 1983 listed in Unstarred Question No. 2851 pending for more than five years

since date of maturity in respect of each division;

(b) the number of claims of each divisional office in the course of being processed at operating offices and number of claims pending for requirements from claimants;

(c) the total interest Life Insurance Corporation pays in respect of each claim for the period between date of maturity and the date on which the claim is actually paid; and

(d) if no interest is paid, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d). LIC are not maintaining data in respect of the number of maturity claims under paid-up life policies pending for more than 5 years since the date of maturity. All claims which have remained outstanding for a period of more than 5 years because of necessary requirements not having been complied with in spite of regular follow up and of which there is no scope of settlement in the near future are being treated as unclaimed by the offices responsible for settling the claims. However, at a later date if the life assured/claimant comes forward and complies with the necessary requirements for the purpose of settlement of claim such claims are reinstated and payment is made.

The total number of outstanding claims of each Divisional Office and of those pending for receipt of requirements from claimants as on the 31st March, 1984 is given in the attached Statement.

The total interest paid by LIC in respect of each claim for the period between date of maturity and date of actual payment of claim varies from case to case as the amount of interest has to be determined on the facts of each case after the claim has been processed. LIC pays ex-gratia interest at the rate of 7-1/2% per annum for the period for which delay in settlement of claims has occurred in its own offices.

Interest is not paid where the delay is caused by the claimant in complying with the requirements or due to reasons beyond the control of the LIC.

## Statement

*Outstanding Maturity Claims under paid up policies as on 31st March, 1984*

Divisional Office	Total No. of claims out-standing	No. of claims pending for receipt of requirements from claimants.
(1)	(2)	(3)
1. Ajmer	1324	1180
2. Chandigarh	759	693
3. Jaipur	465	378
4. Jullundur	354	309
5. New Delhi	741	654
Total of N. Zone :	3643	3214
6. Agra	121	121
7. Indore	498	394
8. Jabalpur	235	231
9. Kanpur	316	316
10. Lucknow	372	286
11. Meerut	815	815
12. Raipur	104	103
13. Varanasi	351	351
Total of C. Zone :	2812	2617
14. Asansol	1493	1373
15. Calcutta & IHO	5039	3508
16. Cuttack	430	430
17. Gauhati	1511	1459
18. Jalpaiguri	986	767
19. Jamshedpur	333	224

	1	2	3
20.	Muzzaffarpur	887	887
21.	Patna	727	727
22.	Silchar	653	552
	Total of E. Zone :	12059	9927
23.	Bangalore	1051	830
24.	Coimbatore	583	316
25.	Cuddapah	91	40
26.	Dharwad	362	303
27.	Hyderabad	764	565
28.	Kozhikode	395	303
29.	Madras	536	489
30.	Madurai	735	583
31.	Masulipatnam	166	129
32.	Thanjavur	217	149
33.	Trivandrum	723	506
34.	Udupi	337	247
35.	Vishakhapatnam	582	370
	Total of S. Zone :	6542	4830
36.	Ahmedabad	1811	1623
37.	Bombay	2425	2210
38.	Nagpur	2139	2012
39.	Nasik	1591	494
40.	Pune	546	391
41.	Rajkot	55	34
42.	Satara	520	385
43.	Surat	1123	1041
	Total of W. Zone :	10210	8190
	Foreign Deptt.	2483	2469

[Translation]

**Transportation of Coal by Trucks  
meant for Moradabad**

4518. SHRI HAFIZ MOHD. SIDDIQ :  
Will the Minister of STEEL, MINES AND  
COAL be pleased to state :

(a) whether the coal meant for Moradabad district in Uttar Pradesh is mainly transported by trucks and not by trains as a result of which it becomes costlier and in turn escalates the production cost also;

(b) if so, the reasons for which coal is not transported by railway wagons; and

(c) the action being taken by Government to ensure transportation of coal meant for Moradabad by railways ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Coal movement to Moradabad district and other districts of U.P. having rail handling facilities mainly takes place by rail. However, supply of wagons for coal movement is short of the requirement of various sectors. Therefore, consumers enjoying lower priority in rail movement are not able to move their full requirements by rail. They are required to supplement rail movement by road movement.

(b) The main reason is the inadequate supply of wagons by the Railways.

(c) The matter is being constantly pursued at all levels for increased wagon supply for adequate transportation of coal by rail to destinations all over the country.

[English]

**Production of Cashewnuts**

4519. SHRIMATI PHULRENU GUHA :  
Will the Minister of COMMERCE be  
pleased to state :

(a) the total area under cashew cultivation in the country and the latest production figure in different States;

(b) the domestic demand of cashewnut for the last three years;

(c) how much foreign exchange is earned by selling cashewnuts; and

(d) if so, the steps being taken to increase production of cashewnuts ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) There is no official estimate of the area and production of cashew in India. However, the rough estimate of area and production in 1981-82 were as follows :

States	Area under Cashew cultivation (in hect.)	Production of Cashew (in M.T.)
Kerala	147363	118000
Karnataka	58299	18000
Andhra Pradesh	57279	20000
Tamil Nadu	94770	10500
Goa	44139	8500
Maharashtra	22692	10000
Orissa	48601	8000
West Bengal	6698	2500
Pondicherry	363	200
Tripura	839	60
Total	481043	195760

(b) The domestic demand of cashew nut is mainly from the Cashew processing industry which is export oriented and has an installed capacity of around 4.5 lakh tonnes per annum.

(c) According to the tentative figure compiled, the value of export of cashew kernels from India in 1984-85 has been Rs. 155 crores.

(d) A centrally sponsored scheme on package programme for Cashew nuts is being implemented in major cashew growing states. A World Bank aided cashewnut development project is in operation in the States of Kerala, Karnataka, Andhra Pradesh and Orissa.

**Writing Off of Loans taken by Small Scale Industries from Nationalised Banks**

4520. SHRI ASUTOSH LAW : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have any proposal to write off the loans taken by small scale industries from the different nationalised banks which are over-due for many years;

(d) if so, the details thereof; and

(c) if not, the reasons thereof ?

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

(b) Does not arise.

(c) The banks have to take their own decisions in each such case.

**Staff and Expenditure of Fourth Pay Commission**

4521. SHRI KALI PRASAD PANDEY : Will the Minister of FINANCE be pleased to state;

(a) the monthly salary bill of the Fourth Pay Commission;

(b) the staff strength of the Commission;

(c) the progress so far made by the Commission in its works;

(d) the total amount spent so far by Government on this Commission towards salary of staff and other expenditure; and

(e) whether Government have since asked the Commission to indicate the time frame within which it would submit its report ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The average monthly salary bill during 1984-85 was Rs. 2.73 lakhs.

(b) As on 31-3-1985

Gazetted—48

Non-Gazetted—124

(c) The Commission has already completed some of the important stages of its work and is presently engaged in recording oral evidence of staff Unions to be followed by discussions with officials and other important persons.

(d) (i) (1983-84)—Rs. 14.29 lakhs approximately.

(ii) (1984-85)—Rs.48.66 lakhs approximately.

(e) Yes, Sir.

**Opening of Trade Centres Abroad by Handicrafts and Handloom Exports Corporation**

4522. SHRI T. BASHEER : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether the Handicrafts and Handloom Exports Corporation of India Limited has opened some trade centres abroad;

(b) if so, the number of those centres and the places where these are functioning; and

(c) the details regarding the sale of Indian handicrafts and handloom abroad ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). Handicrafts & Handlooms Export Corporation of India Limited has five offices abroad. These are functioning at New York, Paris, Hamburg, Tokyo and Nuess.

(c) The sale of handicrafts and handloom products through the Handicrafts and Handlooms Export Corporation's foreign offices during 1984-85 was Rs. 10.54 crores.

**Trade Relations with Yugoslavia**

4523. SHRIMATI JAYANTI PATNAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether efforts have been made by Government to establish trade relations with Yugoslavia;

(b) whether some special trading arrangements have been made for that purpose; and

(c) if so, the details thereof ?

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

(b) and (c). India and Yugoslavia have long standing trade relations. In order to further develop trade, in August, 1984 a meeting of the Indo-Yugoslav Joint Review Group was held in New Delhi and a Linked-deal Arrangement was signed between the two countries for conducting the trade on a balanced basis. For giving effect to the above Arrangement two Nodal Agencies, viz., Yugoslav Chamber of Economy (Section for India) on the Yugoslav side and STC on the Indian side were appointed to coordinate the linked-deals. In addition a Banking Agreement between the JGOBANKA of Yugoslavia and the State Bank of India was also concluded under which a special account for Linked-deals approved by the respective authorities was set up in the State Bank of India, London.

#### Over Reporting of Coal Production by C.I.L.

4524. SHRI V. P. YOGESH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether in 1983, a stock of over 4.8 million tonnes of coal was written off because it was either non-existent or unsaleable;

(b) whether written instructions were issued to all coal companies under the Coal India Limited to add 2.5 per cent to actual production figures to be made up by taking extra workload from mine workers without paying them additional wages;

(c) whether measures as in (a) and (b) above resulted in massive over-reporting and likelihood of shortage of over two million

tonnes which made avenue for manipulations; and

(d) if reply to (a), (b) and (c) be in affirmative, the action Government propose to take against the Coal India Limited for adopting such activities ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHI) : (a) to (d). The information is being collected and will be laid on the Table of the House.

#### Alleged Cheating by Finance Companies

4525. SHRI NARSINGRAO SURYA-WANSHI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of finance companies which through their publicity of long term loans, rate of interest and other incentives advance loans to needy persons but without giving concrete benefit to the borrowers on account of several mal-practices and cumbersome requirements; and

(b) whether Government propose to take steps to curb such trade/business and if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) : (a) and (b). Non-Banking Financial Companies (incorporated under the Companies Act) issue advertisements soliciting deposits from the members of public on the lines specified in the Non-Banking financial Companies and Miscellaneous Non-Banking Companies (Advertisement) Rules, 1977. These companies are not found to have issued advertisement about granting of long term loans, rate of interest charged etc.

There are, however, instances of advertisements in newspapers purported to have been issued by certain financing firms giving publicity about the availability of finance from them on easy terms. In the case of such un-incorporated bodies, granting of loans does not come under the purview of the provisions of Chapter III-C of the Reserve Bank of India Act, 1934, which prohibit the acceptance of deposits by such bodies, except to a limited extent.

**Setting up of Ancillary Industries in the Vicinity of NALCO, Orissa**

4526. SHRI ARVIND NETAM : Will the Minister of STEEL, MINES, AND COAL be pleased to state :

(a) the steps being taken to develop ancillary industries in the vicinity of on-going large public sector projects such as the National Aluminium Company Limited (NALCO) in Orissa;

(b) whether applications from entrepreneurs for licences received by Government for setting up ancillary industries based on NALCO's requirement are still pending clearance; and

(c) whether Government are aware that by delaying the approval for setting up of ancillary facilities the project will face difficulties in meeting the quality requirements of production after making huge investments for the project ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) The following steps have been taken by NALCO to develop ancillary industries. (i) The opening up of an Ancillary Development Organisation within the Company headed by a very senior executive to coordinate all activities of ancillarisation.

(ii) Five Committees have been constituted as under :—

1. The Plant Level Advisory Committee (State Level);
2. The Plant Level Committee (Corporate Level);
3. The Entrepreneur Selection Committee;
4. The Angul Plant Level Sub-Committee;
5. The Damanjodi Plant Level Sub-Committee.

(b) and (c). Applications for licences are being coordinated by State Agencies such as the Office of the Director of Industries, Orissa and the Industrial Promotion and Investment

Corporation. NALCO is maintaining liaison with the State Government and it is expected that the State Government will take appropriate action in time.

[Translation]

**Lease of Bauxite Mines near Amarkantak in Mandla District**

4528. SHRI M. L. JHIKRAM : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the number of years for which lease of bauxite mines near Amarkantak in Mandla district has been given to Bharat Aluminium Company Limited indicating the date when this lease was given;

(b) the quantity of bauxite mines so far as also the quantity thereof which remains to be mined; and

(c) the amount received by way of taxes so far by Madhya Pradesh Government and Union Government separately from this company ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Two leases have been executed by Bharat Aluminium Company Limited (BALCO) for bauxite near Amarkantak in Mandla district. One dated 12.9.1969 is for 30 years and the other dated 30.3.1978 is for 10 years.

(b) The quantity of bauxite mined upto 31.3.1985 is 25.74 lakhs tonnes from these lease holds. Balance quantity to be mined in entire lease hold area in Mandla district is 16.09 lakhs tonnes.

(c) Rs. 272 lakhs have been paid to Madhya Pradesh State Government on account of bauxite raising from Amarkantak since inception of mines till 1983-84 towards royalty, Cess, surface rent etc. No amount is paid to Union Government for bauxite raising.

[English]

**Deposit Mobilisation by Nationalised Banks**

4529. DR. K. G. ADIYODI : Will the

Minister of FINANCE be pleased to state;

(a) whether the nationalised banks organise deposit mobilisation scheme;

(b) if so, the amount so mobilised State and bank-wise;

(c) whether the State Bank of India has no such mobilisation schemes;

(d) if so, the reasons for excluding the SBI from this scheme; and

(e) the annual collection and disbursement of all the banks in this regard bank and State-wise ?

THE MINISTER OF STATE IN THE

MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). All public sector banks including State Bank of India strive to maximise their deposits. Banks endeavour to mobilise deposits through formulation of schemes to suit the requirements of diverse types of savers, and motivate them through publicity and education to hold savings in deposit accounts. Banks also organise deposit mobilisation campaigns. The frequency, mode of conducting the campaigns and their periodicity varies depending upon the local operational conditions of each bank. Present data reporting system does not provide for the collection of data separately for deposits collected through these campaigns. However, State-wise deposits and outstanding advances of all public sector banks as at the end of June 1984 are set out in the statement attached.

Statement

*Statewise deposits and advances of public sector banks@  
(as at the end of June 1984)*

(Amount in Rs. crores)

State/Union Territory States	Deposits	Advances
1	2	3
1. Andhra Pradesh	35.14	26.67
2. Assam	6.78	3.12
3. Bihar	27.63	10.93
4. Gujarat	43.29	21.79
5. Haryana	11.49	7.93
6. Himachal Pradesh	3.86	1.71
7. Jammu & Kashmir	[3.04	1.19
8. Karnataka	28.81	24.43
9. Kerala	18.87	13.54
10. Madhya Pradesh	21.89	13.01
11. Maharashtra	104.84	99.33
12. Manipur	23	14
13. Meghalaya	94	23
14. Nagaland	52	20



	1	2	3
15. Orissa		6.93	5.91
16. Punjab		33.84	14.85
17. Rajasthan		14.22	10.17
18. Sikkim		31	3
19. Tamil Nadu		35.31	34.17
20. Tripura		59	35
21. Uttar Pradesh		60.90	29.62
22. West Bengal		60.58	34.72
<b>Union Territory</b>			
1. Chandigarh		4.75	10.88
2. Delhi		56.15	33.97
3. Goa, Daman & Diu		5.56	1.76
4. Pondicherry		87	51
5. All Others*		94	19
	<b>Total</b>	<b>588.28</b>	<b>401.45</b>

(Data are provisional)

@ Comprise SBI and its Associates and 20 Nationalised Banks.

\* Include Andaman Nicobar Islands, Arunachal Pradesh, Dadra & Nagar Haveli, Lakshadweep and Mizoram.

**Offer of Interest upto 8 per cent allowed to Commercial Banks by RBI**

4530. SHRI P. CHIDAMBRAM : Will the Minister of FINANCE be pleased to state :

(a) whether the Reserve Bank of India has allowed commercial banks to offer interest upto 8 per cent in respect of deposits for periods ranging from 15 days to one year;

(b) whether the Indian Banks' Association has decided to continue to adhere to the policy of uniform interest rates, despite the directive of the Reserve Bank of India;

(c) if so, whether the decision of the Indian Banks' Association is in conformity with provisions of the MRTP Act; and

(d) whether Government propose to take any steps to enforce the directive of the Reserve Bank of India ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Reserve Bank of India has allowed all Scheduled Commercial Banks to offer interest not exceeding 8 per cent per annum on deposits of 15 days and over but less than one year.

(b) Indian Bank Association has felt that it is desirable to adopt uniform interest rates among themselves, varying with maturity periods.

(c) Provisions of MRTP Act are not applicable to an undertaking owned or controlled by Government.

(d) Reserve Bank's instructions are that individual banks are free to fix rates for maturity period of 15 days and above but less than one year within a ceiling of 8 per cent per annum. While doing so, banks are required to adopt, at any point of time, uniform rates at all their branches and for all customers without any discrimination. The directive of the Reserve Bank does not preclude banks from adopting uniform rates.

#### Imposition of Cuts on Expenditure

4531. SHRI SANAT KUMAR MANMAL : Will the Minister of FINANCE be pleased to state :

(a) whether in view of the massive deficit in the General Budget 1985-86, Government propose to impose severe cuts on avoidable expenditure and stricter control over expenses to improve the financial condition;

(b) if so, the measure contemplated in the matter;

(c) whether Government are considering any proposal to grant free lift to senior officers to pick them up from their residences and drop them in the evening; and

(d) if so, the financial implications of this proposal and its burden on the Public Exchequer ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The overall uncovered deficit estimated at Rs. 3349 crores in the Budget for the year 1985-86 is lower than that in the financial year 1984-85 and is considered reasonable. It would not be desirable to enforce cuts in Plan expenditure which is essentially developmental in nature. Estimates of non-Plan expenditure included in the Budget have been kept to the minimum after careful scrutiny. However, it is a continuing process for the Government to initiate measures to curb in essential and non-productive expenditure. In recent times Government issued orders banning creation of posts/filling up of vacancies except in the most exceptional circumstances. Efforts are made through work measurement studies conducted by the Staff Inspection Unit of the Ministry of Finance/Internal Work Study Units in the

various Ministries/Departments to identify and locate surplus staff and prevent creation of avoidable posts. Measures have also been taken to curb office expenses like those on telephones, new furniture, entertainment, cars, consumption of petrol and performance of air journeys by non-entitled officers.

(c) and (d). In the context of the need to maintain the secrecy and confidentiality of official papers and having regard to the fact that senior officers have often to carry such papers to their residence, instructions were issued in February, 1985 classifying journey between office and residence by senior officers of the rank of Joint Secretary to the Government of India and above in official car as duty journey. The consequential financial implications of these instructions are likely to be minimal as the orders are only an enabling measures and do not confer any right to the facility in a routine manner. The existing restrictions regarding purchase of staff cars or on quarterly consumption of petrol remain unchanged.

#### Leasing of LIC Land and Building to a Hotel in Calcutta

4533. SHRI PIYUSH TIRAKY : Will the Minister of FINANCE be pleased to state :

(a) whether the Life Insurance Corporation has leased its land and 13-storeyed building to certain hotel in Calcutta;

(b) if so, the details of the terms and conditions of the agreement of lease;

(c) whether the land alone costs Rs. five crores and LIC has spent another sum of Rs. seventy five lakhs to construct the building whereas it is charging a nominal rent of Rs. 65,235.84 p.a. month inclusive of all charges ;

(d) the details of the building and the amount spent for decorating it;

(e) whether a sum of Rs. two crores is due from the hotel and LIC could not realise it; and

(f) if so, the action being taken in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (f). The LIC leased out its reconstructed property consisting of a 13-storeyed building on Chowringhee Road, Calcutta to M/s Ritz Continental Hotels Ltd., Calcutta, who were lessee of an old building on the same plot since 1958. The lease of the building was for a period of 25 years and commenced from 15th May, 1971, on a monthly rent of Rs. 56,116.09. All taxes, maintenance charges of building and plants were to be borne by the lessee. Other lease conditions were stipulated as per the standard lease agreement of LIC.

The book value of the land is Rs. 12.32 lakhs and the total amount spent for construction of building including decoration in 1973 amounted to Rs. 75.02 lakhs. The building is comprised of shops in the ground floor and 13 floors having 86 single rooms, 22 double rooms and 10 three room suites.

M/s Ritz Continental Hotels Ltd., defaulted in payment of lease rent and other dues from April, 1974 and the LIC's dues upto 30th November, 1984 were Rs. 1,33,28,384/-. In addition, the arrears of municipal taxes and interest thereon due to be paid by the hotel authorities upto 30th November, 1984, were Rs. 41,39,420/-.

Calcutta High Court passed orders for the winding up of the Company in 1980 at the instance of unsuccessful creditors. An official Liquidator has been appointed by the High Court. LIC had filed a petition in January, 1981 in the High Court for issue

of directive to the official Liquidator for handing over immediate possession of the premises to them. The West Bengal Government have submitted a scheme for the revival of the hotel before the Supreme Court.

#### Functioning of Branches of State Bank of India in Gujarat

4534. SHRI AMARSINH RATHAWA : Will the Minister of FINANCE be pleased to state :

(a) the number of branches of State Bank of India functioning in the Adivasi areas of Gujarat State;

(b) the amount of loan disbursed by those branches in the areas to the Adivasi people;

(c) the terms and conditions for disbursing loan; and

(d) the number of families benefited in the Adivasi area in Gujarat till date ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) to (d). The Reserve Bank of India maintain data relating to the branch net work of commercial banks on a district-wise basis and do not have details regarding Adivasi areas separately. However, available information regarding net work of branches of State Bank of India and their advances to Scheduled Castes/Scheduled Tribes in districts in Gujarat having a significant concentration of Adivasis/Tribals is given below :

District	Number of branches of State Bank of India as on 31.3.85	Advances to Scheduled Castes/Scheduled Tribes as of September, 1984	
		Number of Accounts	Amount (Rs. in lakhs)
Dangs	3	115	4
Bulsar	25	1457	30
Surat	28	8840	340
Bharuch	23	7710	180
Panchmahal	15	1844	20

The terms and conditions for disbursing loans vary depending upon the purpose and quantum of loans and have been laid down by the Reserve Bank of India for different categories of loans. The terms for Scheduled Caste/Scheduled Tribes borrowers are comparatively more liberal.

#### Export of Agricultural Products

4535. SHRI AMARSINH RATHAWA : Will the Minister of COMMERCE be pleased to state :

(a) the total value of agricultural products exported during the years 1982-83, 1983-84 and 1984-85 and the names of the countries to which agricultural products are being exported;

(b) whether there is great demand for Indian agricultural products in foreign countries;

(c) the items which are being exported; and

(d) the steps being taken to boost the export of agricultural products in future ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) The value of export of Agricultural products excluding marine products, tea and coffee, according to the tentative statistics compiled, during 1982-83, 1983-84 and 1984-85 have been as under.

Year	Value of Export in Rs. crores	Major Destinations
1982-83	1350	Europe, Middle East and East Asia
1983-84	1400	
1984-85	1450	

(b) and (c). Agricultural products from India are in demand in different markets. The major items exported have been tobacco, spices, cashew, castor oil, oil meals, processed foods and rice.

(d) The steps being taken to boost exports include identification of new markets, participation in fairs and exhibitions abroad, strengthening of institutional arrangement and grant of fiscal and other incentives.

#### Withdrawal of Subsidies on Food and Fertilizer to repay International Monetary Fund Loan

4536. SHRI PIYUS TIRAKY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are going to withdraw the subsidies on food and fertilizer to be able to repay the International Monetary Fund loans;

(b) whether the International Monetary Fund have suggested the withdrawal of subsidies;

(c) the other steps taken to arrange funds for the purpose ; and

(d) the steps being taken to recover from the trade deficit of Rs. 6000 crores in the current year ?

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

(c) and (d). No difficulty is anticipated in honouring the debt obligations to the International Monetary Fund as and when they arise. The Government keeps under constant review the trends in the balance of payments position of the country and concerted efforts are taken to maintain their viability through adoption of measures for encouraging exports and reducing dependence on imports through import substitution.

#### Concessions enjoyed by Units in Free Trade Zones

4537. DR. KRUPASINDHU BHOI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government are considering extension of some of the concessions enjoyed by units in free trade zones;

(b) if so, the details thereof; and

(c) how far they will go in helping the free trade industries;

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P.A.

SANGAMA) : (a) to (c). Some proposals for grant of additional incentives to units in the Export Processing Zones have been received including extension of the period of tax holiday and sale of goods within the country. No decision has been taken.

[Translation]

**Minerals Deposits found in Tribal Areas**

4538. SHRI PIYUS TIRAKY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the names of minerals whose deposits have been found in tribal areas of various

States in the country, State-wise;

(b) whether these mineral deposits are being properly exploited;

(c) whether these are also being exported; and

(d) the income earned from these mineral deposits by Union Governments and State Government during the last three years ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**

(a) The mineral deposits found in tribal areas of various States in the country are, as follows:

States	Name of Minerals
1. Andhra Pradesh	Limestone, Manganese ore, Iron ore, Coal, Bauxite, China clay, Fire clay, Apatite, Graphite, Glass sand, Vermiculite, Titanium and Tungsten.
2. Bihar	Iron ore, Limestone, Dolomite, Bauxite, Coal, Cooper ore, Chromite, Manganese ore, Fire clay, China clay, Mica, Asbestos, Apatite, Kyanite, Graphite, Barytes and Silica sand.
3. Gujarat	Limestone, Dolomite, Bauxite, Lead-zinc ore, Manganese ore, Lignite, Fluorite, Graphite, Fire clay, China clay and Silica sand.
4. Himachal Pradesh	Limestone, Gypsum, Magnesite and Antimony.
5. Madhya Pradesh	Iron ore, Manganese ore, Limestone, Dolomite, Bauxite, Coal, Barytes, Phosphorite, Copper ore, Gold ore, Cassiterite (tin ore) Talc-Steatite, Soapstone, Fluorite, China clay, Fire clay, Sillimanite, Silica sand and Graphite.
6. Maharashtra	Coal, Limestone, Dolomite, Bauxite, Iron ore, Copper ore, Barytes, Fire clay, China clay and Silica sand.
7. Orissa	Coal, Iron ore, Manganese ore, Chromite, Limestone, Bauxite, Copper ore, Lead ore, Fire clay, China clay, Vanadiferous Magnetite, Nickel ore, Tin ore, Titanium ore, Graphite, Silica sand and Sillimanite.
8. Rajasthan	Limestone, Copper ore, Manganese ore, Fluorite, Graphite, Asbestos, China clay and Talc-Steatite-Soapstone.
9. Assam	Limestone and Coal.

1	2
10. Meghalaya	Limestone, Coal, Base metal, China clay, Apatite and Silica sand.
11. Mizoram	Limestone, (Minor occurrence)
12. Arunachal Pradesh	Limestone, Dolomite, Coal and Graphite.
13. Nagaland	Limestone and Coal.
14. Manipur	Limestone and minor occurrences of Chromite and Lignite.
15. Tripura	China clay, Glass sand and minor occurrence of Limestone.

(b) to (d). Information is being collected and the same will be laid on the Table of the House.

[English]

**Proposal for Double Production  
of Silk**

4539. SHRI CHINTAMANI JENA :  
Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether there was a proposal for doubling the production of silk in recent years;

(b) the results achieved so far in this regard;

(c) whether any efforts are being made in respect of superior quality silk cultivation and development schemes; and

(d) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :  
(a) and (b). Production of raw silk in India at the end of 1979-80 was 48.05 lakh Kgs. and the revised production target fixed for VI Plan (1980-85) was 67.54 lakh Kgs. Year-wise achievement during VI Plan was as under :—

Year	Production (in Lakh Kg.)
1980-81	50.41
1981-82	52.49
1982-83	57.00
1983-84	64.23
1984-85	Not available

(c) and (d). Important steps taken by Central Silk Board for increasing production of superior quality raw silk are as under :—

- (i) Introduction of rearing of bivoltine silkworm races in traditional multivoltine silk producing areas.
- (ii) Organisation of production and supply of quality silk worm seeds to rearers through National Silkworm Seed Project.
- (iii) Carrying out of extension work to educate the farmers in the improved techniques of silkworm rearing and control of diseases resulting in production of quality cocoons.
- (iv) Establishment of a Central Silk Technological Research Institute for carrying out research in cocoon processing, reeling and spinning for improving quality of silk yarn and fabrics.

**Survey Conducted to find Gold in  
Alluvial Tract**

4540. SHRI CHINTAMANI JENA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any survey has been conducted by Government in the Alluvial tract of the country to find out the existence of gold; and

(b) if so, the details thereof and the results achieved ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) and (b). Yes, Sir. Geological Survey of India and several State Government agencies have carried out surveys for placer gold in alluvial tracts in different States including Kerala, Madhya Pradesh, Bihar, Orissa and in parts of the Siwalik belt covering Uttar Pradesh, Himachal Pradesh, Punjab, Haryana and Jammu and Kashmir. As a result of investigations carried out earlier by Geological Survey of India and State Governments, the following results have been achieved :

Location	Results achieved
Nilambur valley of Kerala	38.0 million cubic meters of gravel with 0.1 gm/cubic meters of gold.
In drainage areas or river	0.1 to 0.8 gms of gold per tonne
estimated in the gravel. (M.P.)	Ib, Maini, Sonajhori, etc.
In parts of Raigarh district of Madhya Pradesh.	Bulk samples analysed indicate 0.1 to 0.8 grammes of gold per tonne of gravel.
Some areas of Sirmur district in Himachal Pradesh.	0.1 to 0.7 gms/tonne of gold in pebbles and gritty sand.
Major rivers like Markanda, Ganga-har, Yamuna, Bata and Kosi in Sirmur district of H. P. Ambala district of Haryana and Dehra Dun and Nainital district of U. P.	Bulk samples from one cubic metre pits from river sediments have shown gold value from 0.1 to 0.4 gms/tonne. The river terraces in Markanda and Trilokpur have shown gold value ranging upto 1.6 grammes per tonne.
Stream sediments of Kosi River in Nainital district, U. P.	0.0004 to 0.4 gms/tonne of gold.

**Decline in Export of Handloom Fabrics**

4541. SHRI N. DENNIS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether there has been any decline in the export of handloom fabrics in terms of foreign exchange;

(b) if so, to what extent and since when, (year-wise); and

(c) the measures Government have taken so far to make the handloom sector in the country economically viable ?

(SHRI CHANDRA SHEKHAR SINGH) :

(a) and (b). The exports of cotton handloom fabrics during the last three years are given below :

Year	Exports (Rs. in crores)
1982	66.35
1983	52.24
1984	96.39

(Source : Cotton Textiles Export Promotion Council.)

(c) Among others, the Weavers Service Centres and the Indian Institute of Handloom Technology are engaged in continuous

THE MINISTER OF STATE OF THE  
MINISTRY OF SUPPLY AND TEXTILES

research for improving the productivity as well as quality of handloom fabrics. Processing facilities are also being created with Government assistance to improve the finish and wearable properties. The state handloom agencies and the National Handlooms Development Corporation are taking up the distribution of yarn to weavers at reasonable prices.

**Production of Various Quality of Cloth  
by N.T.C.**

4542. SHRI N. DENNIS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the total production of cloth in the country during 1983-84 in the category of superfine, fine and medium quality;

(b) the percentage of medium quality of cloth produced by the National Textile Corporation;

(c) whether medium quality of cloth is suitable for persons living below the poverty line and for persons of lower income group living in the country; and

(d) if so, the steps Government propose to take in this regard ?

THE MINISTER OF STATE OF THE  
MINISTRY OF SUPPLY AND TEXTILES  
(SHRI CHANDRA SHEKHAR SINGH) :

(a) The total production of cloth in the mill sector during 1983-84 was as follows;

Category	(in million metres)
Superfine	111.46
Fine	79.40
Medium	2209.39

(b) NTC production about 38 per cent of the total production of medium quality of cloth by the mill sector.

(c) and (d). Medium variety of cloth i.e. cloth using 17 to 40 counts is suitable for people including low income groups and persons living below the poverty line. More than 80 per cent of the total mill production during 1983-84 was of medium variety. National Textile Corporation has also been

entrusted with production of controlled cloth at subsidised prices.

**Public Enquiry Into Frauds in  
Nationalised Banks**

4543. PROF. RAM KRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether the All India Bank Employees Association have urged Government to hold a public enquiry into the frauds committed in the nationalised banks; and

(b) if so, Government's reaction there to ?

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) : (a) A few unions of various banks' employees affiliated to the All India Bank Employees Association have addressed letters to the Government demanding public enquiry into the frauds committed in the nationalised banks.

(b) Investigation of frauds in the banks is an on-going exercise. The public sector banks have set up their own Vigilance Departments headed by Chief Vigilance Officers who are, generally, of the rank of the General Managers. In accordance with the provisions of the statutes and customs and usages prevalent among banks, regarding the information in respect of their constituents, all banks enjoy the privilege of confidentiality. Public enquiry of a general nature is, therefore, not possible. Banks, however, investigate cases of frauds, if necessary, with the help of the local police or the Central Bureau of Investigation and take action to get the guilty punished. Banks have been advised by the Reserve Bank of India and Government to strengthen their monitoring and control systems, improve their house-keeping and vigilance machinery and award deterrent punishment to staff found guilty.

**Misuse of Actual Users Import Licences**

4544. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE be pleased to state :

(a) the number of cases so far registered against the bogus parties and the defaulters



for the misuse of actual users' import licences during the last three years;

(b) the action taken against them; and

(c) in how many cases licences have been cancelled and the parties blacklisted during the said period ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). Debarment orders under Clause 8 of the Imports (Control) order were passed by import trade control authorities against 1445 parties during the last three years, namely, 1982-83, 1983-84 and 1984-85. Separate figures for Actual Users are not maintained. In addition, fiscal penalty was imposed in 67 cases and 601 licences were cancelled during the same period.

**Proposal for Strengthening and Widening of Roads in Coal Mine Area of Madhya Pradesh**

4545. SHRI DILEEP SINGH BHURIA :  
SHRI BALKAVI BAIRAGI :

Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government of Madhya Pradesh have sent proposal in the year 1982 to Union Government for strengthening and widening of roads in coal mine area of Madhya Pradesh; and

(b) if so, the action taken thereon ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir.

(b) Preliminary examination of the proposal has been completed. However, in view of the fact that construction of roads is primarily the responsibility of the State Government, further processing of the proposal would depend upon finding ways and means of funding the project.

**Time taken to finalise a Contract and Payment**

4546. SHRI MOOL CHAND DAGA :  
Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the average time a contract takes to finalise from the date of requisition is received till the final payment is made;

(b) the details of the longest case pending and since when it is pending;

(c) whether it is a fact that the office of the Director General of Supplies and Disposals is over-staffed;

(d) if so, the steps being taken to reduce the staff, details thereof;

(e) whether the Department of Supply is planning to take over the functions of the Department of Defence Supplies from the Ministry of Defence; and

(f) if not, the reasons therefor ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) and (b). Directorate General of Supplies and Disposals is a Central Purchase and Disposals Organisation entering into about 12,000 contracts per year for a variety of items of a general nature required by various Central Government Departments as also by State Governments and Public Sector Undertakings. Over 70% of the supplies are arranged by putting suppliers on rate contracts in which the Direct Demanding Officers themselves place the Supply Orders and receive the supplies on mutually agreed delivery period. Payment of 95% or 98% of the cost of the stores is made on production of proof of despatch of inspected stores. Thus the question regarding average time taken to finalise contracts and release of payments would seem to apply to residual work in the Directorate relating to ad hoc indents for developmental orders and items of specific nature not in general use and not required periodically. In these types of cases a simple average of the time taken would not yield any fair conclusions either with regard to the working of the Department or the difficulties common in finalising these types of contracts. No monitoring is, therefore, being done on the basis of working out such an average. A close watch is, however, kept to ensure that tenders are processed and orders placed within the first validity period of the tenders. 69% of the total tenders received are decided in the first validity period. Similarly, if the

oldest pending case refers to a case in which payments have not been made, it may in all probability refer to a case where a firm has not pressed its claim for the remaining 2% + 5% payment after having received 95%-98% payment on submitting proof of despatch. The final payment depends upon striking to manufacturing schedules, commissioning and working of the stores, receipt of the entire quantity of indented material, warranty period, and in case of default arbitration, blacklisting and other legal action under the contract. A simple average of time taken would not therefore reflect the promptness with which payments are released. In fact, on production of proof of despatch above 90% payments are generally released within two weeks. From a hurried reckoning of the readily available records at the Headquarter office of the Chief Controller of Accounts the oldest case in which final payment has not been claimed/made pertains to an ad hoc tender No. SE. 3/9237 dated 3.1.5.65 for an amount of Rs. 517.92 being the 5% of the contract value.

(c) No.

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

(e) No.

(f) It has been decided that items exclusive and specific to Central Government Departments have been allowed for direct purchase by such departments, e.g., P & T, Railways and Defence. It is only with the general and common items that the DGS&D are now concerned. There is no proposal as such to take over any items now being dealt by such departments including the Department of Defence Supplies.

**Alleged Embezzlement of Rs. 20.44 crores detected during audit of Central Coalfields Ltd.**

4547. SHRI DILEEP SINGH BHURIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Central Coalfields Limited (a Government Company) would not produce vouchers for Rs. 20.44 crores for the expenditure incurred on various items during the course of audit for the year 1982 by the Comptroller and Auditor General of India;

(b) if so, the reasons responsible for

embezzlement of such a huge amount in the Company; and

(c) the action taken by Government in this regard so far ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c). The expenditure of Rs. 20.44 crores represents the value of purchase of stores and equipments by Coal India Limited on behalf of the Central Coal fields Limited. These payments were initially made by Coal India Limited and subsequently debits passed on the Central Coalfields Limited. Since the initial payment was recorded in the Coal India Limited's books, the original vouchers relating to these purchases were retained by Coal India Limited and debit advice and other supporting details in respect of Rs. 20.44 crores were shown to the Auditors. As stated above, the original vouchers in respect of these payments were retained by Coal India Limited, for production to their Auditors and consequently not furnished by Central Coalfields Limited. The Coal India Limited, holding company, is making purchases of stores and equipments on behalf of the subsidiary companies including Central Coalfields Limited, centrally and the debits for the value of the stores and equipments supplied to the subsidiaries are raised along-with supporting details in the form of Debit Memo.

The point raised by the Auditors is merely on technical grounds and there is no embezzlement. Therefore, the question of taking action against any person does not arise.

[Translation]

**Report of C&AG on Public Undertakings**

4548. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) whether the Comptroller and Auditor General of India, in his Fifth Report of 1983, has pointed out financial irregularities and improper maintenance of accounts in all the 215 Public Sector Companies; and

(b) if so, the action taken in this regard by Government so far ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b). No Sir. As per the Report of the Comptroller and Auditor General of India Union Government (Commercial) 1983, Part-V, out of 215 Government Companies including their subsidiaries, the Comptroller and Auditor General had selected 174 Government Companies and their subsidiaries for the purpose of comments upon or supplement to the auditors' reports. The CAG has listed in Section I the "important points" contained in the reports received from the auditors. In Section II he has given some comments on these reports. These, at best, could be called 'mistakes/omissions' noticed in the course of audit of accounts of Government Companies and Section 619B Companies. These cannot be construed as either financial irregularities or improper maintenance of accounts. Based on the observations on the accounts made by Government Audit, the accounts of 44 Government Companies were revised by the respective Companies.

[English]

**Discontent in Central Public Sector Undertakings**

**4549. SHRI R. ANNANAMBI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that discontent is brewing at the top level in the central public sector undertakings following a decision to apply only those who have a minimum of two years to retire to board level posts;

(b) if so, whether Government are also aware that the decision has direct impact mostly on technical posts; and

(c) if so, the stand of Government in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c). The policy to appoint people to Board level posts who have at least two years of service before retirement is to ensure a measure of continuity at the highest policy making level of the enterprises concerned, which is necessary. This is equally applicable to all posts at the Board level.

**Allocation for Upgradation of Revenue and District Administration**

**4550. SHRI K. RAMAMURTHY :** Will the Minister of FINANCE be pleased to state :

(a) which are the 12 States that needed upgradation of the standards of Revenue and District Administration, for the purpose of which the Seventh Finance Commission had recommended an allocation of Rs. 64.41 crores for the period 1979-84;

(b) the State-wise allocation of the above provisions; and

(c) whether it has been ensured that the concerned State Governments have spent this provision for upgrading the Revenue and District Administration ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (c). A Statement showing the amounts recommended by the Seventh Finance Commission for upgradation of Standards of Revenue and District Administration and the amounts released to the States so far is placed on the Table of the House. The grants were released based on the progress of expenditure reported by the States.

**Statement**

(Rs. in lakhs)

Sl. No.	Name of the State	Total grant recommended	Total grant released so far
1	2	3	4
1.	Andhra Pradesh	250.00	250.00
2.	Assam	470.00	329.19

1	2	3	4
3.	Bihar	1263.00	1134.61
4.	Himachal Pradesh	40.00	40.00
5.	Jammu & Kashmir	250.00	216.11
6.	Madhya Pradesh	444.00	387.34
7.	Manipur	500.00	500.00
8.	Meghalaya	150.00	149.26
9.	Nagaland	74.00	74.00
10.	Orissa	450.00	371.65
11.	Rajasthan	400.00	400.00
12.	Uttar Pradesh	2150.00	2150.00
	Total	6441.00	6002.16

[Translation]

**Tribal and Area Allowance to Central Government Employees Working in Tribal Areas**

4551. SHRI DILEEP SINGH BHURIA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the employees of Union Government and nationalised banks working in tribal areas in various States and Union Territories are not being paid tribal area allowance; and

(b) if so, whether Union Government propose to give them such allowance ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). On the basis of the recommendations of the 7th Finance Commission, Compensatory Allowances have been granted by certain State Governments to their own employees to attract persons of appropriate quality and calibre for working in tribal areas to implement their tribal area upgradation plans. Since the Central Government employees posted in such areas are not directly concerned with the tribal development plans of

the State Governments, the grant of such allowance to them has not been found justified. Scheduled/Tribal area compensatory allowance has been sanctioned to Central Government employees in the specified areas in Gujarat. Compensatory Allowance in Scheduled/Tribal areas has also been sanctioned to P. & T. and Railway employees in Andhra Pradesh.

As regards employees of public sector banks, they are governed by service rules/regulations and by various awards and bipartite settlements. These rules and regulations as well as awards and settlements do not provide for payment of compensatory allowance to employees posted in all tribal areas as such. The bank employees, however, get special compensatory allowance at certain specified places, which include some tribal areas also, where living conditions are difficult.

[English]

**Contempt of Court Cases pending against Collector of Customs, Calcutta**

4552. SHRI ANANDI CHARAN DAS : Will the Minister of FINANCE be pleased to state :

(a) the number of contempt of Court Cases pending against the Collector of Customs, Calcutta in various Courts;

(b) the reasons for such a large number of contempt of Court cases; and

(c) the reasons why the verdicts of various courts have not been honoured by the Collector of Customs resulting into these contempt cases ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to information received from Calcutta Custom House, 21 applications for contempt of court against Collectors of Customs, Calcutta filed by concerned parties in the Calcutta High Court are pending disposal in that Court. In no case has the Calcutta High Court or any other court held the Collector of Customs, Calcutta as having committed contempt of court.

(b) and (c). Since the matters are sub-judice it may not be desirable to offer comments on merits of the cases. However, generally applications for contempt of court have been filed inter alia by importers and traders who had obtained interim orders in their favour with regard to imported goods, seized documents and property etc. but the Collector had, in the interests of revenue, before complying with such interim orders, filed applications to the court, for modification of the orders setting out the correct and full facts in these cases. In a few cases petitions for contempt of court had been filed in matters relating to personnel administration, wharf rent payable to Calcutta Port Trust and also for remarks in the press attributed to the Collector.

#### Settlement of Cases through Arbitration

4553. SHRI MOOL CHAND DAGA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the number of cases which came up for arbitration during the last three years showing yearly position and the number of cases settled during each year;

(b) the number of cases pending over ten years and the reasons for the same;

(c) the average expenditure involved in the disposal of the cases which are settled during same year, during two years, during three years; and

(d) the steps taken to accelerate the disposal of the cases and the results thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) :

(a) Number of cases referred to arbitration and number of cases where awards were made during the last three years are as under :

Year	No. of cases referred	No. of cases where awards received.
1982-83	145	122
1983-84	144	97
1984-85	125	109

(b) Number of cases pending with Arbitrators for over ten years are six (6).

Reasons : There are several causes for delay in deciding the cases such as intervening court proceedings and stay orders, frequent adjournments sought by the contractors and change of Arbitrator, etc.

Note : The figures of input/output and cases pending over 10 years pertain to Headquarters. Information regarding Regional Offices is not readily available.

(c) The arbitration cases are conducted by the DGS&D Litigation Officers. The time taken by the Litigation Officers in preparation and conduct of cases in arbitration in holding the hearings by the Arbitrators, etc., cannot be quantified in terms of money. Government Counsels are engaged only in cases involving high stakes or where important questions of law or facts are involved. Similarly, time spent by the Arbitrators also cannot be quantified.

(d) Certain measures on the part of the Department have been taken to minimise the procedural delays by way of standardising the drill to save time and ensure minimum back-reference/adjournments.

A decision has also been taken recently to consider setting up of Negotiation Committees which could work out easy and expeditious compromises/settlements to ease the present pressure on litigation.

It has also been decided that the rules of procedure in Arbitration of DGS & D may be framed keeping in view the rules followed by Indian Council of Arbitration.

**Foreign Banks Operating in India  
vis-a-vis Indian Banks  
Operating Abroad**

4554. SHRI MOOL CHAND DAGA : Will the minister of FINANCE be pleased to state :

(a) the number of foreign banks operating in the country giving the names of the banks and number of branches of each;

(b) the number of Indian banks operating abroad showing the names of the banks and number of branches of each;

(c) whether opening of banks is on reciprocal basis in the above cases;

(d) if so, whether Australian Banks are operating in our country and Australian Government have not permitted our Banks to open branches in that country; and

(e) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The information is set out in Annexe-I. [Placed in library. See No. LT-1101/85].

(b) The information is given in Annexe-II. [Placed in library. See No. LT. 1101/85]

(c) Yes, Sir.

(d) and (e). At present no bank incorporated in Australia is operating in India. No Indian Bank has so far been permitted

to open a branch in Australia. However, Bank of Baroda is having a Representative office in Australia.

**Income-Tax Evasion by City Builders  
and their Calcutta-based Associates]**

4555. SHRI C. MADHAV REDDI :  
SHRI DHARAMPAL SINGH  
MALIK :  
SHRI VIJAYA KUMAR  
YADAV :  
SHRI ANAND SINGH :

Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news reports appeared in 'The Times of India' of 29 March, 1985 wherein it has been stated that Rs. 15 crores income tax evasion by city builders and their Calcutta-based associates has been unearthed by Income Tax Authorities;

(b) if so, the details thereof; and

(c) the action Government have taken in the matter ?

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

(b) and (c). Income-tax Department conducted searches at Bombay and Calcutta in the case of a Builder in February 1985, resulting in seizure of prima-facie unaccounted assets valued at Rs. 52.95 lakhs approximately. Orders of provisional attachment of properties u/s 281 B of Income-tax Act have been passed for protecting the interests of revenue.

**Self-Sufficiency in Rubber**

4556. SHRI K. MOHANDAS : Will the Minister of COMMERCE be pleased to state :

(a) whether Government consider that India is likely to become self-sufficient in rubber; and

(b) the steps being taken in this direction ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) By the year 1999-2000, it may be possible to attain self sufficiency in Natural Rubber.

(b) The following steps are being taken to increase production of Natural Rubber in the country :—

- (1) Assistance is given under Rubber Plantation Development Scheme for accelerating New Planting and Replanting of Rubber :—
  - (i) Cash Subsidy at the rate of Rs. 5000/- per hectare to small growers and Rs. 3000/- per hectare to large growers.
  - (ii) Additional assistance to small holders owning not more than 6 hectares of land which comprises re-imbusement of cost of planting materials used, half the cost of fertilisers applied during immaturity period and subsidy upto Rs. 150/- per hectare for soil Conservation work undertaken.
  - (iii) Interest subsidy at the rate of 3% on Loan availed from NABARD.
  - (iv) Extension advisory support to all growers regarding planting and maintenance.
- (2) Raising and distributing high yielding planting materials.
- (3) Popularising rainguarded tapping, spraying against diseases and imparting training in tapping rubber trees.
- (4) A project has been approved by the Government in 1984 for accelerating the development of rubber plantations in North Eastern Region.
- (5) The Rubber Research-Institute under Rubber Board is under taking research on various aspects of cultivation and production of rubber.

- (6) Rubber Research-cum-Development Station is also functioning in Andamans.

The targets proposed for plantation is 100,000 hectares and Replantation 35,000 hectares during the 7th Five Year Plan. Research activities are proposed to be intensified which emphasises on the needs of non-traditional areas.

#### Assessment of Domestic Requirement of Rubber

4557. SHRI K. MOHANDAS : Will the Minister of COMMERCE be pleased to state :

(a) whether Government have ever considered that the demand for rubber projected by the user industries is at times exaggerated;

(b) if so, whether any import was allowed without verifying the genuineness of the demand; and

(c) if so, the steps being taken to assess correctly the domestic demand ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Government forecast demand for rubber in consultation with Department of Industrial Development and Rubber Board and also keeping in mind past consumption trend and future prospects. Forecasts thus arrived at are periodically reviewed taking into account the actuals and day to day developments. Imports are regulated within the gap between supply and demand. According to Rubber Act, 1947 and Rules framed thereunder, all the manufacturers using rubber have to take out licence from the Rubber Board and they have to furnish true and correct monthly return to the Board giving details of rubber consumed, purchased and stock held etc. These are also cross checked and verified by inspectors.

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

**Perspective Plan for Production of Rubber During Seventh Five Year Plan**

4558. SHRI K. MOHANDAS : Will the Minister of COMMERCE be pleased to state :

(a) whether there is any perspective plan for increasing the production of rubber in the country during the Seventh Five Year Plan; and

(b) if so, the details thereof ?

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

(b) The Sub-Group on Rubber of the Working Group on Plantation Crops which was constituted by the Government for preparing VII Five Year Plan, submitted its report in 1984. Important recommendations of the Sub-Group for stepping up the production and improving the processing and marketing of Rubber are given below :

- (i) The proposed target for expansion of rubber cultivation during the VII Plan is 1,00,000 hectares out of which 39,000 hectares is in traditional areas and 61,000 hectares is in non-traditional area. The target proposed for replantation is 35,000 hectares.
- (ii) Opening of 9 additional nurseries to ensure supply of high yielding planting materials to the growers.
- (iii) Intensification of extension and training activities.
- (iv) A scheme for accelerating development of rubber cultivation in North-Eastern Region envisages rubber planting in 24,000 hectares during 1984-85 to 1989-90.
- (v) For improving processing of Small-holder's rubber processing component of the Kerala Agricultural Development Project financed by the IDA will continue.

(vi) Intensification of research activities on the needs of non-traditional areas.

(vii) The total outlay proposed for VII Plan period is Rs. 150.42 crores.

**Credit Limits Sanctioned by NABARD for State Co-operative Banks and Central Co-operative Banks**

4559. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether National Bank for Agriculture and Rural Development (NABARD) propose to impose conditions of minimum involvement on the State Co-operative Banks and Central Co-operative Banks (25 per cent for SCBs and 40 per cent for CCBs) before they can avail of the credit limits sanctioned by NABARD;

(b) if so, whether the proposed move makes a departure from the position accepted by RBI long ago; and

(c) whether in the above context, NABARD's refinance is sought to be projected as merely supplementary in nature as opposed to the spirit of the preamble to NABARD Bill which acknowledges the role of NABARD as the principal financial institution providing short, medium and long term credit to institutions purveying rural credit and if so, reasons for the existence of NABARD ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) NABARD has decided to fix from the year 1985-86 the minimum level of involvement at 25% and 40% of the internal lendable resources of State and Cooperative Banks respectively. In case of banks whose involvement of internal lendable resources and whose agricultural lending is at present below the recommended norms, NABARD would be taking a pragmatic view and fix initially a suitable level of involvement which would be raised in a phased manner so that no undue hardship is caused to any bank. The minimum involvement of 25% and 40% for State Cooperative Banks and Central Cooperative



Banks respectively is sought to be achieved over the Seventh Plan period. State Cooperative Banks and Central Cooperative Banks will have to involve a certain percentage of their internal lendable resources in agricultural lendings fixed initially for the year 1985-86 on the basis of their performance in the year 1984-85.

(b) and (c), Earlier the RBI and NABARD have all along taken a stand which had been made abundantly clear to the State and Central Cooperative Banks from time to time that the refinance facilities available from the RBI/NABARD are basically supplementary in nature in as much as they are the lender of the last resort. The decision of the NABARD in this regard will not be contrary to the preamble of the NABARD Act, 1981 in as much as refinance facilities will continue to be made available to the cooperative credit structure for financing various approved agricultural purposes and for meeting the legitimate credit requirements of the agriculturists.

**Removal of Conditions for Advances  
of Cooperative Banks to  
Agricultural Sector**

4560. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether the National Bank for Agriculture and Rural Development (NABARD) does not consider Cooperative banks' advances to activities like marketing, processing and storage in agricultural finances;

(b) if so, whether a considerable portion of the resources of State cooperative banks and Central cooperative banks which could otherwise be used in lending to non-agricultural sector, remaining locked up and a major portion of non-agricultural finance being diverted to commercial banks and cramp cooperative banks' ability to undertake developmental functions;

(c) How far the conditions of minimum involvement will slow down the process of development in the cooperatively developed States and bring about a state of stagnations in States which are cooperatively under-developed; and

(d) the action Government propose to remove the conditions for the improvement of agricultural sector ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Activities like marketing, processing and storage are considered as allied activities to agriculture and the finance provided by State and Central Cooperative Banks for these activities is considered as a legitimate charge on their resources. Cooperative banks are free to finance non-agricultural activities in the cooperative sector out of their own resources. The banks are, however, expected to give priority in financing agriculture, which enjoys a higher priority in lending operations of cooperative banks. Cooperative banks have to deploy their resources judiciously with a proper mix. With the existing policies, there appears no question and possibility of cramping the ability of cooperative banks in bringing about agricultural development.

(c) and (d). The proposed stipulation of minimum involvement of 25 per cent and 40 per cent respectively of internal lendable resources of State and Central Cooperative Banks in agricultural lending is not expected to result in slowing down the process of development. With the minimum level of involvement for financing short term agricultural operations the State and Central Cooperative Banks would still be left with 75 per cent and 60 per cent respectively of their internal lendable resources for financing rural development activities other than agriculture. With a view to avoiding any hardship to the banks whose involvement is at present below the minimum stipulated level and to ensure that the development of other activities in rural sector is not adversely affected, NABARD will prescribe lower levels of involvement in the first instance to be raised in a phased manner.

**Interest-Free Amount Received by  
NABARD From Reserve Bank  
of India**

4561. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) the size of credit stabilisation fund

inherited by National Bank for Agriculture and Rural Development (NABARD) from RBI during the last two years, yearwise;

(b) the total amount as interest-free received by NABARD from RBI during the same period;

(c) whether NABARD has been charging interest from State Cooperative banks on conversion loans made out of this interest-free fund as mentioned in part (b) above;

(d) whether State cooperative banks had proposed to NABARD for granting interest-free loans from this fund to be passed on to farmers by way of interest-free loans for conversion of short-term loans in the years of natural calamity;

(e) whether the proposal has since been placed before the Board of Directors for their consideration and approval since the proposal had been received by NABARD; and

(f) if not, the reasons thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). On the formation of NABARD, RBI transferred an amount of Rs. 365 crores standing to the credit of National Agricultural (Stabilisation) Fund to the National Rural Credit (Stabilisation) Fund. RBI has been contributing to this fund out of its yearly profits. The amount contributed by RBI during last two years is as follows :

1983-84	Rs. 75 crores
1984-85	Rs. 80 crores

Since the Fund is owned by the National Bank, the question of NABARD paying any interest on the corpus of the fund does not arise.

(c) The loans from the National Rural Credit (Stabilisation) Fund are granted by the NABARD for conversion of short term loans into medium term loans at 3% below the bank rate. The rates of interest on loans and advances by NABARD are charged in pursuance of the overall policy

decided by RBI and has no relationship with the cost of procuring one segment of funds.

(d) to (f). The Chairman of the National Federation of SCBs as well as the Maharashtra State Cooperative Bank have requested NABARD for provision of refinance from out of the NRC (Stabilisation) Fund free of interest for meeting conversion term loans. Their request was examined by the NABARD carefully. The facility of converting short term production loans into medium term loans is provided with the twin objective of enabling the affected farmers to repay the loan over a period of 3 to 5 years and also to make him eligible for fresh production credit. Thus, the question of not charging interest of such loans or the rate of interest being lower than the rate charged on short term loans for seasonal agricultural operations does not arise. The Federation and the Maharashtra State Cooperative Bank were advised accordingly. As the above decision was within the existing policy framework for grant of such loans, NABARD did not consider it necessary to place the matter before the Board of Directors.

#### Representation Received by NABARD Regarding Determination of Resources of Cooperative Banks

4562. SHRI SUBHASH YADAV : Will the Minister of FINANCE be pleased to state :

(a) whether National Bank for Agriculture and Rural Development has since received any representation regarding the criteria for determination of availability of long-term resources of the cooperative banks;

(b) if so, whether the representation has since been examined with reference to special nature of the deposits resources of the State Cooperative banks and Central cooperative banks;

(c) if not, the reasons for the delay; and

(d) the time by which a decision is likely to be taken ?

THE MINISTER OF STATE IN THE

**MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) to (d). The Maharashtra State Co-operative Bank had taken up the matter regarding the method of computation of long term disposable resources with NABARD in June 1983. This was examined in NABARD and clarified to the State Cooperative bank in November 1983 that only such deposits which as on a date of computation will be with them for 3 years or more can be reckoned as net long term disposable resources. The criteria for determining the net long term disposable resources is in accordance with the procedure prescribed by Reserve Bank of India and in keeping with the accepted banking practice.

#### Study of Japanese Market for Exports from India

4563. **SHRI BRAJAMOHAN MOHANTY :** Will the Minister of COMMERCE be pleased to state :

(a) whether any study of the Japanese market has been undertaken to increase our export to that country; and

(b) if so, the results thereof ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) :** (a) and (b). No specific study of the Japanese market has been undertaken. But all possible efforts are made at official as well as business level to promote our exports to Japan. Four official level meeting have been held with Japan during the last few years and the Federation of Indian Chamber of Commerce and Industry have a Joint Business Council with their counter-parts in Japan for review of bilateral trade, on annual basis. At these meetings new possibilities are explored for diversification and expansion of our exports. India and Japan have been participating in trade fairs and exhibitions organised in the two countries from time to time.

#### Trade between India and Spain

4564. **SHRI BRAJAMOHAN MOHANTY :** Will the Minister of COMMERCE be pleased to state :

(a) the broad features of our trade with Spain;

(b) whether India is having an adverse balance of trade with Spain for the last three years,

(c) if so, the details thereof;

(d) whether any study of market possibility in Spain has been conducted;

(e) if so, the details thereof;

(f) whether the process of transfer of technology and expertise in any area has been explored; and

(g) if so, whether any negotiations are going on for such transfer ?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) :** (a) to (c). Presently, India exports mainly traditional itmes like leather, cotton and handloom garments ore and concentrates. Major items of imports from Spain have been vegetable oils, synthetic fibres, organic and inorganic chemical etc. India has had adverse balance of trade vis-a-vis Spain as can be seen below :

	(In Rs. Corere)
1981-82	—62.81
1982-83	—61.12
1983-84	—89.91
1984-85	—32.28
(April—September)	

(d) and (e). Several export promotion organistation have been assessing market potential and undertaking trade promotional measures like market surveys, contact promotion programmes and exchange of trade delegations.

(f) and (g). Spain has evinced interest in offering their deep-sea fishing trawlers and related technical know-how for marine resources development as well as joint ventures in tune fishing.

#### Indian Technology Expertise in Third World Countries

4565. **SHRI BRAJAMOHAN MOHANTY :** Will the Minister of COMMERCE be pleased to state :

(a) Whether any study and analysis of the development plans of the Third World countries and identification of specific sectors and projects where Indian technology and expertise can be availed of, has been done;

(b) if so, the details thereof; and

(c) whether Government have any plan to formulate our policy of export trade accordingly ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). The development plans of Third World countries and the opportunities available are brought to the notice of the Government in a general way, in the reports submitted by Indian Missions abroad and these matters are also broadly discussed in the meetings of Joint Commissions and while exchanging trade delegations. Engineering Export Promotion Council is also keeping abreast of the development plans of the Third World countries through commercial reports of its foreign offices. Information about the projects being funded by the multilateral financing agencies like World Bank, Asian Development Bank, African Development Bank, etc. in the Third World countries is regularly disseminated by the Engineering Export Promotion Council through its fortnightly bulletin "Project Export News." International Organisations like World Bank, UNIDO etc. maintain a roster of consulting organisations to whom up-coming programmes are referred to for participation.

Government policy is to facilitate maximum participation by Indian companies in projects and consultancy assignments coming up in Third World Countries.

#### Trade between India and China

4566. SHRI BRAJAMOHAN MOHANTY :  
SHRI K. PRADHANI :

Will the Minister of COMMERCE be pleased to state :

(a) the broad features of India's trade with China;

(b) the amount of import and export during the year 1983-84 and 1984-85;

(c) whether market of China has been studied in depth;

(d) if so, the areas in which India can improve its export details thereof;

(e) whether there is any scope for export of technology and expertise to China; and

(f) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) After resumption of diplomatic relations at Ambassador level with China in 1976, bilateral trade was resumed in 1977. India had a favourable balance of trade with China till 1978-79. Thereafter the balance of trade had shifted in favour of China. Indian exports to China include cotton, crude minerals, iron and steel, sugar, tobacco unmanufactured, sheet glass, chrome ore, iron ore and wire-ropes. Chinese exports to India include silk, chemicals and related products, zinc and non-ferrous metals. On 15th August, 1984, India and China signed a trade agreement, to accord most favoured nation treatment to each other. Bilateral trade between India and China is in freely convertible currency.

(b) The level of import and export during the year 1983-84 and 1984-85 (April-September) is as below :

(Rs. in lakhs)

Year	Export to China	Import from China
1983-84	572	7579
1984-85	04	2754

(April-September) Provisional

(c) and (d). No specific study of the Chinese market has been conducted in the recent-past. There are indications that there is considerable scope for improving bilateral trade. Some items have been identified in the engineering sector, and certain mineral ores like iron ore, chrome ore, and manganese ore have potential for export.

(e) and (f). There is scope for export of technology and expertise to China. The potential, in this regard, is being explored.

**Cash Compensatory Scheme for Engineering Exports**

4567. PROF. RAMKRISHNA MORE : Will the Minister of COMMERCE be pleased to state :

(a) whether the Engineering Export Promotion Council has urged Government for continuation of the Cash Compensatory Scheme beyond March, 1985;

(b) if so, the details thereof; and

(c) Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) Yes, sir.

(b) EEPC have suggested for continuation of present rate of CCS on Engineering goods for a further period of 3/5 years stating that the costs taken into consideration while fixing the rates of CCS in the years 1982 have not come down, but have gone up substantially and further, competition in international market has intensified.

(c) Government has asked EEPC to furnish the cost data for fixation of CCS beyond 31st December, 1985.

**State-wise Assistance Sanctioned and Disbursed by Lending Financial Institutions**

4568. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) the State-wise assistance sanctioned and disbursed by each term-lending financial institution as on 31st March 1985;

(b) the share of each State out of this amount;

(c) whether there is a regional imbalance in disbursement of such assistance; and

(d) if so, the factors responsible for the same ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The information readily available relating to State wise assistance sanctioned and disbursed by the all India term lending financial institutions viz. Industrial Development Bank of India (IDBI) Industrial Finance Corporation of India (IFCI) and Industrial Credit and Investment Corporation of India (ICICI) as at the end of March, 1984 and the share of each State in the total amounts sanctioned and disbursed is given in the statement attached.

(c) and (d). Flow of assistance from the financial institutions to various states and regions in the country is not uniform in view of the fact that financial institutions do not make State-wise allocation of funds but assist industrial projects, in accordance with national priorities, keeping in view the commercial viability and technological feasibility. Various factors that affect entrepreneurial activity include lack of infrastructural facilities, non availability of any local raw materials, shortage of power, distances from market, poor industrial relations etc.

## Statement

Sl. No.	State	Sanctions				Disbursements				(Rs. in crores)
		IDBI	IFCI	ICICI	IDBI	IFCI	ICICI	ICICI		
									3	
1.	Andhra Pradesh	942.40	185.84	154.23	605.75	123.79	119.43			
2.	Assam	103.40	22.33	14.14	72.45	13.47	7.27			
3.	Bihar	332.71	59.84	101.17	201.61	45.42	82.27			
4.	Gujarat	1694.74	223.65	367.04	1114.26	121.89	251.54			
5.	Haryana	356.91	64.02	67.81	247.68	40.94	48.75			
6.	Himachal Pradesh	109.83	20.75	13.72	78.68	14.77	9.13			
7.	Jammu & Kashmir	109.66	4.33	4.63	90.68	4.02	3.80			
8.	Karnataka	806.66	151.28	189.65	658.59	125.25	150.13			
9.	Kerala	388.87	62.23	42.57	282.39	52.31	34.12			
10.	Madhya Pradesh	408.86	68.66	88.99	296.35	44.73	58.47			
11.	Maharashtra	1700.01	314.78	677.83	1289.11	248.21	552.68			
12.	Manipur	3.48	—	—	3.48	—	—			
13.	Meghalaya	13.29	2.74	0.54	12.28	2.74	0.54			
14.	Nagaland	8.10	0.66	0.17	5.52	0.50	—			
15.	Orissa	360.14	58.12	53.95	222.98	40.96	37.27			

1	2	3	4	5	6	7	8
16.	Punjab	395.26	81.51	63.93	280.15	62.60	50.00
17.	Rajasthan	584.93	117.74	110.96	409.14	78.60	80.55
18.	Sikkim	3.79	1.00	1.00	0.96	—	—
19.	Tamil Nadu	1268.33	183.71	242.92	944.62	133.44	194.61
20.	Tripura	9.45	1.16	0.56	8.09	1.16	0.55
21.	Uttar Pradesh	878.00	210.73	151.55	631.46	158.86	109.08
22.	West Bengal	603.80	116.86	136.30	433.69	84.40	114.89
23.	Union Territories	388.71	41.56	69.40	318.99	34.14	60.07
		11471.79*	1993.49	2553.06	8209.20	£1432.20	1965.75

\* including assistance of Rs. 25 lakhs and Rs. 12 lakhs sanctioned to Bhutan in 1980-81 and 1983-84 respectively.

£ including assistance of Rs. 20 lakhs and Rs. 9 lakhs disbursed to Bhutan in 1980-81 and 1983-84 respectively.

IDBI : Cumulative assistance/disbursement excludes assistance under export finance.

Also subscription to shares and bonds of financial institutions, seed capital and guarantees are excluded.

ICICI : Excludes guarantees for the years 1981-82 and 1982-83.

**Demand by Newspaper Industry for Additional Imports**

4569. SHRI B. V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has rejected the demand made by the newspaper industry for additional imports to clear the backlog of nearly 60,000 tonnes;

(b) if so, whether in view of the pressure on foreign exchange resources, Government are not in favour of sanctioning more funds to meet the backlog of previous years;

(c) if so, whether this decision has greatly affected the newspaper industry;

(d) whether the newspaper industry has requested to release the amount in full to meet the backlog; and

(e) whether any via media is being found to help the newspaper industry ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (e). The requirement of various commodities to be imported to supplement indigenous availability is decided upon after considering various factors, keeping in view the severe constraints on foreign exchange resources. As regards newsprint, a quantity of 2.12 lakh tonnes was decided to be imported in 1984-85 and the necessary foreign exchange for this purpose was also released. The allocation policy, actual allocation of newsprint and other related issues regarding the newspaper industry are dealt with by the Ministry of Information and Broadcasting.

**British Investment in India**

4570. SHRI B. V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the British investment is likely to increase as a result of the Union Government's decision to go in for high technology in different areas;

(b) if so, whether British investors have shown more interest to invest in by Union Government; and

(c) if so, the extent of British investment expected during 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). Government's policy towards foreign investment and collaboration continues to be selective and this was reiterated in the Technology Policy Statement of January, 1983. Investments from British sources are welcome within the parameters of this policy. However, since investment decisions are taken by foreign investors on the basis of their own assessment and criteria, it is not possible to quantify the extent of investment which is likely to be made during any particular year.

**Record Achievement of Export Sales by STC in 1983-84**

4571. SHRI B. V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether the State Trading Corporation has achieved an all-time high record of Rs. 796 crores in export sales in 1983-84 as compared to Rs. 631 crores in the previous year;

(b) if so, the details of the overall performance of STC during 1983-84;

(c) the extent to which the performance in 1984-85 has been increased by the State Trading Corporation;

(d) if so, the methods adopted to fulfill the export targets set for 1984-85; and

(e) to what extent it helped in the overall performance ?

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

(b) Details of the STC performance during 1983-84 are as under :



Exports sales :	Rs. crores
Canalised	362
Non-canalised	434
Total	796
<b>Imports sales :</b>	
Canalised	1402
Non-canalised	1
Total	1403
<b>Domestic sales :</b>	16
Grand total	2215

(c) Export performance in 1984-85 is estimated to be Rs. 677 crores. The decline in exports is mainly due to stoppage of sugar exports at the instance of Government and decanalisation of shellac.

(d) STC introduced several new items and entered into several new markets for the existing items.

(e) It helped in improving STC's performance and excluding sugar and shellac, the export performance increased from Rs. 569 crores in 1983-84 to Rs. 634 crores (estimated) in 1984-85. Further the total turn over increased from Rs. 2215 crores in 1983-84 to Rs. 2798 crores in 1984-85.

#### **Investigation Regarding Tin Ore in Malkangire Sub-Division of Koraput**

4572. SHRI K. PRADHANI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether investigation with regard to tin ore in Malkangire sub-division in Koraput District has been completed;

(b) the total quantity of the tin ore traced there;

(c) the action taken to prevent smuggling of this ore;

(d) whether any smuggling case has been instituted; and

(e) if so, results thereof ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**  
(a) Investigation by Geological Survey of India for Tin Ore in Malkangire, sub-Division of Koraput District is continuing.

(b) As the investigation are still continuing, final estimation of reserves cannot be made. However, Orissa Mining Corporation raised about 82 tonnes of tin ore till the end of March, 1985.

(c) to (e). Revenue, Mining and Police authorities have taken steps to prevent smuggling. Till date, 59 cases have been instituted against the alleged smugglers, of which 17 cases ended in acquittal, 32 cases are awaiting trial and 10 cases are under investigation. 175 quintals of tin ore have been seized by the State Government authorities.

#### **Two-Year Term Restriction for Directors in the Board of Directors of Public Sector Enterprises**

4574. SHRI Y. S. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have fixed a two year term for general managers and other senior executives on their elevation to the board of directors;

(b) whether some of the senior executives have refused to become directors because of this restriction and also due to the fact that they have 10 or more years to go before retirement; and

(c) whether Government do not agree with the view that a longer tenure is desirable in the interest of the successful working of public sector enterprises ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b). The appointments to full-time Board-level posts in Central public enterprises are contractual. Government policy is that such appointees may be given an initial tenure of two years and subject to their satisfactory performance their terms could be further extended up to a period of five years. Contracts can be renewed after the initial period of five years.

Extension or renewal of contract is limited to the normal age of superannuation. According to available information, some persons appointed to full-time Board level posts have not taken up their assignments on personal grounds.

(c) The existing arrangement has been found to be quite satisfactory.

#### Pepper Consignments held up in U.S. Ports

4575. SHRI R. ANNANAMBI : Will the Minister of COMMERCE be pleased to state :

(a) whether Indian pepper consignments were held up recently in U. S. ports because these had been deemed fungus infected;

(b) if so, whether this market situation of declining prices has had an impact on prices of other spices like turmeric, ginger etc; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). According to the information available with us no consignment of Indian Pepper was held up recently in U S ports due to fungus infection. Pepper prices have firmed up in the recent past. Prices of Ginger and Turmeric have also picked up now.

#### Requirement, Production and Import of Steel

4576. SHRI LAKSHMAN MALLICK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the requirements of steel for the country during the current financial year;

(b) the quantity expected to be produced indigenously;

(c) whether it is proposed to import some steel;

(d) if so, the quantity proposed to be imported and its value; and

(e) the countries from which steel is proposed to be imported ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (d). For the year 1985-86, the Working Group on Iron and Steel has project a demand of 11.2 million tonnes of finished steel in the country against an estimated indigenous availability of 9.9 million tonnes. It is normal practice to allow adequate import of various items of steel to meet the needs of the engineering industry and other users.

(e) Generally, steel is imported from a number of countries including Australia, Austria, Belgium, Brazil, Bulgaria, Canada, Czechoslovakia, France, Holland, Hungary, Italy, Japan, Luxemburg, North Korea, Norway, Romania, South Korea, Spain, Switzerland, U.K., U.S.A. and West Germany.

#### Non-Functioning of Urban/Rural Banks as per Guidelines of 20-Point Programme

4577. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) whether any reports have been received that many of the urban and rural banks are still not functioning as per guidelines of 20-Point Programme;

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

(c) whether Government propose to form Committees for each of the rural and urban areas of nationalised banks consisting of artisans, workers, farmers, Scheduled Castes, minority communities, social workers, etc. to consider the applications and distribution of loans etc. so that the people get maximum benefits according to 20-Point Programme; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANAR-DHANA POOJARY) : (a) and (b). In terms of RBI instructions issued in September 1983 urban banks have to ensure that their

advances to priority sectors which include beneficiaries under 20 Point Economic Programme are not less than 60% of total advances by June 1985. Out of this 25 per cent have to be advances to weaker sections. RBI have not received any report alleging that urban banks are not following the above guidelines. The Regional Rural Banks and rural branches of commercial banks have also stepped up their involvement in programmes like IRDP.

(c) and (d). Government of India in August 1983 had advised all States to set up Advisory Committees at block level comprising of Chairman Block Panchayat Samiti, BDO and representatives of banks and State Governments, and local MLA and sub-groups consisting of Lead District Officers, Farmers Cooperatives, Association of Artisans, Craftsmen and non-official for looking into the grievances of borrowers under IRDP. As per RBI instructions the Divisional/Regional Managers of commercial banks are also required to check the proposals rejected by branch managers. Further, the beneficiaries are identified and their loans proposals are sent by DRDAs to the banks.

**Applicability of Liberalised Pension Benefits to Employees Retired before 1st April, 1985**

4578. SHRI BHOLA NATH SEN : Will the Minister of FINANCE be pleased to state :

(a) whether some retired Government employees have demanded that the liberalised pension benefits announced recently by Government for employees retiring on 1st April, 1985 should also be made applicable for employees who have retired before 1st April, 1985;

(b) if so, the details thereof;

(c) the contemplation of the Government in the matter; and

(d) the steps, if any, taken/proposed to ensure that there is no discrimination or differential treatment between old and new retired personnel in the matter of pension benefits ?

THE MINISTER OF STATE IN THE

MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) Benefit has been claimed by various individuals/Associations from different dates e.g., 1.1.1985/28.2.1985/irrespective of the date of retirement.

(c) In keeping with the normal policy, Government do not propose to give the benefit from a retrospective date.

(d) Differentials in pension naturally arise when reckonable emoluments for retirement benefits differ.

**Foreign Exchange Grants for Football Tournament**

4579. SHRI PRIYA RANJAN DAS MUNSI : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that foreign exchange grants are necessary to run the most prestigious International Football Tournament recognised by FIFA in the name of Jawaharlal Nehru Gold Cup Invitation Tournament (Football) held every year in the country;

(b) if so, whether for the last three years necessary grants of foreign exchanges were given; and

(c) whether a grant of minimum two lakh and fifty thousand dollars can be reserved for this tournament in a regular manner every year to promote sports and international understanding ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Foreign exchange for organising sports events in India and abroad is released after taking into consideration total availability and demand of the foreign exchange for the economy. All such proposals are considered on merits and on the recommendations made by the Deptt. of Youth Affairs and Sports.

(b) During the last three years i.e., 1982, 1983 and 1984 the organisers of the Jawaharlal Nehru Gold Cup Invitation Tournament

(Football) have been released foreign exchange amounting to US \$. 1,00,000/-, US \$. 75,000/- and US \$. 3,18,000/- respectively. In addition foreign exchange facility was also provided for remittances to FIFA and AFC.

(c) It is not possible to reserve foreign exchange for any particular tournament on a regular basis as such proposals are considered after considering the availability of foreign exchange in relation to the total demand.

#### Setting up of Pepper Processing Units

4581. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether pepper processing industries have not been set up in our country;

(b) if so, whether it is responsible for the export of pepper products not picking up; and

(c) whether Government propose to set up pepper processing units in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). A number of units for processing Pepper for production of Pepper Oleoresins and oils and dehydrated green pepper have been set up in India.

The value of export of Pepper oil, Oleoresin and dehydrated green pepper had increased from Rs. 1.85 crores in 1980-81 to Rs. 2.31 crores in 1983-84.

#### Export of De-Hydrated Green Pepper

4582. PROF. P. J. KURIEN : Will the Minister of COMMERCE be pleased to state :

(a) whether any study has been made as to the demand potential of de-hydrated green pepper in the European countries;

(b) if so, whether this pepper is being exported at present; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE

MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) No separate study on demand potential of dehydrated green pepper in European countries has been undertaken.

(b) and (c). Major portion of our export of dehydrated green pepper is to West European countries. The total export of dehydrated green pepper in 1983-84 was 100 tonnes valued at Rs. 46.29 lakhs against 64 tonnes valued at 29.92 lakhs in 1982-83.

#### Export of Oil Cake

4583. SHRI MOHAN LAL PATEL : Will the Minister of COMMERCE be pleased to state :

(a) the quantity of oil cake exported during the years 1982-83, 1983-84 and 1984-85;

(b) the names of the countries to which the oil cake is being exported and the rate thereof;

(c) whether the export of oil cake has any effect on our consumption and if so, the details thereof; and

(d) Government policy for the export of oil cake for the year 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) and (b). The quantity and value of India's exports of De-oiled cakes (extraction) as per tentative statistics compiled; during the year 1982-83; 1983-84 and 1984-85 are given below :

Year	Quantity : Lakh MTs	
	Quantity	Value : Rs. crores
1982-83	14.50	168.32
1983-84	14.47	190.03
1984-85 (Estimated)	14.39	181.47

The major export markets for De-oiled cakes were USSR, Romania, Poland, Czechoslovakia, GDR, UK, Holland, Singapore, Malaysia, Saudi Arabia.

(c) and (d). Under the current Export Policy, export of (i) Ground-nut oil cake (expeller variety) (ii) De-oiled groundnut cakes containing more than 1 per cent oil : and (iii) Expeller cakes all varieties, except cottonseed Expeller cakes is not permitted Export of (i) De-oiled rice bran (Rice-Bran Extraction); (ii) De-oiled groundnut cakes (Extraction); (iii) Solvent Extracted Cottonseed Cakes (Decorticated and undecorticated) and (iv) Cottonseed expeller cake is allowed within a limited ceiling, determined for each of these items, taking into account the domestic requirements. Export of Soyabean Extraction/meal; compound cattle and poultry feeds; extractions of sal, mango, mahua, kokum, sunflower seed and rapeseed is allowed under OGL.

#### Rise in Price of Brass

4584. SHRI MOHANBHAI PATEL : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether price of brass has been increased recently;

(b) if so, by how much and the reasons therefor;

(c) whether it has made any effect on the small scale industries; and

(d) if so, the details thereof and the steps being taken to check the rising trend of the price in brass ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b). The price of brass is not fixed by the Government. This being an alloy of copper and zinc, any rise in the price of the two metals may eventually result in the rise in price of brass. The prices of copper and zinc metal are fixed from time to time by a Pricing Committee headed by the Chief Controller of Imports and Exports.

(c) and (d). The majority of the small scale industries use locally available brass scrap. There is no specific control on the price or distribution of brass scrap.

#### Export of Engineering Goods

4585. SHRI MOHANBHAI PATEL :

Will the Minister of COMMERCE be pleased to state :

(a) the names of the countries which are importing engineering goods from India;

(b) the amount of engineering goods exported during the years 1982-83, 1983-84 and 1984-85;

(c) whether there is a decline in the export of Indian goods during the year 1984-85;

(d) if so, the details thereof and main reasons therefor; and

(e) the special efforts Government have taken to catch the foreign market in regard to increase the export of engineering goods during the year 1985-86 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) A statement of the countries importing engineering goods from India is attached.

(b) The provisional figures of export of engineering goods, received from the Engineering Export Promotion Council, during 1982-83 to 1984-85 are as below :—

Year	Value in Crores Rs.
1982-83	1250.00
1983-84	1170.00
1983-84 (April-December)	800.00
1984-85 (April-December)	905.00

(c) Available data upto December, 1984 shows a 13.1% increase in exports against the comparable period of 1983-84.

(d) Does not arise.

(e) The Government have taken a series of measures for boosting the export of engineering goods during 1985-86. These, inter-alia, include continuation of the International Price Reimbursement Scheme, liberalisation of imports for export production, liberali-

sation of foreign collaboration and import of technology and extension of Import and Export Policy from one year to three years.

**Statement**

Afghanistan

Algeria

A.R.E

Argentina

Australia

Austria

Bahrein

Bangladesh

Barbados

Belgium

Benin

Bolivia

Brazil

Bulgaria

Burma

Cambodia

Cameroons

Canada

Canary Island

Chile

China P.R.

Colombia (Kampuchia)

Cuba

Cyprus

Czechoslovakia

Denmark

Equador

Ethiopia

Fiji

Finland

France

Gambia

Germany-DR

Germany-FR

Ghana

Greece

Gautemala

Guinea

Guiana

Hollands

Hong Kong

Hungary

Indonesia

Iran

Iraq

Ireland

Italy

Ivory Coast

Jamaica

Japan

Jordan

Kenya

Kuwait

Laos

Lebanon

Lesotho

Liberia

Libya

Malagasy

Malawi

Malaysia

Maldives

Malta

Mauritius

Mexico

Morocco

Mozambique

Nepal  
 New Caledon  
 New Guinea & Papua  
 New Zealand  
 Nigeria  
 North Korea  
 Norway  
 Oman (Muscat)  
 Pakistan  
 Panama  
 Paraguay  
 Peru  
 Philippines  
 Poland  
 Puerto Rico  
 Qatar  
 Rumania  
 Rwanda  
 Saudi Arabia  
 Senegal  
 Seychelles  
 Sierra Leone  
 Singapore  
 Somalia  
 South Korea  
 South Yemen—PDRY  
 Spain  
 Sri Lanka  
 Sudan  
 Surinam  
 Swaziland  
 Sweden  
 Switzerland  
 Syria  
 Taiwan

Tanzania  
 Thailand  
 Togo Island  
 Trinidad  
 Tunisia  
 Turkey  
 Uganda  
 United Arab  
 Emirates (Abu Dhabi & Dubai)  
 U.K.  
 U.S.  
 U.S.S.R.  
 Uruguay  
 Venezuela  
 Vietnam  
 Yemen Arab Republic  
 Yugoslavia  
 Zaire  
 Zambia  
 Zimbabwe

**Export of Important Items during  
Current Year**

4586. SHRI K. PRADHANI : Will the Minister of COMMERCE be pleased to state :

(a) the important items that are going to be exported from our country during the year;

(b) to which countries;

(c) the quantum of goods;

(d) the value of goods; and

(e) whether for foreign exchange or not ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (e). The principal commodities of India's exports by order of value

(1983-84) included crude oil and petroleum products, gems and jewellery, readymade garments, tea, machinery and transport equipment, iron ore, leather and leather manufactures, marine products, vegetables and fruits (including cashew kernals), chemicals and allied products, cotton fabrics, metals manufactures (excluding iron and steel), handmade carpets; coffee, jute manufactures, tobacco un-manufactured, raw cotton and oil cakes.

With regards to directional pattern India's main markets of exports during 1983-84 included USA, USSR, Japan, UK, Federal Republic of Germany, Saudi Arabia, United Arab Emirates, Hong Kong, Belgium, Singapore, Netherlands and Italy.

The commodity-wise and country-wise statistics of exports for 1982-83, 1983-84 and for the first half of 1984-85 are contained in the Annual Report, 1984-85, of the Ministry of Commerce and Supply. The commodity-wise details subsequent to April-September, 1984 are not yet available. Out exports are made to General Currency Area as well as to the Rupee payment area.

#### Import of Steel Pallets from India to Mexico

4587. SHRI BANWARI LAL PUROHIT: Will the Minister of COMMERCE be pleased to state :

(a) whether any agreement have been made with Mexico to import steel pallets from India;

(b) if so, full details of the agreement; and

(c) the time by which Mexico will receive the steel pallets ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : (a) to (c). No Agreement as such, has been made with Mexico to export iron ore pellets from India.

A Mexican industrial delegation which was on a visit to India in the third week of March, 1985, had discussions with officers of Department of Steel on 18-19th March, 1985

when the question of export of iron ore pellets to Mexico also came up for discussion. The Mexicans indicated their interest in the import of about 0.5 MT pellets from Kudremukh. They were apprised of the quality parametres of the pellets to be manufactured at the Mangalore Pellet Plant and also informed that Kudremukh will be able to supply pellets from Mangalore Pellet Plant by October-November 85. The finalisation of contract would depend upon the test results that will be undertaken by the Mexicans after the Plant goes into production.

#### Tusser Silk Cultivation in Orissa

4588. SHRI ANANTA PRASAD SETHI : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the names of the districts in Orissa where tusser silk cultivation is under operation; and

(b) whether Government have any proposal to extend this tusser silk cultivation to some other districts of Orissa ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The main districts practising tasar culture in Orissa are Mayurbanj, Sundergarh, Keonjhar and Sambalpur. Small pockets of tasar growing areas are also found in Cuttack, Bafasore and Denkanal districts.

(b) There are programmes to extend tasar culture to all potential areas of the State.

[Translation]

#### Directorate for Disposal of Goods Lying in Customs Godowns

4589. SHRIMATI CHANDRA BHANU DEVI : Will the Minister of FINANCE be pleased to state whether Government propose to set up a Directorate for the timely and speedy disposal of goods lying in various godowns of the Customs Departments ?

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



**Facilities Proposed for Class III and IV Employees of L. I. C.**

4590. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether any talks were held last month regarding the demands between the high officers of the Life Insurance Corporation and the representatives of its employees' union; and

(b) if so, the details of the facilities proposed for the Class III and IV employees of the Corporation ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. Talks were held in February, 1985 between the Management of the Life Insurance Corporation and the representatives of the employees' unions.

(b) Based on the understanding reached between the Management and the Employees' Unions, Government issued a Notification under Section 48 of the Life Insurance Corporation of India Act, 1956 on the 11th April, 1985, revising the terms and conditions of service of Class III and IV employees of the Corporation.

**Change in Criteria Adopted for Opening of Commercial Banks in Hill Areas**

4591. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether Government have any proposal to change the existing criteria adopted for opening commercial banks in hill areas throughout the country;

(b) if not, whether Government are aware that larger parts of these areas are not getting the facilities which are being provided by these banks; and

(c) if so, the steps Government propose to take to ensure that these facilities are made available in all the parts of hill areas ?

THE MINISTER OF STATE IN

THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The basic objectives of the branch expansion policy have been to accelerate the pace of expansion of bank offices in the unbanked rural and semi-urban areas. Under the branch licensing policy for the period April 1982 to March 1985, Hilly Regions, regions sparsely populated and tribal areas were given special consideration and branch expansion in such areas was allowed on a comparatively liberal basis. Centres for opening bank offices are generally identified by State Governments and they are expected to take into account special needs of different areas including Hilly Regions. The branch expansion policy for the Seventh Five Year Plan Period has not yet been finalised.

[English]

**Diversion of Amount Sanctioned for Various Projects by Ministries**

4592. SHRI JAGANNATH PATTHNAIK : Will the Minister of FINANCE be pleased to state :

(a) the respective amounts sanctioned by Government for various projects and works for 1984-85 which lapsed on 31 March, 1985, Ministry-wise;

(b) whether cases have come to the notice of Government that the sanctioned amounts were diverted by the Ministries to other projects and works during 1984-85; and

(c) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c). The appropriation accounts for the year 1984-85 have not yet been finalised. As per the recommendations of the Business Advisory Committee of Lok Sabha, the date prescribed for the finalisation of appropriation accounts for 1984-85 is 30th November, 1985.

It may, however, be added that the projects' estimates prepared by the Departments concerned are approved by the

Expenditure Finance Committee/Public Investment Board, as the case may be, and the funds are provided in the Budget after approval by the Planning Commission etc. as a part of annual plan exercise. The amounts provided for the various projects approved for 1984-85 were indicated in the Budget documents/demands for grants Ministry-wise, presented to Parliament. The amounts actually spent upto 31st March 1985 and funds which lapsed on that date will be compiled by the respective accounting authorities of the Departments concerned. These figures are compiled financial year-wise and in due course placed on the Table of each House of Parliament in the form of appropriation accounts. The Ministry of Finance do not maintain centrally any statistics with regard to the utilisation of amounts as sanctioned in the annual plan or diversions, if any, of sanctioned amounts of one project for utilisation for another.

**Lignite Reserves Found in Kapuradi  
in Barmer District, Rajasthan**

4593. SHRI VIRDHI CHANDER JAIN: Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Union Government have completed a comprehensive survey through Mineral Exploration Corporation Limited and Geological Survey of India in Kapuradi village in Barmer District of Rajasthan; and

(b) if so, the estimated quantity of lignite reserves found and the details of the project report thereof ?

**THE MINISTER OF STEEL, MINES  
AND COAL (SHRI VASANT SATHE) :**  
(a) No, Sir.

(b) The Mineral Exploration Corporation, on the basis of exploration and laboratory work done upto 1.10.84 has made an interim estimate of 78.67 million tonnes of gross lignite reserves within 1 : 15 lignite overburden ratio in combined and middle lignite horizons in Kapuradi. Projects for mining the lignite can be drawn up only after closer drilling is completed.

**Writing Off of Interest on Loans  
Taken by Small Scale Industries from  
Nationalised Banks**

4594. SHRI ASUTOSH LAW : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government have any proposal to write off the interests accrued on the loans taken by the sick small scale industries from the different nationalised banks which are overdue for many years;

(b) whether considering the deplorable condition of the industries in West Bengal, Union Government have any proposal to reduce bank interest in case of loans taken by the sick small scale industries;

(c) if so, the details thereof; and

(d) if not, the reasons thereof ?

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

(b) There is no proposal under the consideration of Government of India to reduce bank interest in case of loans taken by the sick small scale industries in West Bengal.

(c) Does not arise.

(d) Reserve Bank of India has allowed Banks some discretion to reduce their rates of interest on a case by case basis where the rehabilitation of a sick unit, considered viable, so necessitates.

**Shifting of Sunflag Steel Plant from  
Bhandara**

4595. SHRI MUKUL WASNIK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are aware of the reported shifting of Sunflag Steel Plant from Bhandara due to the non-availability of adequate water supply; and

(b) if so, the action taken to retain the plant at Bhandara ?

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** (a) No, Sir. No proposal has been received by Government requesting for the shifting of the Sunflag Steel Plant from Bhandara.

(b) Does not arise.

**Miners Working Seven Days a Week**

**4596. SHRI Y. P. YOGESH :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether miners under the Coal India Ltd. are being made to work on all the seven days of a week by paying massive amount of overtime allowance in contravention of the Mines Act;

(b) if so, the amount of Overtime Allowance paid to miners every month during the period from January 1982 to February 1985; and

(c) the action Government propose to take against the management of all coal mines for making the miners to work for seven days a week without giving them rest for one day during the week ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :** (a) Coal miners under Coal India Ltd. are not being made to work on all the seven days of the week in violation of the Mines Act. The opencast mines are worked on all the seven days of the week but the provisions of Mines Act are duly observed by giving staggered weekly day of rest to the workers. Some of the underground mines are also occasionally worked on weekly days of rest for attending to maintenance jobs etc. and in such cases compensatory leave is allowed to the workers and they are also paid double the normal wages as required under the Mines Act.

(b) The details of rest day wages paid to workers are being collected and will be laid on the Table of the House.

(c) Does not arise.

**Opening of Branches of State Bank of India for Development of Agriculture**

**4597. KUMARI PUSHPA DEVI :** Will the Minister of FINANCE be pleased to state :

(a) whether State Bank of India has opened its branches in dealing exclusively for the development of agriculture;

(b) if so, the number of branches for the development of agriculture opened in Madhya Pradesh so far;

(c) the amount of credit and other assistance given by Agriculture Development Bank branches of SBI in that State in 1984-85; and

(d) the details of the measures taken by State Bank of India for the development of agriculture in that State ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) and (b). State Bank of India has set up Agriculture Development Branches mainly for financing activities relating to Agriculture and Rural Development. According to available information, 31 such branches are reported to be functioning in Madhya Pradesh.

(c) Data reporting system of the Reserve Bank of India does not yield information in the manner asked for.

(d) Over the years, banks including State Bank of India have taken several measures to increase their lendings to Agriculture. These include adoption of simplified loan application forms, relaxation of security and margin norms, delegation of adequate discretionary powers to Branch Managers, disposal of loan applications within stipulated time limit, provision of concessional rates of interest to small farmers etc.

**Guidelines Issued for Improvement in Working of Branches of SBI in Madhya Pradesh**

**4598. KUMARI PUSHPA DEVI :** Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there is a greater need for bringing about all-round improvement in the working of the various branches of State Bank of India in Madhya Pradesh;

(b) if so, the guidelines sent to the Head Office of SBI to bring about changes in the existing services like customer services, maintaining discipline and punctuality in the various branches of SBI in Madhya Pradesh;

(c) the instruction, issued by Head office of SBI to its Madhya Pradesh branches for implementing those guidelines; and

(d) the details of the steps taken to improve the services of SBI branches in Madhya Pradesh ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a). Government have not received any specific complaints about the working of State Bank of India branches in Madhya Pradesh.

(b) to (d). Instructions have been issued by Government from time to time to all public sector banks including State Bank of India emphasising the need for improving customer service, punctuality in attendance, maintenance of discipline, etc. It has been recently impressed upon all the Banks that with a view to making the branches function more effectively, the senior and top executives of banks should make surprise visits to bank branches and offices, particularly before the commencement of office hours and the close of office hours. These steps are expected to improve punctuality, discipline as also customer service.

The State Bank of India has reported that the instructions issued by Government are circulated to all its offices including those in Madhya Pradesh and are being complied with.

**Taking over of Visvesvaraya Iron and Steel Ltd., Bhadravathi, Karnataka**

4599. SHRI V. S. KRISHNA IYER : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Visvesvaraya Iron and Steel Ltd., Bhadravathi, Karnataka was running under loss during 1984-85;

(b) if so, the causes of the losses; and

(c) whether there is any proposal for taking over of the above concern by the Steel Authority of India Ltd. ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) Yes, Sir.

(b) The major causes for the loss during 1984-85 were : recession in the steel industry, high cost of imported raw materials, power cuts imposed by the Karnataka Electricity Board, increase in power tariff and increase in other variable costs.

(c) A request has been made by the Government of Karnataka to the Government of India for take over of Visvesvaraya Iron and Steel Limited which is under consideration.

**Bringing the Liaison Offices Set Up by Foreign Companies within the Purview of Direct Taxes**

4600. SHRI CHINTAMANI JENA : Will the Minister of FINANCE be pleased to state :

(a) whether a large number of foreign companies have set up their liaison offices in India;

(b) whether such liaison offices are exempted from paying any income tax or wealth tax although they are earning lot of money in India; and

(c) if so, the action Government propose to take to bring such liaison offices within the purview of direct taxes ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) As per figures furnished by the Reserve Bank of India, as on 1.4.1985, there were 282 liaison offices of foreign companies functioning in India.

(b) No, Sir.

(c) Does not arise.

### Utilisation of Fire-clay Resources

4601. SHRI C. P. THAKUR : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether coal mining operations are being carried on in Bihar by subsidiaries of the Coal India Ltd;

(b) whether together with coal, fire-clay is found and when coal is mined this fire-clay is removed as overburden and thrown away; and

(c) the action being taken to stop this wasteful mining of fire-clay and to properly utilise the fire-clay resources with which Bihar is endowed for encouraging re-fractory industries ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) Yes, Sir.

(b) The information in respect of three subsidiary coal companies viz. BCCL, CCL and ECL who carry out mining operation in Bihar is given below :

CCL : Sporadic occurrence of fire-clay has been noticed in the overburden of a few opencast coal mines. These deposits occur in small and isolated pockets or as thin impersistent and lenticular bands confined to local patches. When coal is mined, the fire-clay which is in thin layers, is removed along with overburden. The opencast mines are highly mechanised where heavy blasting is resorted to and under such circumstances, it is very difficult to win thin layers of fire-clay separately without adversely affecting the coal mining operation.

BCCL : While removing overburden/digging a new mines, fire-clay is not always found at all the places and when found it is not always sufficient in quantity and quality for commercial use.

ECL : Together with coal, fire-clay is also found at certain places and whenever coal is mined by opencast method this fire-clay is removed as overburden. Since the thickness of the fire-clay is not much and the quality of fire-clay is inferior, no separate

arrangement is being made to mine this inferior quality of fire-clay.

(c) Fire-clay and coal generally occur together and have been described as associated minerals. Certain instructions have already been issued to State Governments for their consideration, while considering application for grant of prospecting licenses/mining leases for fire-clay. These are :

- (1) If a fire-clay area is on top of a coal bearing area which is already being worked by a coal company, no lease to a private person should be granted. If, however, extraction of fire-clay is necessary in order to feed some industry based on this mineral, the coal company doing the underground mining should be asked to extract the fire-clay and meet the requirements of the industry.
- (2) If a fire-clay area is on top of a coal bearing area but the coal is not being mined, then also, the mining lease should ordinarily be given to the coal company concerned. Whether a particular area is coal bearing area or not, can be ascertained by the State Government by making a reference to the Geological Survey of India, Calcutta, Mineral Exploration Corporation, Nagpur, Central Mine Planning and Design Institute, Ranchi, concerned coal company and the Geology Department of the State Government. It should be possible for these agencies to indicate whether a particular area has coal underneath or not.

However, the State and Mining Corporation could undertake the mining of fireclay with the concurrence of the coal company, subject to terms and conditions as may be agreed to by Coal India Ltd. and an agreement with the concerned coal company incorporating these terms and conditions.

The Bharat Coking Coal Ltd., Eastern Coalfields Ltd. and Central Coalfields Ltd. who carry out mining operations in Bihar have stated that :

- (i) No private party has approached

them for meeting their fireclay requirements; and

- (ii) No State Government agency or State Mining Corporation has asked for permission from these companies for fire-clay mining in coal bearing areas.

**Utilisation of Services of Practising Cost Accountants by Financial Institutions**

4602. SHRI VISHNU MODI :  
SHRI SHANTI DHARIWAL :

Will the Minister of FINANCE be pleased to state :

(a) whether all the financial institutions like Industrial Development Bank of India, Industrial Credit and Investment Corporation of India, Industrial Finance Corporation of India and Industrial Reconstruction Corporation of India have agreed in principle to utilise the services of practising cost accountants for diagnosing the causes of sickness and suggest remedial measures, working out rehabilitation plans for their assisted sick industrial units, and for concurrent cost audit of loanee industries; and

(b) if so, when this measure will be put into practice to the required extent and whether nationalised banks will also consider to follow suit in their own way in respect of their assisted private ventures ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) On a representation received from the Institute of Cost and Works Accountant of India, the all India financial institutions like Industrial Development Bank of India, Industrial Finance Corporation of India, Industrial Credit and Investment Corporation of India, etc. have indicated their willingness to consider using the services of Cost Accountants for undertaking work relating to diagnostic studies and rehabilitation of sick units as and when considered necessary.

(b) Reserve Bank of India has no proposal, at this stage, to issue any instructions to the commercial banks in this regard.

However, commercial banks can, in their discretion and if they so consider it necessary, also utilise the services of Cost Accountants.

**Diversion of Funds by Sethia Firm**

4603. SHRI BHOLA NATH SEN : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news-item captioned "Assam Government fears diversion of funds by Sethia firms" appeared in 'The Times of India' of 26 March, 1985;

(b) if so, the details thereof;

(c) whether Government have received any report of diversion of funds by Sethia firms and/or of attempts to sell Rajendra Sethia's shares in Jokhai India, which are held as collateral security for one segment of the multimillion pound sterling loan taken by him from the London Branch of Punjab National Bank;

(d) if so, the details thereof;

(e) the steps taken/proposed to prevent diversion of funds by Sethia firms; and

(f) the suggestions of Government of Assam in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Yes, Sir, Government has seen the news-item.

(b) to (e). The Reserve Bank of India has reported that 100% shares of Jokai Holdings Limited, which holds 74% of the share in the Jokai India Limited, an Indian Company, are held as collateral security by the London Branch of Punjab National Bank in respect of some of its advances to the ESAL Commodity Ltd. (now under liquidation). Since the borrowing companies have been ordered to be wound up in November, 1984, the bank would like to take steps to recover its secured advances by disposing of the available securities. A few parties in India are interested in buying the Jokai India's shares under pledge to Punjab National Bank. However, the Punjab National

Bank has been instructed by the Reserve Bank of India not to dispose of the share in Jokai Holdings without its prior approval.

(f) Government in the Ministry of Finance has not received any proposal from the Government of Assam in this regard.

**Violation of Excise Rules by M/s.  
Indian Metal and Ferro Alloys  
Ltd. Orissa**

4604. SHRI SITARAM J. GAVALI :  
SHRI M. RAGHUMA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether M/s Indian Metals and Ferro Alloys Ltd. Orissa have been manufacturing charge chrome without required licence and permission of Union Government; and

(b) if so, whether Government have taken any action against the firm for violation of Central Excise Act and the rules made thereunder ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). M/s. Indian Metals and Ferro Alloys Ltd., Orissa, have been given a Central Excise Licence for the manufacture of charge chrome in August 1983. A notice to amend the said licence has been issued to the Company under the provisions of Central Excise law.

**Underground fires in Coal Mines**

4605. SHRI B. B. RAMAIAH : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether underground fires are raging in coal mines for long;

(b) if so, the total estimated losses suffered so far due to these underground fires; and

(c) the corrective steps taken or proposed to be taken ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir. There are some underground fires in collieries of Bharat Coking Coal Limi-

ted most of which occurred prior to nationalisation of Coal Mines. These fires are being kept under control by sealing and other suitable measures.

(b) About 0.115 m.t. of coal is estimated to have been lost due to underground fires. However, certain reserves of coal are locked up for sometime and will be recovered for extraction as soon as conditions within the sealed off areas permit.

(c) The following corrective steps have been taken to control the underground fires.

**I. For existing underground fires :**

(i) The underground fires have been sealed by construction isolation/fire stoppings around the affected areas.

(ii) Atmosphere behind the stoppings is regularly monitored to ascertain the condition of fire.

(iii) Strengthening of the stoppings, flushing inert gas (nitrogen, carbon-dioxide) behind the stoppings, injection of bentonite/cement in the affected areas etc.

**II. To prevent occurrence of underground fire :**

In order to prevent occurrence of underground fires precautions, as prescribed in the Coal Mines Regulations, like formation of penals, use of fire resistant materials underground extraction with stowing etc. are taken. In case if any fires occur prompt and effective measures are taken to deal with the situation by adopting all modern fire fighting techniques viz.

(a) Sealing off the area by means of fire stoppings.

(b) Injection of carbon Dioxide (CO<sub>2</sub>) or nitrogen to the seat of fire.

(c) Injection of bentonite and cement in the pillars near fire stoppings.

(d) Stowing of sand in the galleries.

[Translation]

**Gaya District Resident's Fixed Deposits  
in Nationalised Banks**

4606. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the amount fixed deposits of the residents of Gaya District in the nationalised banks situated in this district as on 31 March, 1985;

(b) the percentage of these fixed deposits to loans given to the residents of the districts; and

(c) the amount of loans distributed to the farmers for the purchase of agricultural implements and fertilizers and the amount given for the development of small scale and cottage industries in Gaya District ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Reserve Bank of India have reported that breakup of fixed deposits with public sector banks in Gaya district is not available with them. However, total deposits, advances and credit-deposit ratio of all Scheduled Commercial banks in the district of Gaya for the last three years are given below :

(Amt. in Rs. crores)

	March 1982	March 1983	March 1984
1. Deposits	64.73	76.99	89.88
2. Advances	20.78	25.70	29.31
3. C & D Ratio (%)	32.1	33.4	32.6

(c) Separate data on loans in Gaya district to farmers for purchase of agricultural implements and fertilizers are not available. However, under the District Credit Plan 1983-85 for Gaya district an aggregate amount of Rs. 591.84 lakhs, was disbursed by all banks to farmers for agricultural and allied activities. Under Annual Action Plan for 1985, an outlay of Rs. 420.45 lakhs has been provided for advances for agricultural and allied activities in Gaya district.

For small scale industries (which include cottage industries) a sum of Rs. 117.82 lakhs was disbursed under District Credit Plan 1983-85, and provision of Rs. 188.70 lakhs has been made under Annual Action Plan for 1985 Gaya district.

**Coal Production**

4607. SHRI LALA RAM KEN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the monthly quantum of soft coke obtained from mines in India;

(b) the quantity of soft coke out of it given to Rajasthan as against its actual demand;

(c) the process involved in converting this coal obtained from mines into soft coke and supplying the same to the consumers;

(d) whether the quality of this coal has been deteriorating day by day for the past few years;

(e) whether 25 per cent of the coal given to the consumers against their ration cards consists of stone and dust; and

(f) if so, the steps proposed to be taken to improve the quality ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :

(a) During 1984-85, the total production of soft coke from the mines of Coal India was 15.88 lakh tonnes, which comes to an average of 1.32 lakh tonnes per month.

(b) Despatch of soft coke to Rajasthan was 17,700 tonnes during 1984-85 against the demand of 36,000 tonnes.

(c) Soft coke is produced by stacking coking coal and non-coking coal in heaps and burning them. In the process the volatile content of coal is removed. After burning for 72 hours, the fire is quenched with water and thus coal is converted into soft coke. Soft coke is despatched to the States as per the ceiling limit fixed by Railways for allotment of wagons. Balance is supplied by road if required by State Governments. The State



Governments further distribute to the public as per their public distribution system.

(d) There has been no such deterioration in the quality of soft coke.

(e) No, Sir.

(f) Regular inspection of quality is carried out by the coal companies. There are Quality Control Departments in coal companies for this purpose. Complaints are investigated into and wherever needed, corrective action is taken.

[English]

#### Income Tax Arrears against Film Personalities

4608. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) the amount of income tax arrear pending realisation from the actors, actresses producers, directors and other film personalities as on 31 March, 1985;

(b) whether income tax arrears from those film personalities who have died during the last three years with huge arrears to be paid has been realised; and

(c) if not, the reasons thereof and the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The Department maintains dossiers in cases of film actors, actresses, producers, directors and other film personalities where income-tax arrears exceed Rs. 1 lakh. As on 31.12.1984, Rs. 12.38 crores was outstanding against such assesses.

(b) and (c). There are eight cases of film personalities referred to part (a) above who are not alive and against whom income-tax demand of Rs. 58.26 lakhs was outstanding as on 31.12.1984. Out of this, a sum of Rs. 22.48 lakhs is not enforceable.

The demands were outstanding mainly on account of the appeals/references pending before the Appellate Authorities Courts.

#### Vigilance Machinery in Public Sector Banks

4609. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) whether public sector banks are also having vigilance machinery;

(b) if so, whether all the public sector banks have been following the prescribed procedure to strengthen their vigilance machinery;

(c) whether some cases regarding unsatisfactory arrangements of strengthening vigilance machinery in banks have come to the notice of Government; and

(d) if so, the details thereof ?

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

(c) No, Sir.

(d) Does not arise.

#### Import and Export of Sugar by STC

4610. SHRI G. S. GHOLAP : Will the Minister of COMMERCE be pleased to state:

(a) whether India has signed a contract for importing 3 lakh tonnes of sugar through the State Trading Corporation this year;

(b) whether the price of sugar has fallen in the international market;

(c) the quantity of sugar imported and exported during the financial year 1984-85 and the value thereof;

(d) whether Government have provided Rs. 200 crores for reimbursement of losses to the State Trading Corporation for import and export of sugar; and

(e) the reasons for export and import being run at one and same time ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A.

**SANGMA):** (a) A quantity of 5 lakh MTs of sugar has been contracted for import in the period April to August, 1985.

(b) The international price of sugar has been declining since February, 1985 and is presently ruling at US \$ 130-135 per metric tonne FOB West European Ports.

(c) Export and import of sugar in 1984-85 have been as under :

	<i>Qty. in Lakh Mts.</i>	<i>Value in Rs. crores</i>
Export	1.54	35.84 FOB
Import	4.96	113.50 CIF

(d) An amount of Rs. 34.48 crores was released to STC as reimbursement of losses on export of sugar during 1984-85. A sum of Rs. 1.87 crores was released as reimbursement of losses on import of sugar during 1984-85.

(e) The export was undertaken in partial fulfilment of International Agreement. Import had to be arranged for ensuring domestic availability and checking price rise.

[Translation]

#### Production and Export of Opium

4611. PROF. NIRMALA KUMARI SHAKTAWAT : Will the Minister of FINANCE be pleased to state :

(a) the quantum of opium produced during the last three years;

(b) the names of the countries to which exported; and

(c) the total amount of foreign exchange earned, year-wise details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) The quantum of opium produced during the last three years is as follows :

Crop year	Quantity at 90°C (in tonnes)
1981-82	935
1982-83	997
1983-84	447

(b) Opium was exported to the U.S.A., the U.K., the U.S.S.R., Japan, France, Bangladesh, Taiwan, Portugal, Holland, Norway, F.R.G. and Italy.

(c) The year-wise break-up of foreign exchange earned is given below :

Year	Foreign Exchange earned (in rupees)
1981-82	21,69,02,491
1982-83	27,77,64,121
1983-84*	22,73,31,000
Total	72,19.97,612

\*(Figures for 1983-84 are provisional)

[English]

#### Guidelines for Ensuring greater discipline in Public Sector Projects

4613. PROF. M. R. HALDAR : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has issued guidelines for ensuring greater discipline in project formulation and appraisal in the public sector projects;

(b) if so, the details thereof ?

(c) the guidelines for the time taken for clearing such proposals and/or to prevent escalation in the project costs by eliminating delays; and

(d) the steps taken/proposed ?

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

(b) (c) and (d). The main points covered in the guidelines for tightening the discipline in formulation and appraisal of project proposals, issued in August, 1984 and March, 1985 were :

- (i) Only projects with a financial and economic rates of return exceeding 12% are to be posed to Public Investment Board. Economic rate of return is computed after excluding taxes and duties, adopting a premium of 25% on foreign exchange and assuming shadow price for energy, transport, etc. If either the financial rate of return or economic rate of return falls short of 12%, the reasons for taking up such projects should be gone into in depth.
- (ii) All proposals for consideration of Public Investment Board should contain a calculation of "Domestic Resources Cost" of saving foreign exchange.
- (iii) In order to bring out the impact of delays in implementation and cost over-runs on the viability of a proposed project, the appraisal report of the project, should show how the viability of the projects will be affected by different levels of time and cost over runs; in respect of undertakings with past record of implementing projects, the "average" delay noticed in the implementation of the projects should be taken into account for the above exercise.
- (iv) It was noticed that Feasibility Reports contained inadequate information for taking investment decisions leading to subsequent cost and time over-runs. It has, therefore, been decided that project approvals should in future be given in two stages. In the first stage, clearance for preparation for Feasibility Reports being given by a Committee of the Public Investment Board, which will also authorise necessary expenditure for preliminary activities related to

preparation of Detailed Feasibility Report. In the Second stage, the Public Investment Board will consider and take investment decisions about projects based on detailed feasibility reports. The delegation of financial powers of the administrative Ministries to incur expenditure on the preparation of Feasibility Reports has been increased to Rs. 20 lakhs on projects costing not more than Rs. 20 crores from the existing level of Rs. 5 lakhs.

- (v) In the normal course, the proposals from the administrative Ministries would be brought before the Public Investment Board for its consideration in about four to six weeks from the date of receipt of the Memorandum so as to allow sufficient time to the appraising agencies to forward their comments. In order to reduce the time taken for clearing proposals it has been decided to dispense with consideration of proposals for first stage clearance in inter-Ministerial meetings.

[Translation]

#### Quantity of Gold Seized by Customs Department

4614. SHRI HARISH RAWAT; Will the Minister of FINANCE be pleased to state :

(a) the quantity of smuggled gold seized by the Customs Department in the country during the years 1982-83 and 1983-84;

(b) the quantity of gold seized by the Customs Department during the year 1984-85;

(c) the reasons for which the gold seized was less in quantity during the years 1982-83 and 1983-84 and the reasons for spurt in the smuggling of gold during the year 1984-85; and

(d) the details of measures proposed to be taken by Government to check smuggling of gold keeping in view the reports of large quantity of gold being smuggled into the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) and (b). The quantity of gold seized under the Customs Act during the years 1982-83, 1983-84 and 1984-85 is furnished below :

Year	Quantity (in Kgs.)
1982-83	748
1983-84	331
1984-85	1,117 (provisional)

(c) Due to various factors like demand and supply, profitability of a particular commodity, relative profitability between various commodities sensitive to smuggling. The trends of smuggling and consequently, the extent of seizure tend to vary from time to time. The profitability in the smuggling of gold, which had declined in 1983, rose in 1984-85.

(d) The drive against smuggling has been intensified. The preventive and intelligence machinery of the Customs Department has been reinforced in vulnerable areas in terms of man-power and equipment. In addition, appropriate anti-smuggling measures, both short-term and long-term, are taken in close co-ordination with the concerned Central and State Government authorities. The trends in smuggling of various commodities, including gold, are also kept under constant review for appropriate action.

[English]

**Unauthorised Sale of Imported Cement during 1984**

4615. DR. G. VIJAYA RAMA RAO :  
SHRI SITARAM J. GAVALI :  
SHRI M. RAGHUMA REDDY :  
SHRI THAMPAN THOMAS :

Will the Minister of COMMERCE be pleased to state :

(a) whether a racket of unauthorised sale of imported cement worth about fifteen crores was unearthed during 1984 conspiring to cheat the Chief Controller of Imports and Exports;

(b) if so, whether any inquiry has since been conducted in the matter; and

(c) if so, the outcome thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA): (a) to (c). An allegation that cement imported by STC, Sikkim against import licence issued for Rs. 14,99,70,586/- and sold in contravention of the conditions of the import licence, is still under investigation by the CBI.

**Payment of Wages to Textile Workers for Holiday on Polling Day**

4616. SHRI VIJAY KUMAR MISHRA : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) whether it is a fact that in some textile mills in States, the polling day of 24th December, 1984 was declared as holiday;

(b) if so, whether it is a fact that most of the mills which declared this day as holiday with pay have not paid wages for that day;

(c) if so, the details thereof; and

(d) steps taken for the payment of wages for that day ?

THE MINISTER OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) to (d). Information is being collected and will be laid on the Table of the House.

**Tenders Invited by B. C. C. L. for the Work 'Range of Water Supply Mains, to Karmik Bhavan'**

4619. PROF. MAMHU DANDAVATE : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Bharat Coking Coal Limited had invited tenders for the work 'Range of Water Supply Mains to Karmik Bhavan';

(b) the name of the company to whom the work was entrusted;

(c) whether the company has completed the work;

(d) if so, whether the company has submitted the bills and Bharat Coking Coal Ltd. has made the payment; and

(e) if so, when and if not, the reasons therefor ?

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :**

(a) Yes, Sir.

(b) The work was entrusted to M/s. L. K. Ahuja & Company, Kanpur, U. P.

(c) Yes, Sir.

(d) and (e). M/s. L. K. Ahuja Co. have submitted the bills to BCCL but the payment could not be made so far as testing of the pipelines is in progress. Payment of bills shall be made after testing of pipelines has been completed. It is expected that this process would be completed in the 1st week of May, 1985.

**News Item Captioned: "Recognition of Swadeshi Polytex Limited Order"**

4620. **SHRI K. RAMAMURTHY :** Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news items in the 'Times of India' dated 8th February, 1985 and 'India Today' 15th March, about entry of Shri Rajaram Jaipuria as Executive Director in Swadeshi Polytex Limited;

(b) the reasons therefor, particularly in view of judicial pronouncements in respect of the Swadeshi Polytex professional management and executive Board; and

(c) the action Government now propose to take in the matter ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Government's attention has been drawn to the two news items referred to in the question.

(b) and (c). The Board of Directors of M/s Swadeshi Polytex Ltd. has been recons-

tituted in compliance with an order of the Supreme Court. No specific action is required to be taken by the Government in this respect.

[Translation]

**Evasion of Excise Duty by Jamshedpur Beverages**

4621. **SHRI RAM BAHADUR SINGH :** Will the Minister of FINANCE be pleased to state :

(a) whether Jamshedpur Beverages (Bihar) evaded excise duty worth Rs. 20 lakhs which came to light during investigations and raids in 1984-85;

(b) if so, since when the tax evasion has been going on and the years pertaining to which records have been examined;

(c) whether it is correct that this tax evasion has been going on in collusion with the officers of the Excise Department; and

(d) if not, the reasons for not detecting this tax evasion for such a long time and the persons responsible therefor ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) No raids were conducted on M/s. Jamshedpur Beverages (Bihar) in 1984-85 by Central Excise Department.

(b), (c) and (d). Does not arise in view of reply to part (a) above.

**Setting up of Separate Prosecution Directorate for Customs and Central Excise Duty Department**

4622. **PROF CHANDRA BHANU DEVI : SHRI AMARSINH RATHAWA : SHRI E. M. S. PAKEER MOHAMED :**

Will the Minister of FINANCE be pleased to state :

(a) whether thousands of cases relating to custom duty and Central Excise duty are

pending in the Supreme Court and various High Courts and also in other courts of the country;

(b) whether Government are not able to realise revenue worth crores of rupees because these cases are lying undecided;

(c) if so, the details of such cases and the amount to be realised;

(d) whether Government propose to set up separate prosecution Directorate for custom duty and Central Excise duty Departments so that these cases may be disposed of speedily; and

(e) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to compilation of available information the number of customs and central excise cases pending in the Supreme Court and various High Courts was about 15000 as on 31.12.84.

(b) Yes, Sir.

(c) Most of the cases relate to issues having bearing on rate of duty, valuation and, in some central excise cases, excisability of products. Quantification of revenue involved in individual cases is possible only after court decisions are available in those cases.

(d) and (e). Setting up a Directorate of Prosecution cannot expedite the finalisation of these cases as they are to be disposed of by the Supreme Court and the High Courts. However, the question of strengthening the organisational set up in the Department of Revenue and the Custom Houses/Collectorates of Central Excise for dealing with these custom and central excise cases is under consideration.

[English]

**Representation for Inclusion of Cost Accountants in the Definition of Accountant for Tax Audit**

4623. SHRI VISHNU MODI : Will the Minister of FINANCE be pleased to state :

(a) whether various representations have been received by Government to include Cost Accountants in the definition of 'Accountant' for the purpose of carrying out tax audit which was made compulsory by Government by amending Section 44AB of the Income-tax Act last year;

(b) if so, the salient points of these representations;

(c) the reaction of Government thereto; and

(d) when a final decision is likely to be taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The Institute of Cost and Works Accountants of India has sent certain representations in this regard.

(b) It has been contended that members of the Institute of Cost and Works Accountants of India are as qualified and competent as members of the Institute of Chartered Accountants of India, to undertake audit of accounts for the purpose of section 44AB of the Income-tax Act. It has, therefore, been urged that they should be treated at par with chartered accountants.

(c) A Chartered Accountant has the professional qualification and expertise to audit accounts and report on the accounts examined, the balance sheet and the profit and loss account, whereas the expertise of the Cost Accountant is mainly in determination and allocation of cost to products. Besides, under the Companies Act, 1956, only a Chartered Accountant is competent to audit accounts of a company. Therefore, it is not considered appropriate to permit Cost Accountants to carry out audit of accounts for purposes of the Income-tax Act.

(d) Does not arise.

[Translation]

**Opening of Branches of Nationalised Banks of Bharatpur District Rajasthan**

4624. SHRI LALA RAM KEN : Will the Minister of FINANCE be pleased to state :

(a) the district-wise number of nationalised banks in Rajasthan at present;

(b) whether Government propose to open more branches of the nationalised banks in Bharatpur district in Rajasthan in the near future;

(c) the details of the loans given to weaker sections of society in Bharatpur district by the nationalised banks there upto March, 1985;

(d) the details of the schemes of these banks for providing loans to farmers; and

(e) the number of persons who have been benefited so far as a result of the various schemes of these banks under the 20-Point Programme ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Available information relating to districtwise number of branches of commercial banks in Rajasthan as at the end of May 1984 is set out in the attached statement.

(b) Proposals for opening more branches of banks in Bharatpur District will be considered by Reserve Bank under its branch licensing policy for the Seventh Plan period.

(c), (d) and (e). Data reporting system of the Reserve Bank of India does not yield information in the manner asked for. However, available information relating to the targets and achievements under Annual Action Plans for 1983 and 1984 in respect of Bharatpur District is given below :

(Rs. in Lakhs)

	Annual Action Plan 1983		Annual Action Plan 1984	
	Targets	Achievements	Targets	Achievements (upto June 1984)
Agriculture and Allied activities.	807.07	703.30	844.98	605.43
Small Scale Industries.	88.88	82.53	86.68	51.94
Tertiary Sector Activites.	69.87	181.11	208.48	111.40
Total	965.82	966.94	1140.14	768.77

#### Statement

*Statement showing district-wise number of branches of Commercial Banks in Rajasthan as at the end of May, 1984.*

Sl. No.	District	Number of branches at centres			Total
		Rural	Semi-urban	Urban	
1	2	3	4	5	6
1.	Ajmer	56	24	37	117
2.	Alwar	88	7	21	116

1	2	3	4	5	6
3.	Banswara	41	8	—	49
4.	Barmer	31	10	—	41
5.	Bharatpur	56	25	—	81
6.	Bhilwara	46	18	—	64
7.	Bikaner	34	5	30	69
8.	Bundi	23	8	—	31
9.	Chittorgarh	38	15	—	53
10.	Churu	52	39	—	91
11.	Dholpur	12	9	—	21
12.	Dungarpur	30	8	—	38
13.	Ganganagar	60	57	—	117
14.	Jaipur	100	24	124	248
15.	Jaisalmer	8	5	—	13
16.	Jalore	44	7	—	51
17.	Jhalawar	33	11	—	44
18.	Jhunjhunu	52	24	—	76
19.	Jodhpur	52	9	50	111
20.	Kotah	61	10	44	115
21.	Nagaur	63	29	—	92
22.	Pali	81	22	—	103
23.	Sawai Madhopur	65	19	—	84
24.	Sikar	51	29	—	80
25.	Sirohi	33	10	—	43
26.	Tonk	23	16	—	39
27.	Udaipur	100	9	34	143
<b>Total</b>		<b>1333</b>	<b>457</b>	<b>340</b>	<b>2130</b>



[English]

**Policy to Penalise Managements and Financial Institutions Responsible for Making Industries Sick**

4625. SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether Government have by now worked out their policy to penalise managements and financial institutions responsible for making industries sick; and

(b) if so, the broad outlines thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). Necessary legislation to deal with various aspects of industrial sickness is presently under consideration of the Government.

**Export of Coir and Coir Products**

4626. SHRI THAMPAN THOMAS : Will the Minister of SUPPLY AND TEXTILES be pleased to state :

(a) the quantity and value of export of coir and coir products during each of the past three years;

(b) the export incentives given by Government to the exporters of coir and coir products; and

(c) the steps Government propose to take to increase the export of coir and coir products ?

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : (a) The export of coir and coir products during the last three years has been as follows :

Year	Quantity (Tonnes)	Value (Rs. in crores)
1982-83	30133	26.17
1983-84	27949	24.34
1984-85	25725	25.59
	(provisional)	(provisional)

(b) Cash Compensatory Support and Import Replenishment is available on exports of certain coir products. Duty Drawback for various inputs that go into the manufacture of certain coir export products is also allowed. Besides, the Government have fixed differential in floor price for small and large value contracts with a view to promote bulk exports of coir items.

(c) Steps proposed for improving exports of coir and coir products from India include upgradation of production techniques, product development, stepping up publicity for Indian coir and coir products and participation in Fairs abroad.

**New Public Sector Industries in Karnataka**

4627. SHRI V. S. KRISHNA IYER : Will the Minister of FINANCE be pleased to state :

(a) the number of new public industries of Government of India started during the past three years in the country; and

(b) how many of them are located in Karnataka ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). As per available information in the Public Enterprises Surveys for the respective years, during the years 1981-82, 1982-83 and 1983-84 a total of 17 Central public sector undertakings were established in the country including those taken-over from the private sector. Of these two undertakings are located in Karnataka with their head office/registered office in that State.

**Smuggling of Foodgrains to China**

4628. SHRI RAM RATAN RAM : SHRI M. RAGHUMA REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether it has come to the notice of Government that there has been smuggling of foodgrains on a very large scale from India to China from the border areas of Kumaon hills;

(b) if so, number of cases detected during the last two years and estimated food-grains smuggled; and

(c) the steps being taken by Government to stop such smuggling ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). No such case has come to the notice of the Government.

(c) The drive against smugglers has been intensified. Appropriate anti-smuggling measures have been taken by the Government to check smuggling activities in general across the land borders. Further, the trend and pattern of smuggling is kept under constant review and suitable anti-smuggling measures, both short-term and long-term, are taken in close co-ordination with the concerned Central and State Government authorities.

12.00 hrs.

(Interruptions)

SHRI ZAINUL BASHER (Ghazipur) : Sir, Pakistani commandos have infiltrated into Punjab.

(Interruptions)

MR. DEPUTY SPEAKER : Please all of you sit down. I will call you one by one. I will give you time.

(Interruptions)

PROF. MADHU DANDAVATE (Rajapur) : I have a point of order which has precedence over everything else.

PROF. K. K. TEWARY (Buxar) : Sir, there is no point of order during Zero Hour.

(Interruptions)

PROF. MADHU DANDAVATE : Who told you that ?

MR. DEPUTY SPEAKER : Mr. Tewary, please sit down. He has a point of order.

PROF. K. K. TEWARY : Sir, there is no point order during zero hour. Point of order on what ?

PROF. MADHU DANDAVATE : I have to tell him, not you. I need not tell you.

MR. DEPUTY SPEAKER : I have not taken up any item and therefore there can be no point of order. Is it about any question upto 12 O'clock ?

PROF. MADHU DANDAVATE : Please listen to me.

MR. DEPUTY SPEAKER : If there is any business, I can understand your raising a point of order.

PROF. MADHU DANDAVATE : Sir, just now, we are seized with the record of the proceedings.

MR. DEPUTY SPEAKER : You cannot raise any point of order now, point of order now.

PROF. MADHU DANDAVATE : I can quote you with precedents. During Zero Hour, three times point of orders have been raised by me. I myself have raised a point of order and the ruling has been given. I will show you the precedents. Please listen to me. If you are convinced that there is room for it, you can allow me to raise a point of order.

(Interruptions)

PROF. K. K. TEWARY : No, Sir.

PROF. MADHU DANDAVATE : Sir, don't be guided by Prof. Tewary. I am seeking your permission.

MR. DEPUTY SPEAKER : Please sit down. Please cooperate with me.

PROF. MADHU DANDAVATE : Sir, even in the interregnum one has to seek the permission of the Chair to raise a point of order. Sir, I have written a letter to you seeking your permission.

MR. DEPUTY SPEAKER : For what purpose you are seeking my permission ?

PROF. MADHU DANDAVATE : I will tell you, Sir. In between two items, if a point of order is to be raised, it can be done with the permission of the Chair.

**MR. DEPUTY SPEAKER :** I have not given you permission to raise a point of order.

**PROF. MADHU DANDAVATE :** Will you please tell me at what stage I can raise my point of order on the matter which I have given to you in writing ?

**MR. DEPUTY SPEAKER :** Ruled out. I have not given permission to you.

**PROF. MADHU DANDAVATE :** Please tell me at what point I can raise a point of order on the issue on which I have given you a written notice.

*(Interruptions)*

**MR. DEPUTY SPEAKER :** Now, how can you raise it without my permission ? I have not taken up any business.

*(Interruptions)*

**MR. DEPUTY SPEAKER :** I will come to you. Please sit down.

**PROF. K. K. TEWARY :** Sir, a very important development has taken place in Punjab. We have given Calling Attention Notice. One hundred Pakistani commandos have been arrested in Punjab. Weapons have been recovered from their possession with Pakistani markings. Simultaneously, preparations are a foot to destabilise the situation in Jammu and Kashmir. It is a very serious development. Therefore, we request you to direct the Home Minister to make a statement in the House on the arrest of these Pakistani commandos. They have been creating trouble.

**MR. DEPUTY SPEAKER :** Have you given it in writing ?

**PROF. K. K. TEWARY :** Yes. I have.

**MR. DEPUTY SPEAKER :** I will consider it.

**SHRI PRIYA RANJAN DAS MUNSI (Howrah) :** Sir, I have given a notice. In West Delhi, in Calcutta and in other parts of India, jaundice and cholera broke out. A number of children have already expired. I request you to kindly admit a calling attention.

**MR. DEPUTY SPEAKER :** I will go through it and I will consider it.

**SHRI ZAINUL BASHER :** I was also raising the issue of Pakistani commandos. A foreign hand is very much visible and a spy network is unearthed.

**MR. DEPUTY SPEAKER :** I will go through it. You please sit down. I told you I would consider it. Mr. Panika, do you also want to raise the same issue ?

**SHRI RAM PYARE PANIKA (Roberts-ganj) :** Yes Sir. The same thing. It is very important...

**MR. DEPUTY SPEAKER :** I will consider it. I told you. Please sit down. I will come to all of you. Please sit down. I will come to you.

**SHRI LALIT MAKEN (South Delhi) :** There is a strong resentment amongst the 50 lakh Central Government employees because of the steep price rise and agitations are going on. Two DA instalments are pending and the second instalment of Interim Relief has not been given.

**MR. DEPUTY SPEAKER :** Do you want calling attention regarding this one ?

**SHRI LALIT MAKEN :** I want the Finance Minister to intervene and the Finance Minister should immediately release the two DA instalments and the second instalment of the Interim Relief.

**MR. DEPUTY SPEAKER :** Have you given a notice for this ? You cannot raise it like this. Please sit down.

**SHRI LALIT MAKEN :** Agitation is going on. Before the situation goes beyond control, I request you to tell the Finance Minister to accept the demands.

**MR. DEPUTY SPEAKER :** I will come to you, Professor. Please wait.

**PROF. MADHU DANDAVATE :** Even to raise a point of order, one has to raise his voice. That is the tragedy.

**MR. DEPUTY SPEAKER :** What is your point of order ? You have given one

in writing. Regarding that matter, you need not raise here. (*Interruptions*) I am telling you. Let me explain further. Regarding what you have given in writing, I want to explain further. Yesterday, you raised certain matters.

(*Interruptions*)

PROF. MADHU DANDAVATE : Why do you shun me like this ? I am not pressing that matter. About general procedure about the power of the Chair to expunge...

MR. DEPUTY SPEAKER : It is not expunged. I want to tell you...

PROF. N. G. RANGA (Guntur) : He is trying to explain to you...

PROF. MADHU DANDAVATE : Do not take the trouble. Why are you taking trouble unnecessarily Ranga Garu ?

MR. DEPUTY SPEAKER : Prof. Ranga, please sit down. (*Interruptions*) I have not expunged any matter, as you are saying. Please sit down.

(*Interruptions*)

PROF. K. K. TEWARY : He is brow-beating you.

PROF. MADHU DANDAVATE : I do not do it.

MR. DEPUTY SPEAKER : I have not expunged as you are thinking. When you raised certain matters, you went on speaking. Then I told you, 'I will consider it.' Then once again you continued the same thing. I asked the people not to record. That is all. When I told them not to record, they stopped it.

PROF. MADHU DANDAVATE : What you are saying is unfortunately incorrect. I say this with due respect. When one asterisk is put, and down below it is said 'not recorded' that means it is expunged. There are four asterisks and not one. A part of my speech is recorded. When I came to Mrs. Indira Gandhi and Shri Lal Bahadur Shastri...

MR. DEPUTY SPEAKER : Immediately, I told you I would consider it.

PROF. MADHU DANDAVATE : You say nothing is expunged. But it is expunged.

MR. DEPUTY SPEAKER : When you started again, immediately I said : "You come and discuss with me."

(*Interruptions*)

PROF. MADHU DANDAVATE : I am trying to explain to you what you have done. But he says that I am trying to brow-beat you... (*Interruptions*) In the proceedings it is said 'not recorded'. And 'not recorded' means expunged. You can see. Do you want to see it just now ?

MR. DEPUTY SPEAKER : I have seen it.

PROF. MADHU DANDAVATE : Just as you have seen those books, see my copy also.

MR. DEPUTY SPEAKER : When I told you that I will not allow those things...

PROF. MADHU DANDAVATE : You are here to defend the rights for the future, for the posterity...

(*Interruptions*)

MR. DEPUTY SPEAKER : I have never expunged it. When you started the matter, immediately I told : 'I will consider it'. Therefore nothing will go on record immediately afterwards.

PROF. MADHU DANDAVATE : You made a wrong statement. You said that you have not expunged anything. The record shows that it has been expunged.

MR. DEPUTY SPEAKER : When you went on speaking, I asked them not to record it immediately.

PROF. MADHU DANDAVATE : It is recorded. Only some sentences have been expunged. Do you want to see this ? Please see this. Five sentences have been recorded. I am on a firm footing. But only when I came to Shrimati Indira Gandhi and Shri Lal Bahadur Shastri ..

MR. DEPUTY SPEAKER : About that also, when you started speaking immediately, I told you, 'I will consider it'.

PROF. MADHU DANDAVATE : That is all right. You do it. But don't make a wrong statement that you have not expunged it. Asterisk means 'expunged'. Jawaharlal Nehru has been retained, and Indira Gandhi and Lal Bahadur Shastri....

MR. DEPUTY SPEAKER : When you started talking about Jawaharlal Nehru, immediately I told at that time itself to stop recording. So, Shri Jawaharlal Nehru's name appeared and other names did not go on record.

PROF. MADHU DANDAVATE : Jawaharlal Nehru has appeared. Thank God, you have not expunged Jawaharlal Nahru. You have only expunged Indira Gandhi and Lal Bahadur.

MR. DEPUTY SPEAKER : When you started speaking about this matter...you had given it also in writing. You wanted to say this. Immediately, you gave the letter also.

PROF. MADHU DANDAVATE : The whole thing you could have dropped ..

MR. DEPUTY SPEAKER : When you said it immediately, I came to the conclusion that you once again wanted to continue the same matter which you wanted to speak about. That is why I told immediately that I wanted the recording to be stopped.

PROF. MADHU DANDAVATE : When I want to bring to you the reality of the rules, Members feel that I am trying to brow-beat you. Once our rules are destroyed, they are destroyed for the posterity. I may disappear but the rules will remain. I do not want Members to suffer at the hands of the presiding authority. That is what I am trying to do. That is all.

PROF. K. K. TEWARY *rose* :

MR. DEPUTY SPEAKER : I have not gone beyond the rules. I am sorry you are telling like this, Prof. Dandavate.

PROF. MADHU DANDAVATE : I am defending your rights, Mr. Tewary. I do not want you ..

*(Interruptions)\**

MR. DEPUTY SPEAKER : Nothing will go on record. I do not want anyone to speak further. That is all. The matter is over.

*(Interruptions)\**

PROF. K. K. TEWARY : Sir, I am on a point of order. *(Interruptions)* First, I rise on a point of order ?

MR. DEPUTY SPEAKER : What is your point of order.

PROF. K. K. TEWARY : My point of order is very simple. Prof. Dandavate contends ..

MR. DEPUTY SPEAKER : Don't record anything on this matter. I will not allow anything on this further.

*(Interruptions)\**

PROF. K. K. TEWARY : This is also a very important matter.

MR. DEPUTY SPEAKER : If it is on Prof. Dandavate's point, I will not allow it. No point of order. Please sit down.

*(Interruptions)\**

MR. DEPUTY SPEAKER : I do not allow it if you want to raise anything regarding this matter. I will not allow. Please sit down.

*(Interruptions)\**

MR. DEPUTY SPEAKER : I will not allow. Nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : I have already ruled out this matter; if you raise the same thing...

*(Interruptions)\**

MR. DEPUTY SPEAKER : I cannot go on listening.

*(Interruptions)\**

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\*Not recorded.

PROF. MADHU DANDAVATE : Sir, if Prof. Tewary has a point of order, you have to listen to him.

MR. DEPUTY SPEAKER : I have already said I am ready to listen. I told Mr. Tewary...Mr. Tewary, what do you want ?

PROF. K. K. TEWARY : I have to say this about what Mr. Dandavate has brought before you. He says that a particular sentence he referred to, was expunged; and he rushed to you and demonstrated it before you. Then how come that in the newspapers, the entire thing that Mr. Dandavate is now raising here, has come out ? He says that it did not appear in the records, and you had expunged it. Should I take it that Mr. Dandavate went out of the House and briefed the Press, although it was not on record ? You order an enquiry into this.

PROF. MADHU DANDAVATE : What I said was heard by the entire House. You also heard it.

PROF. K. K. TEWARY : This is a gross breach of the privilege of this House, that a Member makes a statement here, it does not appear on the records. Still he goes out, rushes to the Press on it. I move a breach of privilege motion against him.

MR. DEPUTY SPEAKER : Regarding this matter, Mr. Tewary...

PROF. MADHU DANDAVATE : Let him move the privilege motion.

PROF. K. K. TEWARY : How has it come out ?

MR. DEPUTY SPEAKER : You give it in writing. I will consider it. We will consider.

PROF. MADHU DANDAVATE : Everybody has heard it. All the Members have heard it. The Press has heard it. I do not indulge in...

*(Interruptions)\**

MR. DEPUTY SPEAKER : No, no. Nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Very sorry, nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Please...all of you sit down.

*(Interruptions)\**

MR. DEPUTY SPEAKER : No; nothing will go on record. Please...all of you sit down. Nothing goes on record.

*(Interruption)\**

MR. DEPUTY SPEAKER : I would not allow anything to go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : I have already said nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : All of you please sit down.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Nothing will go on record.

*(Interruptions)\**

MR. DEPUTY SPEAKER : This is not the way the members should be have. I request you to cooperate.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Please sit down. I request all the members to observe silence.

*(Interruptions)\**

MR. DEPUTY SPEAKER : Papers to be laid on the Table.

## PAPERS LAID ON THE TABLE

[English]

**Review and Annual Report of Coal India Ltd., Calcutta for 1983-84 and Singareni Collieries Co. Ltd. for 1983-84 and two Statements reg. delay in laying these papers.**

**THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) :** I beg to lay on the Table :

1. A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :
  - (a) (i) Review by the Government on the working of the Coal India Limited, Calcutta, for the year 1983-84.
  - (ii) Annual Report of the Coal India Limited, Calcutta, for the year 1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT. 782/85]

- (b) (i) Review by the Government on the working of the Singareni Collieries Company Limited, for the year 1983-84.
- (ii) Annual Report of the Singareni Collieries Company Limited, for the year 1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

2. Two statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT-783/85]

**Annual Report or General Insurance Corporation of India and its subsidiaries for the year ending 31st December, 1983**

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANAR-**

**DHANA POOJARY) :** I beg to lay on the Table a copy of the Annual Report (Hindi and English versions) on the working and affairs of the General Insurance Corporation of India and its subsidiaries for the year ended the 31st December, 1983.

[Placed in Library. See No. LT-784/85]

**Review on and Annual Report of Metallurgical and Engineering Consultants (India) Ltd., Ranchi for 1983-84, Hindustan Steelworks Construction Ltd; Calcutta for 1983-84 and Metal Scrap Trade Corporation Ltd., Calcutta for 1983-84.**

**THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :** I beg to lay on the Table :

1. A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :
  - (a) (i) Review by the Government on the working of the Metallurgical and Engineering Consultants (India) Limited, Ranchi, for the year 1983-84.
  - (ii) Annual Report of the Metallurgical and Engineering Consultants (India) Limited, Ranchi, for the year 1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT-785/85]

- (b) (i) Review by the Government on the working of the Hindustan Steelworks Construction Limited Calcutta, for the year 1983-84.

- (ii) Annual Report of the Hindustan Steelworks Construction Limited, Calcutta, for the year 1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT-786/85]

(c) (i) Review by the Government on the working of the Metal Scrap Trade Corporation Limited, Calcutta, for the year 1983-84.

(ii) Annual Report of the Metal Scrap Trade Corporation Limited, Calcutta, for the year 1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

2. Three statements (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (1) above.

[Placed in Library. See No. LT-787/85]

**Annual Report of and Review on Sports Goods Exports Promotion Council, New Delhi for 1983-84 and Tobacco Board, Guntur, for 1983-84**

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. A. SANGMA) : I beg to lay on the Table :

1. (i) A copy of the Annual Report (Hindi and English versions) of the Sports Goods Exports Promotion Council, New Delhi, for the year 1983-84 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Sports Goods Export Promotion Council, New Delhi, for the year 1983-84.

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-788/85]

3. (i) A copy of the Annual Report (Hindi and English versions) of the Tobacco Board, Guntur, for the year 1983-84 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the

Government on the working of the Tobacco Board, Guntur, for the year 1983-84.

4. A statement (Hindi and English versions) showing reasons for delay in laying the papers mentioned at (3) above.

[Placed in Library. See No. LT-789/85]

**Notifications under Essential Commodities Act and Cotton Textiles (Control) order**

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : I beg to lay on the Table :

1. A copy of the Cotton Textiles (Control) Amendment Order, 1985 (Hindi and English versions) published in Notification No. S O 179 (E) in Gazette of India dated the 18th March, 1985, under sub-section (6) of section 3 of the Essential Commodities Act, 1955.

[Placed in Library. See No. LT-790/85]

2. A copy of Notification No. F. No. 22/4/81-CTI (Hindi and English versions) published in Gazette of India dated the 2nd April, 1985, issued under clause 20 of the Cotton Textiles (Control) Order, 1948.

[Placed in Library. See No. LT-791/85]

12.19 hrs.

## ASSENT TO BILLS

[English]

SECRETARY-GENERAL : Sir, I lay on the Table copies, duly authenticated by the Secretary-General of Rajya Sabha, of the following three Bills passed by the Houses of Parliament during the current session and assented to since a report was last made to the House on the 12th April, 1985 :

1. The National Security (Amendment) Bill, 1985.



2. The Government of Union Territories (Amendment) Bill, 1985.
3. The Estate Duty (Distribution) Amendment Bill, 1985.

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(Interruptions)

MR. DEPUTY SPEAKER : No body is allowed to speak. Next item. We will now take up matters under Rule 377. I have not allowed anybody. Matters under Rule 377.

DR. A. KALANIDHI (Madras Central) : Sir, I want to point out a wrong statement made in a Statement under Rule 377 yesterday.

MR. DEPUTY SPEAKER : You give it in writing. We will see.

Matters under Rule 377.

Shri Zainul Basher.

12.20 hrs.

#### MATTERS UNDER RULE 377

[Translation]

- (i) Demand for inclusion of Ghazipur and Ballia cities of Uttar Pradesh in the Ganga Action Plan

SHRI ZAINUL BASHER (Ghazipur) : Mr. Deputy Speaker, Sir, 27 cities have been included under the Ganga Action Plan to check pollution of the Ganga river. The river Ganga covers the maximum distance in Uttar Pradesh. Only 6 cities of Uttar Pradesh have been included under this Plan, whereas the number of cities covered in West Bengal is 17. Scientific research undertaken in connection with the pollution of the Ganga river has revealed that the maximum pollution is in the Varanasi region. The areas from Allahabad to Ballia form part of the Varanasi region. Whereas Mirzapur and Varanasi have been included in the Action Plan, Ghazipur and Ballia cities have been left out. Farrukhabad and Mirzapur of Uttar Pradesh, Chhapra of Bihar and a number of small cities of West Bengal have been included in the plan by treating them as first class area. Cities of Ghazipur and Ballia are also at par with these cities.

There is a great resentment among the local people due to non-inclusion of Ghazipur and Ballia in the Ganga Action Plan as Ghazipur is located on the banks of the Ganga. Effluents from the opium and sugar factories and breweries in the district as also the city's sullage are released into the river. The same is the situation of Ballia city. The pollution of the Ganga has started telling upon the health of the people living on its banks right from Varanasi to Ballia. Recently, the scientists had expressed their apprehension that an epidemic may break out in Varanasi due to pollution of the Ganga which may engulf the entire country. I would, therefore, request the Hon. Prime Minister to take steps to include Ghazipur and Ballia cities of the Varanasi region in Ganga Action Plan.

- (ii) Need for the exclusion of 'Mochis' from the list of Scheduled Castes in Gujarat Except in District Dang

SHRI NARSINH MAKWANA (Dhamdhuka) : Mr. Deputy Speaker, Sir, *Mochis* in Gujarat are not considered untouchables, because this caste is not untouchable in the State and economically also they are many times better off than the Harijans. In the rural as well as in urban areas, they live with high caste people. There is no difference in the standard of living of the high caste people and *Mochis* and the high caste people do not treat them as lower caste.

In Maharashtra, the *Mochi* caste has been included in the list of Scheduled castes and they work on raw hides and are treated as untouchables. When Dang district was included in the Gujarat State, the court for the sake of a few *Mochis* of this district ordered that all *Mochis* living in Gujarat should be included in the list of Scheduled Castes on technical grounds. As a result of it, a great injustice is being done to the Harijans of Gujarat, because most of the benefits which would have gone to them under the provisions of the constitution are now being cornered by the *Mochis* because of better education and access to the Administration. Their standard of living is also good and they are enjoying all the benefits meant for the Harijans.

Therefore, *Mochis* should be excluded

from the list of Scheduled Castes in Gujarat except those in Dang district and I request the Hon. Home Minister to introduce a Bill in the current session of Lok Sabha for this purpose.

- (iii) Need to protect crops from wild animals and also to preserve the latter

DR. CHANDER SHEKHAR TRIPATHI (Khalilabad): Mr. Deputy Speaker, Sir, I want to raise the following matter in the House under rule 377.

The incidents of damage to crops by wild animals have become very common in various parts of the country. Such complaints are particularly more in the areas where agricultural land is located around the forests. For instance, most of the crops of the farmers in Basti and Gonda districts in Uttar Pradesh are destroyed by the wild animal called 'Neel Gai' (antelope). The number of antelopes in this area has increased to such an extent that it has become a formidable problem for the farmers to protect their crops. However intensive the protective measures they may take, some damage is unavoidable. Sometimes, it has been noticed that the farmers kill such wild animals in a bid to protect their crops. These wild animals are rare animals and Government are spending lakhs of rupees every year to increase their population. Thus, on the one hand, the crops of the farmers are being damaged and on the other, these rare wild animals in the country are being killed.

Therefore, I request the Hon. Minister that while there is need to save the farmers from such damage, it is also necessary to take concrete steps to protect these rare wild animals and as such I hope that Government would take necessary steps to save the crops as well as such rare animals.

- (iv) Need to restore regular power supply to the Gorakhpur Fertiliser Plant

SARI MADAN PANDEY (Gorakhpur): Mr. Deputy Speaker, Sir, I want to raise the following matter in the House under rule 377.

The role of fertilizers and irrigation in increasing food production and bringing

agricultural revolution in the country is very vital. If uninterrupted power supply is assured for the fertilizer plants, we can have considerable increase in food production and the foreign exchange being spent on import of fertilizers can be saved. I have come to know that Gorakhpur Fertilizer Plant is being subjected to drastic power cuts and the production has come to a halt. Moreover, the workers are also facing the threat of lay-off. This plant used to get 53 M.V.A. of power which was reduced by 60 per cent on 21.2.85. In spite of efforts, 30 per cent power cut continued till 7.3.85, and on 25th March, the entire power was cut. Again, on 7.4.85, 10 M.V.A. of power was supplied. When I met the Hon. Energy Minister, the supply was raised to 25 M.V.A. from 10.4.85. The plant has suffered a loss of Rs. 3.5 crores and 28,000 tonnes in terms of production till 13th April.

Therefore, through this notice, I requested the Central Government to intervene in the matter immediately to ensure uninterrupted power supply to the plant and, if necessary, power should be arranged from the neighbouring States also.

[English]

- (v) Need to have a Time Scale of Pay for employees of the NTC showrooms of Tamil Nadu

DR. A. KALANIDHI (Madras Central): There are about 500 employees working in the Showrooms of the NTC in Tamil Nadu. They are being paid only consolidated salary. They are not given the time scale of pay as is being given to those employed in the NTC factories. I understand that the employees of the Patna Division NTC showrooms are being given time scale of pay. Why is a uniform policy not followed in the fixation of time-scale of pay to the workers of NTC showrooms in India? These showroom employees are also working just like any other employee of the Central Government, and its undertakings. When one division of NTC is paying time-scale of pay to its showroom employees, the other division of NTC in Tamil Nadu has no reason to deny it to its employees. In these circumstances and in view of the fact that India is one and there should not be any discrimination with reference to race, region, caste, etc., I request the

Hon. Minister to bestow his personal attention in this regard and see that this discrimination is removed immediately and the showroom employees of NTC of Tamil Nadu are also paid time-scale of pay with immediate effect.

(vi) Need to arrange from State Bank of India loans of Rs. 2000/- for each worker of Buckingham and Carnatic Mills, Madras

**SHRI K.R. NATARAJAN (Dindigul) :** The Buckingham and Carnatic Mills of M/s Binny Ltd. Madras is one of the oldest textile mills in South India. The Mill is employing 8000 workers at Madras.

The Mill has run into difficulties, mostly because of old machinery in use. This Mill had to fact closure in 1981-82 but for the good offices of the Hon. Minister of Commerce. However, once again the Mill was closed down for 11 months in 1984. These closures resulted in a lot of hardship to workers. They obtained loans for subsistence. Now, the Mill has started working. They have heaved a sigh of relief. But they have still to discharge their loans.

The workers have approached the authorities to grant loan of Rs. 2,000 each which could be recovered from their salaries in instalments by deducting it from salaries. Now, the Government has to arrange loan through the State Bank of India. I request the Hon. Minister to solve their problem by arranging loan of Rs. 2,000 each employee immediately.

(vii) Need to take steps to check Malaria in Delhi

**SHRI LALIT MAKEN (South Delhi) :** Hardly the menace of meningitis disease is over, other diseases like malaria and cholera have started creating panic amidst the people of Delhi. It is a pity that in a place like Delhi, these lethal diseases have not been eradicated. The Minister of Health and Family Welfare has said, in reply to the unstarred question No. 3495, that 52 people died in 1983 and 40 in 1984 because of malaria. Although the rains have not yet started, malaria has raised its ugly head. Insecticidal spray operations have not been undertaken in the Government colonies, *Jhuggi-jhonpries*, villages and the backward areas.

I request the Government to take the following steps to curb this disease :

1. Small health centres should be set up in all villages, *Jhuggi-jhonpries* colonies and backward areas to detect fever cases and examine blood smears.
2. Insecticidal operations should be immediately undertaken.
3. Drug Distribution Centres should be set up without any loss of time.
4. Public awareness and health education on the subject should be intensified,

(viii) Need to lift ban on fresh recruitment in Central Government Offices

**SHRI SATYAGOPAL MISRA (Tamluk) :** Sir, the Government have recently renewed the order restricting the recruitments in Central Government offices and undertakings in the vacancies of the existing posts. This has created a serious situation in the field of employment in our country.

The order was issued during the year 1982 to bring down the expenditure. In this way, lakhs of unemployed youths have been deprived of the opportunities of being employed. Unemployment problem was serious and it has become more serious in this way.

The vacancy in a Central Government organisation is calculated on workload. Therefore, if posts in every section remain vacant for a long period, then who will carry on those work ? How the office discipline could be maintained ? How the offices will carry on the new responsibilities ? Even after the retirement of a person, that post could not be filled up.

The order of the Government of India to stop all the recruitment in Central Government organisations for a long period of more than three years has made the unemployment problem of our country more serious. More than 30,000 posts are vacant at present in Central Government offices and organisations in West Bengal alone.

In these circumstances, I would urge up-

on the Government to lift the ban immediately and provide the youth of our country, in the International Youth Year, the existing opportunities for employment.

[Translation]

- (ix) **Need to provide special assistance to Rajasthan for installing hand pumps to meet drought and drinking water scarcity in the State**

PROF. NIRMALA KUMARI SHAKTAWAT (Chittorgarh) : Mr. Deputy Speaker, Sir, Under rule 377, I want to draw the attention of Government to an important matter, *i.e.*, severe drought conditions in Rajasthan. The entire State of Rajasthan is in the grip of a severe drought. Apart from reeling under the famine, Chittorgarh district of South Rajasthan is passing through a severe crisis of drinking water. The summer has not yet set in, still the people are abandoning their villages in search of water. The rivers, riverlets, and ponds have all dried up. Therefore, I urge the Central Government to provide special assistance to famine in Rajasthan to ease the situation of and arrange to instal more and more hand pumps immediately to provide water, particularly in district Chittorgarh of South Rajasthan, otherwise, it will be difficult to save the cattle as well as human beings.

- (x) **Need to permit shopkeepers of Dharampura on Kalka-Simla National Highway to carry on their business till new shops are constructed for them**

SHRI K.D. SULTANPURI (Simla) : Mr. Deputy Speaker, Sir, with your permission I want to draw the attention of the Government under rule 377 to the widening of the National Highway from Kalka to Simla on which huge funds are being spent by the Central Government. Due to this, the shopkeepers at Dharampur, Kumar Hatti and other places on that highway, who have been running these shops for generations are facing great difficulty and are feeling helpless as their shops have come in the highway. Government have also given them small compensations which they have accepted after making protest and now they are knocking at the doors of the court so that they are not deprived of their business. About 500

people are facing the risk of losing their business in Dharampur, the centre of Solan district. In view of their genuine problems, I demand that the Central Government should arrange to allot them separate land (from the State Government) for running their business and they may be allowed to carry on business in their shops till such time as new shops are constructed for them, so that they may not experience difficulty in carrying on their profession.

I hope the concerned Ministry will take immediate action in this regard and will meet the demand of the people.

12.35 hrs.

DEMANDS FOR GRANTS (GENERAL),  
1985-86—Contd.

Ministry of Commerce and Supply\*

[English]

MR. DEPUTY SPEAKER : The House will now take up discussion and voting on Demands Nos. 10 to 13 relating to the Ministry of Commerce and Supply for which six hours have been allotted.

Hon. Members present in the House whose cut motions to the Demands for Grants have been circulated may, if they desire to move their cut motions, send slips to the Table within 15 minutes indicating the serial numbers of the cut motions they would like to move.

A list showing the serial numbers of cut motions treated as moved will be put up on the Notice Board shortly. In case any member finds any discrepancy in the list, he may kindly bring it to the notice of the Officer at the Table without delay.

Motion Moved :

“That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the Fourth column of the Order Paper be granted to the President out of the

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\*Moved with the recommendation of the President.

Consolidated Fund of India to complete the sums necessary to defray the charges that will come in course of payment during the year ending 31st day of May, 1986 in respect of

the heads of Demands entered in the second column thereof against Demand Nos. 10 to 13 relating to the Ministry of Commerce and Supply."

**Demands for grants for 1985-86 in respect of the Ministry of Commerce and Supply submitted to the vote of Lok Sabha**

No. of Demand	Name of Demand	Amount of Demand for Grant on account voted by the House on 25th March, 1985		Amount of Demand for Grant submitted to the vote of the House	
		Revenue Rs.	Capital Rs.	Revenue Rs.	Capital Rs.
1	2	3		4	
<b>MINISTRY OF COMMERCE AND SUPPLY</b>					
10.	Ministry of Commerce and Supply	57,33,000	...	2,86,69,000	...
11.	Foreign Trade and Export Production	1,35,87,38,000	18,20,58,000	6,85,97,69,000	91,52,93,000
12.	Textiles, Handloom and Handicrafts	43,75,32,000	36,62,97,000	2,19,86,63,000	1,83,14,85,000
13.	Supplies and Disposals	2,54,05,000	...	12,70,28,000	...

ME. DEPUTY SPEAKER : Now, Shri Srihari Rao.

[Translation]

\*SHRI SRIHARI RAO (Rajamundry) : Mr. Deputy Speaker, Sir, the Ministry of Commerce and Supply is one of the most important Ministries. It has got a special significance, for it is directly connected with the progress of the country. The economy of the country can be sound only when the Commerce and Trade are sound.

\*The speech was originally delivered in Telugu.

Trade in turn depends upon the import and export policy that we pursue. So, the import and export policy must be sound and steady. It must contribute to the growth of economy. The policy must be such that it should accelerate our exports and reduce imports. But, unfortunately what we see today is quite different. The exports are plummeting on the one hand and the imports are shooting upon the other. If we have a comfortable balance of payments position today, it is only due to the remittances made by the Indians abroad. Our exports earnings are much less and not enough to meet the import bill. Now we must try hard to retrieve the situation. Concerted efforts must be made to increase our exports.

Sir, there is no dearth of resources in the country. By harnessing properly these resources, we can make a rapid progress. We have plenty of man-power. But we are not making use of this man-power in order to produce more. This man-power must be made use of properly to produce the goods which have a foreign market. Then efforts should be made to export these items to foreign countries. This way we can earn a lot of foreign exchange. So, steps must be taken to encourage the best utilisation of man-power for increasing the production and exports of the country.

Our exports and imports during the last two years were :

(Rs. in crores)

	Imports	Exports	Deficit
1982-83	14355.76	8902.25	5448
1983-84	15762.95	9867.51	5895
1984-85 (upto December)	11746.1	8146.2	3600

Sir, the Government are offering certain incentives to encourage the exports. These incentives are a cash subsidy of 10 per cent, excise rebate and import replenishments. But these incentives are not adequate enough.

There should be many more to attract the exporters in the country. The incentives offered should be more rational. Every item should be considered individually and subsidies be allowed liberally in respect of the items which face a tough competition in foreign markets so that they are available to our foreign customers at a reasonable price. The ten per cent subsidy is not enough. It should be atleast 25 per cent and vary from item to item. In Japan, the subsidy goes upto 50 per cent. So I request the Hon. Minister to restructure the incentive of offering subsidy on exportable goods.

Sir, the present policy of exporting raw materials is not good and be done away with atonce. Instead of exporting raw materials which can fetch us only the nominal foreign exchange, we should make efforts to export finished goods. By

exporting industrial goods and other value added goods we can earn much more foreign exchange. Though the amount of foreign exchange earned through export of raw materials will be meagre. Hence the time has come to change our policy of exporting raw materials. Just to cite one instance, Coir is being exported to Japan from Kakinada port. And we are importing brushes from the country. What we are getting from export of Coir is hardly sufficient to meet the bill of import. If we manufacture brushes here itself by using our man-power, we can not only dispense with import of brushes but also we can export this item and earn very precious foreign exchange. This is only an example. Hence efforts must be made to export finished goods and value added goods rather than the raw material.

Sir, I welcome the recent decision of the government to decanalise several items and placing them on the Open General Licence. It is a good step. Now the exporters can directly import the items which are required for producing export-oriented goods. They need not depend on the middle men anymore now. It is an encouraging step. But Sir, there are many more items which can be brought under OGL. I hope the Hon. Minister will take necessary steps to add them to the OGL list.

There is a welcome change in the policy of the government in making the export policy applicable for 3 years. Earlier, after every 6 months there was a change in the export policy. As a result of it illegal transactions used to take place. The unscrupulous traders used to hoard the imported material and earn several crores of rupees. As a sequence, even the cost of production used to go up. On certain other occasions when the policy changed the exporters used to incur losses. Now that is a thing of the past. Since the export policy will be in operation for three years, it will contribute to ensuring continuity and stability in the foreign trade. It will certainly contribute to the growth of exports. Now exporters can also think of importing the required quantity of raw materials for producing the exportable goods without any fear of incurring losses.

Sir, the goods which are cent per cent export oriented are allowed to be sold in the domestic market upto 25 per cent of

[Shri Srihari Rao]

total production after paying the customs duty. Paying customs duty on the goods manufactured indigenously for selling in the domestic market is something unimaginable. So I request the Hon. Minister to do away with the imposition of customs duty on export oriented items when they are sold in the domestic market.

Sir, the Free Trade Zones are functioning well in the country. Madras, Cochin, Falte and Noida were added to Kandla and Santacruz which were functioning earlier. Without exception all these are doing well. Sir I appeal to Hon'ble Minister to declare Visakhapatnam a Free Trade Zone. Vizag is very fast emerging as one of the foremost industrial centres in the country today. In addition to Hindustan Shipyard, there are several other public sector undertakings and private industries located in Vizag. It is a peaceful industrial area. There are no industrial disputes. So, in all respects it is entitled to be a Free Trade Zone. As it happens to be a port city, it has got an added advantage. It will also help our exports considerably. Let us remember that a Free Trade Zone near the Coast is more advantageous than other places. A port city will certainly contribute much more than other places in the increase of foreign trade. Facilities to export to other countries will be available. The Government of Andhra Pradesh had already recommended it and requested the Union Government to declare Vizag as a Free Trade Zone. But it is our misfortune that the Union Government has not taken any decision on it so far. It is high time that Vizag is declared as a Trade Free Zone. I hope the Hon'ble Minister will, without any further delay, declare Vizag as a Free Trade Zone.

Sir, I want to say a word about our participation in International Trade Fairs. During 1984-85, we have participated in about 38 Fairs abroad and organised 3 fairs on our own. Goods worth nearly 31 lakhs of rupees were sold. Orders worth Rupees 257 crores were booked and negotiations are under way for another 480 crores of rupees. Despite all this, our performances has not been that much productive. One main reason why we are not able to transact much business during the fairs is that we are giving much too prominence to cultural activities rather than business. We are more interested in depicting

the culture of one part or the other of the country rather than the goods we produce which may find a market in the best country and other participating countries. Business must be our aim, not cultural programme. I hope the Government will take note of this point. This should be no other business except business. You should constitute in committee and send it to those countries in order to access the market there. The goods that can be exported to these countries must be decided. After identifying items for export the Government should come forward to encourage the exporters in the country to export these items. At present only a few influential people are managing to export their items. It should not be so. The condition must be such that any manufacturer, big or small, must be in a position to export his goods without any hindrance. To create such an atmosphere, it is necessary that there should be excise Rebate on exportable goods. Only than the goods can be offered to foreign buyers at a competitive price. This will enhance one exports. The country will prosper.

Mr. Deputy Speaker, Andhra Pradesh is the first and foremost State in the country which produces staple and long Staple Cotton. But it is surprising to note that only States like Maharashtra and Gujarat are being allowed to export cotton to other countries. After much persuasion the Government has permitted the export of 17,000 bales of cotton from the State. I welcome this gesture of the centre. But, sir, this is too small a quantity for a State which stands first in the production of quality cotton. Hence I demand that the export quota should be raised to atleast one lakh bales from the present level of 17,000 bales. I hope, the Government would agree to this.

On the plea that the wheat is rotting in our godowns, the Government of India have taken a decision recently to export wheat to other countries. Well, I welcome the decision. But this decision of the Government helps the farmers of North India only. Like wheat, we have got large stocks of rice in our godowns. Lakhs of tonnes of rice is rotting in our godowns. Why not export rice also in order to save the situation? Why our export should confine to Basmati rice alone? Sir, the Government must allow the export of fine and Superfine rice alongwith Basmati. This

decision will help the entire farming Community irrespective of the region to which they belong. It can fetch us precious Foreign exchange also.

Sir, there is a good demand for mango pulp produced in the country. The Government should encourage the export of Mango pulp. Now the exporters of this item are finding it too costly an item to export, The container charges are very high. Hence, steps must be taken to reduce container charges by offering concessional rates and to export this item in much bigger containers. If this is done, it will boost the export of mango pulp.

Edible oils worth Rs. 1500 crores are being imported every year. 65% of the imported oil is being allotted to the Vanaspati manufacturers neglecting the indigenous products. This is unfair. During the last-general election 95% of the imported oil was given to the Vanaspati manufacturers in return for the large sum the ruling Party has received for its party funds. Crores of rupees were collected for party funds in this manner. This is quite unfair. Please put a stop to the import of edible oils. Encourage the local manufacturers who produce edible oils. This is an urgent necessity.

Sir, molasses are being exported without any rhyme or reason. Because of total export of the item, the alcohol production in the country has suffered very badly. Now there is a scarcity of alcohol. It appears that you have no definite plan as to what to export and how much to export. The export of the items should be such that there should not be any scarcity of those items in domestic market. So, the irrational export of molasses should be discontinued.

Speaking about our trade with Communist countries, Sir, I am sorry to say that it is totally in the hands of certain individuals. No individual should be allowed to have direct trade links with the communist countries. The foreign trade with Communist countries should be on Government to Government basis. Then only you can do justice to all who are engaged in the business. It will help our foreign trade as a whole. So I request the Minister to enter into trade agreements with communist countries only on Government to Government basis.

Sir, the growth of exports is very much necessary for the growth of our economy. All possible measures should be taken to encourage the people to export more by offering them more concessions. The Freight charges etc. must be reasonable. Subsidies offered must be rational basis. In stead of flat rates, they should vary from item to item depending on the quality and competition. The present cash subsidy of 10% excise rebate and import replenishments are not sufficient enough. All the necessary steps should be taken to create ideal conditions where export trade can flourish.

Sir, our Hon. Commerce Minister is an honest and efficient administrator. Of course he is not present in the House at the moment. He is known for his sincerity. Our Hon. Prime Minister, Rajivji, wants to take the country to 21st century. For ushering the nation into 21st Century you have a new approach. Every policy has to be framed with that ideal in mind. Our export policy is one such policy. I hope the Hon. Commerce Minister would show enough statesmanship in framing our future policies.

Sir, I conclude my speech by thanking you for giving the opportunity to initiate the debate on the Demands for Grants of this vital Ministry.

[English]

SHRI K. RAMACHANDRA REDDY  
(Hindupur) : I beg to move :

“That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100.”

[Need to supply cloth to the poor at subsidised rates.] (2)

SHRIMATI GEETA MUKHERJEE  
(Panskura) : I beg to move :

“That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100.”

[Need to sponsor adequate number of UDCS belonging to CSCS cadre of the Department of Supply to Institute of Secretarial Training and Management for cash and accountancy training.] (28)



"That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100."

[Need to sponsor adequate number of Assistants belonging to CSS cadre of the Department of Supply for various training courses meant for them conducted by IST and M.] (29)

"That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100."

[Need to sponsor Section Officers belonging to the Department of Supply cadre for training of the IST and M.] (30)

"That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100."

[Need to give un-filled vacancies belonging to the Direct Recruit Assistants quota to the Select List Assistants of the Department of Supply.] (31)

"That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100."

[Need to give *ad hoc* promotion to LDCs to the post of UDCs in the Department of Supply till regular candidates are made available by the Department of Personnel and Administrative Reforms.] (32)

"That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100."

[Need to publish seniority lists of CSCS/CSS/CSSS cadres of all grades of the Department of Supply every year.] (33)

"That the Demand under the Head Ministry of Commerce and Supply be reduced by Rs. 100."

[Need to promote Grade 'D' Stenographers of CSSS who have completed 10 years of service in the grade of to Grade 'C' in the Department of Supply.] (33)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to accept the demands submitted by the Unions/Associations on 7.4.85.] (35)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to provide adequate number of room coolers to the non-gazetted staff in DGS and D (Hq.)] (36)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to maintain cleanliness and hygienic conditions in the office of DGS and D (Hq.)] (937)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to provide to the employees of DGS and D (Hq.) GPF statements regularly and redress employees grievances in regard to missing credits.] (38)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to make proper arrangements for drinking water for the staff of DGS and D (Hq.) especially during summer season.] (39)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to avoid interference in the day to day activities of the recognised Unions/Associations represented on the Office Council (JCM).] (40)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to shift the Office of the Controller of Accounts attached to the Department of Supply to same premises where DGS & D office is located as demanded by Staff Union.] (41)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to promote Scheduled Caste/Schedule Tribe employees against vacancies reserved for them in various grades in DGS and D (Hq.)] (42)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to provide new furniture to the non-gazetted staff in DGS and D (Hq.)] (43)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need for revision of the pay scales of Draughtsmen working in DGS and D (Hq.)] (44)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need for filling vacant posts in various grades including the grade of Junior Progress Officers in DGS and D (Hq.)] (45)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to regularise services of employees working in Management Information Service Directorate on *ad-hoc* basis for more than 10 years in Directorate General of Supplies and Disposals (Hq.)] (46)

"That the Demand under the Head Supplies and Disposals be reduced by Rs. 100."

[Need to regularise the services of JPOs working on *ad-hoc* basis in DGS and D (Hq.)] (47)

MR. DEPUTY SPEAKER : The cut motions also are before the House.

Now, Shri Shyam Lal Yadav.

[*Translation*]

SHRI SHYAM LAL YADAV (Varanasi) : Mr. Deputy Speaker, Sir, while supporting the Demands for Grants of the Ministry of Commerce and Supply, I would like to make some submissions. This department has many functions, such as commerce and trade, export and export promotion, organisation of foreign trade, its development and control. All these, functions are supervised by this Ministry. We produce many crops, commodities etc., such as, tea, coffee, rubber, cardamom, marine products

and other such items. Export and supervision of export of these commodities is also looked after by this Ministry. It also conducts inspections to ensure quality exports and also works for export promotion.

On this occasion, I, particularly, want to congratulate the Hon. Prime Minister who has taken out textiles from the Commerce Ministry and has set up an independent Textiles Ministry. The Ministry of Textiles was entrusted to a very competent and experienced man not at the time of the presentation of the Budget, but later on. The Textiles Ministry concerns one and all in the country, because every one wears clothes. Whoever takes birth makes use of cloth right from birth till death. From this point of view, this Ministry is very important. It is also an indicator of the fact that the Hon. Prime Minister realised its importance and that is why he has set up a separate Ministry, because crores of people find employment in the mills attached to the Textiles Ministry, whether they be textiles mills or handlooms, or power looms, and earn their livelihood and everybody gets immense benefits from it. There fore, Sir, today I want to say a few things, particularly, concerning the Textiles Ministry, because in the time, allotted to me, I shall not be able to raise issues concerning all departments and express my views thereon.

13.00 hrs.

First of all I would like to say that the city of Varanasi to which I belong and which I have the privilege to represent is famous for its silk industry and readymade silk garments not only in the country but also abroad. Thousands of families are engaged there in this industry. The silk industry is linked with the lives of the people of our city. Its biggest problem is that of silk yarn. We do not produce silk yarn here. Most of the silk yarn is produced in Karnataka. Efforts have been made recently in Dehradun and its neighbourer areas in Uttar Pradesh to produce cocoons, but at present this work is going on a small scale. Most of the silk is produced in Karnataka and we get our supplies from there. Every month, about 25 tonnes of silk come from Karnataka and 25 tonnes are imported.

But the policy of the Government of Karnataka is such that only a very small

[Shri Shyam Lal Yadav]

quantity of silk yarn is supplied to our city from their own production and sometimes even the imports are not up to the required quantity, as a result of which the price of silk yarn rises sky high. A few days back, the price of silk yarn was Rs. 400 per kilogram but today the price of silk yarn in our city ranges between Rs. 600 and Rs. 650 per Kg. and that of good quality silk yarn is Rs. 700 per Kg. and the apprehension is that the price will go on increasing unabated. The same situation had arisen two to three years back as well when the price of silk yarn had risen to Rs. 800 per Kg. and a situation of serious crises had arisen in our city. A similar crisis has arisen these days also, unemployment is increasing and looms cannot be worked if silk is purchased at this exorbitant price and these looms are facing the risk of being closed down. There will be no market for the cloth thus produced. Three years ago, when such a crisis had arisen, the then Commerce Minister had imported silk yarn after holding consultations at the Central level and the prices had crashed within two months and they continued to fall continuously thereafter.

Our Central Silk Board is looking after this work, but I am very sorry to say that the Central Silk Board has lost its All India character. It caters to the silk requirements of only one or two States and formulates its policy accordingly and thus our State is kept out of the purview of its policies. Therefore, my suggestion in this regard is that a Silk Bank should be set up. This is not my suggestion alone, but our Association of Banarsi Saree manufacturers and the Banarsi Cloth Industry and its other office beares also have the same views. They have written to Government and I have sent a letter along with their representation stating that the need of the hour is for the setting up of a Silk Bank either by the All India Handloom Board or by Government which should procure and store the silk produced in the country including the imported silk. A depot should also be opened in our city which should sell silk direct to the craftsmen and the producers so that the middlemen could be eliminated. If we are unable to make such an arrangement, I am afraid gradually, this industry will face a deeper crisis. The sarees and silk produced in Varanasi are not only sold within the country but are also exported. Therefore, I

would request the Hon. Minister to pay immediate attention to it and arrange to make the silk yarn available there by whatever means possible. If need be, he should go in for import of silk yarn, so that its price is kept under check. I do not say that the silk yarn should be sold on regular basis, but we should create a buffer stock and if the price in the market is reasonable, the silk may be allowed to be sold in the normal course, but as soon as the price of silk yarn tends to rise, you should start selling silk from the buffer stock so as to check the price rise. As at present, replenishment licence is issued against the finished goods exported and silk yarn is imported against that licence. There are instances where advance licences were issued to the people taking into account their past exports. They all import silk yarn and hoard it and, thus, raise the price in the market by creating an artificial scarcity and start selling the hoarded stock on which Government have no control. Therefore, my suggestion is that Government should import silk yarn and set up a Silk Bank. If there is any likelihood of delay in setting up such a bank, Government should procure silk yarn through other means so as to bring its price down. A delegation from Varanasi was scheduled to arrive here, but their trip did not materialize. Therefore, I would submit that our requirement would be met only when we are supplied with silk yarn of the required quality and quantity. Only then, we would be able to produce silk textiles in the required quantity and export it.

One thing, I would like to say about handlooms, crores of people are engaged in the handlooms in the country. Six thousand million metres of cloth should have been produced in the handloom sector in the country but only 3 thousand million metres are produced in handloom sector. There are 50 lakh handlooms in the country, but they are also facing a big crisis. Particularly, in our Uttar Pradesh, there is hardly any village or town of importance where the weavers do not live. The economy of our Uttar Pradesh and Bihar is based on these handloom weavers. Government should pay special attention to them. I hope, special priority will be given to this sector in the new textile policy, now under formulation.

Sir, there has been a long standing demand that certain varieties of cloth should

be reserved only for the handloom sector and they should not be allowed to be produced through powerlooms. Handlooms cannot stand the tough competition being offered by the mills and powerlooms. Therefore, there is a need to reserve some varieties of cloth exclusively for handlooms which should not be allowed to be produced either in the powerloom sector or in the mills. It is necessary to do so even from the point of view of the internal market.

The cloth produced in the handloom sector and on powerlooms should also be exported. Even synthetic fabric can be used in the powerlooms. It will be better if they use it. Therefore, my suggestion is that proper supply of necessary inputs should be ensured to the weavers of handlooms so that they may not face shortage of yarn etc. Due to shortage of yarn, its price goes on increasing and the people are unable to get it at reasonable prices when the prices of yarn rise, middlemen take advantage of it. You have set up co-operatives but, I feel, even co-operatives have not been successful in this field. Government should supply yarn direct to the weavers and, thus, the middlemen should be eliminated. Arrangement should also be made to provide loans to the weavers.

One thing, I would like to say about marketing. As long as proper marketing facilities are not provided for the handloom cloth, it cannot be sold. Lakhs of metres of cloth are lying in the godowns of the Handloom Corporation. It is not being sold. This is a big crisis being faced by the handloom sector in the country. I want that the Hon. Minister should make some special arrangement in this regard so as to steer the handloom industry out of the marketing crisis. Otherwise, the handloom weavers will not get any benefit.

You give rebate on handloom cloth only for 60 days in a year' But I think, if you allow rebate throughout the year, the stocks which are piling up in the godowns can be sold out.

You had promised in the Sixth Five Year Plan, as also now in the Seventh Plan, that houses will be provided to the weavers. As the population in the cities is increasing,

there is no land for them to live in. Therefore, special colonies should be constructed to rehabilitate them. The Department of Textiles and the Government of India should make special arrangements to built up such colonies, and they should get money for the construction of houses.

In the end, I would like to say only this much that certain varieties of cloth should be reserved for the handlooms. The competition in textiles has become so tough that it has become very difficult for the handlooms to stand competition with the powerlooms. In this connection, a study group was set up in U.P. which had given some suggestions. I would like to quote some of its suggestions :

[English]

"The group in its report further observed that the handloom sector is successfully producing the following varieties of cloth and proposed that these be reserved for exclusive production in this sector : Gaddah cloth—minimum three varieties. Dhotis and Sarees in certain varieties. Lungies—cotton and staple both. Tapestry bed sheets in certain varieties. Durries. Pile carpet Durets. Jacquard bed covers. All types of fabrics using fancy yarn (except synthetic fancy yarn) and Terry towels and Gamchhas."

[Translations]

There all such items as can be reserved for the handloom sector. In the end, I would like to say in brief two things concerning this department. Thus department has two offices of the custodian of Enemy Property in Bombay and Calcutta. I had a chance to see this office in connection with the property of a veteran Journalist. About 35,000 to 40,000 applications are pending in this office and it will take over two decades to clear them. The majority of the persons likely to be benefited from this have crossed 50 to 60 years of age. Therefore, you should make an immediate arrangement to dispose of this work expeditiously. The cases pending with custodian of Enemy Property should be quickly disposed of and some time-limit should be prescribed for this purpose.

[Shri Shyam Lal Yadav]

With these words, I support the Demands for Grants and thank you for giving me an opportunity to speak.

[English]

SHRI R. PRABHU (Nilgiris) : Mr. Chairman, Sir, I rise to support the Demands for Grants brought before this august House by the Hon. Minister. India's share in international trade has been coming down year by year and in 1970 our percentage of world trade was only .65 per cent and even today the percentage is less than .5 per cent. This is even low compared to countries like Malaysia, Singapore, Hong Kong, Thailand and South Korea.

In my home State of Tamil Nadu question is often asked why India is not able to perform like the South East Asian countries in the export performance. This question can be easily answered but I do not know how much remedial action can be taken.

There are two powerful political blocs in this world. One led by USA-Japan and the other by USSR-East European countries. India, as a tradition, follows foreign policy of non-alignment. We have scrupulously ensured a neutral stance as between the super-powers and have a dynamic interaction with both the super powers with equal felicity without becoming a client State of either of the super-powers. We have developed export business with USSR and the East European countries. I would like to quote some figures. Our external trade with this bloc has been increasing year after year and in 1970-71 there were exports worth Rs. 304 crores and imports worth Rs. 238 crores. In 1983-84 we have exports of Rs. 1563 crores and imports worth Rs. 2392 crores. Our trade relationship with this bloc is excellent and we have been exporting traditional goods like coffee, tea, textiles, leather, woollen goods and also non-traditional items like engineering goods and even foodgrains. We have evolved a strategy of rupee payments in our dealings with the East European countries and this has insulated us from the fluctuations in the high value of the US dollar. On the other hand, Sir, with regard to the western OECD countries we have not been able to increase our exports. Here also I would like to quote some figures just to make my point. In 1970-71 our

exports have been Rs. 769 crores and imports have been Rs. 1042 crores. And in 1983-84 exports have been Rs. 3462 crores and the imports have been Rs. 8099 crores. Frankly speaking we have not been able to establish the same commercial relationship with the western bloc and USA as the smaller south eastern countries have been able to. We are all aware that USA is a discriminatory buyer and have a large purchasing power and they use this purchasing power as an instrument of foreign policy. It is common knowledge that USA has economic and defence interests in all these Asian countries like South Korea, Singapore Malaysia, etc. It is in these circumstances of favourable treatment by USA that these countries are able to export so much. In their economic performance they should be treated as outposts of USA and as their client States. It is these basic constraints in our foreign policy which have to be taken into account in judging our export performance.

It is in this connection that our developing relationships with nonaligned countries and South South cooperation becomes very important. As you know Sir, the world can be divided into four categories : (1) Countries which are economically sound and technologically also very sound (2) Countries which are not so affluent but technologically very sound in which we come. (3) Countries which are economically sound and technologically not so sound, like the Arab countries, and (4) Certain third world countries which are weak both economically and technologically.

Sir, most of the South countries are not as well developed as we are in high technology or spheres of industrial development but they have enough petro dollars to pay for imports. Further, Sir, India has a vast technical manpower and we are in a position to export our manpower and also do turn key projects both in construction and engineering industries. Sir, as a result of our adherence to south south cooperation we can at the same time develop underdeveloped countries and also develop great bilateral trade relationship with them. This is particularly relevant when we take into consideration that the South American and Latin American countries are big untapped markets and we could look forward to fruitful cooperation with these countries especially in the areas of

farming agriculture and probably turn key industrial projects also. Our non aligned stand and promotion of South South co-operation would offset any lack of trade with American and we have to develop our exports taking into account these basic constraints in our foreign policy. Our total exports in 1983-84 are Rs. 9868 crores. The total imports are Rs. 15,763 crores. There is a balance of trade deficit of nearly Rs. 6000 crores. The actual figure is Rs. 5996 crores. So all steps have to be taken to reduce this trade deficit and to boost our exports. In this connection I welcome our Hon. Finance and Commerce Minister's statement when he has given a policy statement on imports and exports also. This policy confirms to the policy of continuity and change ushered in by our Hon. young and dynamic Prime Minister after he has taken office. This import and export policy statement is not only an exercise in shifting some items from one category of licensing to the other category of licensing, but it has abroad conceptualisation over a longer time frame to enable the industry to formulate their own internal policies in consonance with Government policies. That is why the policy statement covers a period of three years instead of the usual annual ritual. We can see the same trend in the Finance Minister's budget speech where he has emphasised the need for long term fiscal policy. Particularly praiseworthy is the procedural simplicity evolved in the new export-import policies especially the ease with which the raw material can be imported by actual users and introduction of the import-export pass book scheme.

I request the Hon. Finance Minister who has taken a keen interest in the electronic data processing to put this pass book Scheme on computer-based information systems, so that things could be done quickly and old files do not have to be traced and long time taken. I only wish that the business community reciprocates the chance given to them and introduces a higher sense of integrity in their dealings in export import trade. In fact the existing relationship of government and the business community has gone into a mutual distrust, complaints syndrome which should be replaced by one of help and guidance that characterises the economic regulation of Japan which is the fastest growing Asian country. Japan has made history in its export promotion drive. But perhaps what is not

known about Japan is that Japan has a highly regulated internal economy. In fact a close look at the Japanese system clearly brings us how the Ministry of International Trade and Industry performs a development role in Japanese business. It acts as a guide in directing the Japanese industry.

I would request the Hon. Minister to see that the Ministry of Commerce also develops on a similar pattern as Ministry of International Trade and Industry and help boost our exports.

Sir, every speech made by an Hon. Member of Parliament would not be complete unless he touches his constituency. My constituency, that is, Nilgiris in Tamil Nadu, has large tea estates. In fact, the tea exports in 1983-84 had been worth over Rs. 501 crores, India's market share of world trade in tea is 28.61% which is the highest compared to any other commodity. What is probably not known very much about tea industry is that tea industry is a highly employment generating industry where nearly one million people work in tea industry. In my constituency alone one lakh people work in this industry. From the social economic point of view, a large number of women are employed in this industry and nearly 50% of of the labour engaged in this industry are women. Our beloved late Prime Minister Shrimati Indira Gandhi had declared in 1971 that equal wage for both men and women labour in tea industry should be given. The tea industry has made a lot of profit and it is going to be given a boost just now because the support it has from the Government and also the Finance Minister in his recent budget speech has given some more concessions in terms of loan, etc. for rejuvenating the tea industry. Unfortunately, the fact remains that in the tea industry, the labour is very poorly paid and their conditions of working are miserable. The average production per worker in tea industry is 900 Kgs. per annum which in terms of money is around Rs. 27,000. The tea Industry pays Rs. 4800 per worker per annum while the public sector undertaking pays an average of Rs. 20,000 per worker per annum. In my neighbouring district, that is, Coimbatore, the textile worker gets Rs. 40 per day as wages whereas the labour in tea industry gets less than Rs. 15 per day. Therefore, Sir, there is a definite need to improve

[Shri R. Prabhu]

the wage system in different industries in the country. I would request the Hon. Minister kindly to see whether he could fix a higher minimum wage for the worker in the tea industry and also improve the working conditions of the labour. This should be done especially for tea estates worth more than Rs. 10 crores. Thank you.

[Translation]

SHRI LALIT MAKEN (South Delhi) :  
Mr. Chairman, Sir, the Textile Industry in the entire country is in a very bad plight. Whether it be Delhi or Ahmedabad or Bombay, everywhere it is seen that the textile mills are either closing down or are under lookouts. Thousands of workers are being retrenched. Therefore, it is very necessary today that Government gives thought to it and go deep into the causes why the textile industry, which is the oldest industry in India and which, I think, has helped the big industrialists of the country earn crores of rupees and set up other big industries, is itself passing through a delicate phase at this juncture.

So, far as I notice, — I have tried to go into its cause—the biggest cause which I could see is that we have small weavers in the country, who have set up 10 to 25 looms in their houses or sheds and produce very cheap cloth on those handlooms, as a result of which no mill owner is prepared to manufacture cloth in his mill today. As the policy of Government is to give more and more concessions to the handloom weavers, a very small excise duty has been levied on them. As a result of it, cloth can be manufactured so cheap on these looms that the same cloth cannot be manufactured by the big textile mills at that price. That is why the textile mill owners are interested only in manufacturing cotton and cotton yarn but not cloth.

There is a textile mill in the heart of Delhi named 'Birla Mill'. Cloth is not being manufactured there for the last three years. You will be surprised to know that the name of this mill is textile mill but not a single metre of cloth has been manufactured there for the last three years. The weaving development has been closed down, the machines have also been closed but the spinning department which produces yarn and cotton is function-

ing. The cotton is sold in the market as it fetches a good price and high profit. If the cloth manufactured by the handloom weavers at a very low cost is manufactured in the textile mill, it will cost more and, therefore, the mills are not prepared to manufacture cloth. Therefore, what they do is that they buy the cloth, manufactured by the handloom weavers for their mills and put the stamps of their mills on it and sell it in the market after dyeing. Thus, the handloom weavers and textile mills both are facing a great difficulty at present.

I do not want to say that the concessions being given to the handloom weavers should be withdrawn or that the six lakh handloom weavers or workers in the country who work in these sheds should be rendered jobless. I also do not want that in a bid to save the jobs of about three lakh workers engaged in the weaving departments of the textile mills, the livelihood of six lakh people be taken away. Therefore, I want to say that Government will have to frame proper policy in this regard so that both these sets of six lakh and three lakh people could survive. To achieve this objective, I would say that it is necessary, that our Textiles Minister and Commerce Minister both of whom are present here, should frame such a policy that the handloom weavers would manufacture cloth which the poor people or common workers purchase while the big textile mills would manufacture the fine variety of cloth, so that there is no clash among them, their respective markets are not affected and both the small and big industries could survive.

I think, in view of the prevailing conditions, Government should come forward and decide to take over the textile industry of India as it is high time for such a step to be taken. Today, dark clouds are hovering over the textile industry the oldest industry in the country and the only way out to save it is its take over by Government.

I am not opposed to modernisation. If you conduct a study in respect of the old industries, you will find that these industrialists have diverted profits to the tune of crores of rupees out of these textile mills. They have diverted crores of rupees from the textile industry to other industries. They did not go in for their timely modernisation, did not spend money on the machines but

instead set up other profitable industries at many other places with the money so diverted. As a result of it, the machines became obsolete. They are taking of modernisation today after 25 to 40 years, which means that thousands of workers will be retrenched.

Government should invite all trade unions in the country and tell them that they are prepared to take over this industry, but they want to modernise it. If Government could place their opinion, and their intention before all the trade unions of the country with a sense of responsibility that they want to modernise all the textile mills, want to offset the losses and earn profit and at the same time they would also give a guarantee to the workers, assure them that not a single worker will be retrenched, I can say with a complete sense of responsibility that all the trade unions will be prepared to help Government and save this industry in the country.

But, I am sorry to say that 16 textile mills of Bombay have been taken over and brought under the National Textile Corporation and retrenchment of workers is being resorted to there. Had Birla, Tata, Charat Ram Bharat Ram resorted to such retrenchment, one could have understood, because they have made money by exploiting the workers, but I cannot understand the policy of Government who take over the textile mills in the first instance and then resort to retrenchment of thousands of workers.

I want that the oldest industry of India should be saved today. If we leave it to the industrialists, this industry can never be saved. The Delhi Cloth Mills, in Delhi is, perhaps, 100 years old in the country. A notice has been served for its closure. The closure will be effected in July. 8000 workers are engaged in it, 50000 people belonging to the families of the workers are living in that colony. First of all, Delhi Cloth Mills will be closed, thereafter the Birla Mill and finally the Swatantra Bharat Mill will be closed down. Today, no textile mill owner is interested in running these mills, because they have taken out profits worth crores of rupees from them, they have eaten away whatever was there in the mills and they do not want to shoulder the responsibility for whatever is left there. They want to set up commercial houses and raise commercial

buildings after demolishing the mills. What I want to say is that before these industrialists could lay their hands on these textile mills, build palatial buildings there and render the workers jobless, Government should take over these mills and evolve a policy and tell the trade unions that Government want to modernise them and want to have more and more production so that our textiles could find a market abroad and earn more and more foreign exchange. I would like to say with full responsibility that the trade unions of India would help Government, but, Government will have to assure the workers that their policy is to provide employment and that the workers will not be retrenched unlike what has been done in Bombay.

I urge Government to save the oldest industry in the country and frame such a policy that the six lakh handloom workers engaged in the manufacture of cloth and the 3 lakh textile mill workers continue to remain in employment. Today, the cloth being manufactured by the textile mills costs more and, therefore, it has no buyers. Government should evolve a policy under which course cloth will be manufactured by these six lakh handloom weavers and the manufacture of fine cloth will be left to the textile industry so that there is no clash between the two, both sector of the industry could survive and India's oldest industry could be saved.

[English]

SHRI GEORGE JOSEPH MUNDACKAL (Muvattupuzha) : We have got independence, but, unfortunately, in the State of Kerala, which is located far away from Delhi, we are still facing a colonial status. Whatever agricultural product we are producing, government is trying to import all these things and not giving any encouragement to cultivators. Assam was neglected for years and Government had to face the Assam agitation. Now, all the funds are diverted to north-eastern States for their development. How much foreign exchange a small State of Kerala is earning, nobody is thinking about that. We are selling cardamom; we are producing rubber; we are producing tea. Then we are saving a lot of foreign exchange by producing cocoa, rubber and coconut and see the fate of coconut oil.



[Shri George Joseph Mundackal]

The Hindustan Lever or Tata Oil Company have got lobby here; they are forcing the Government of India to import a large quantity of oil. After the land-reforms, the Kerala State has got only very marginal and small farm having 20 or 30 cents below one acre of land. Whatever price we got last year, we got 50 per cent of the price now. A lot of coconut oil is imported and distributed. Two years back, we faced very severe drought conditions in Kerala and a lot of plantation was lost in those drought conditions. For long term cultivation, we are doing pepper, rubber, coconut and cardamom. All these crops will take 5-10 years for getting income. In the North, the cultivation is quite different. They can change cultivation very frequently. If there is no remunerative price for groundnut, they will change to wheat or rice or they can shift cultivation very easily. But, for long term cultivation like coconut it will take 8-10 years for getting income. If the farmers are not assured of good price or fair price, they will not try for that cultivation. So, the Government of India must give encouragement to the long term cultivation. Kerala State is very small but the foreign exchange which they earn is the maximum for our country. See the price of rubber in the beginning of the season. In the beginning of the season, the price was nearly Rs. 19 per kilo. But when the peak season started, we imported rubber through STC and distributed because of the pressure from the other side. The price has crashed from Rs. 19 to Rs. 14.

90 per cent of the rubber farmers own below 5 acres of land. I am saying this particularly because nearly 50 per cent of the rubber cultivators are from my constituency. They are themselves cultivating it; they are honest people, they are working from morning to evening and getting their daily income from the cultivation of rubber. Unfortunately, the price has crashed and STC has distributed the imported rubber in the peak season and that has affected them more severely.

Two years ago, a lot of rubber trees were lost in the drought and the Government has not given any encouragement. The Rubber Board has plenty of money because of the excise duty and cess on the rubber. But because of lack of field staff, the inspection was not going on smoothly and we are not getting subsidy regularly also.

Last year our respected Minister came and laid the foundation stone for the Rubber Board building in Kottayam. But, unfortunately, the sanction was not given and the cost of the construction work is going up. I do not know when a tender will be called again and the work will start. I request the Hon. Minister to take up the construction work of the Rubber Board building as early as possible.

Luxury goods like nutmeg, cloves are imported into this country. Why should we waste our foreign exchange? Why are they enjoying pudding or biryani by putting cloves or nuts in the food? Our poor country, India, has struggled for foreign exchange. Why should we waste our foreign exchange for importing nutmegs and cloves? I cannot understand that point.

For importing items like medicine and petroleum products, we also lose a lot of foreign exchange. So, I request the Hon. Minister to save this foreign exchange by producing these items here.

Now, the cost of long term cultivation has gone up very high. The labour charges are the highest in Kerala compared to other places in the country.

Kerala State is paying more wages and providing more facilities for the labour. Considering all these things the farmer there must get a fair price. But unfortunately the prices are fluctuating very much. One day the price will be Rs. 20 per kg., and the next day or after one week the price falls down. The people cannot depend upon this because they are all poor cultivators.

Rice cultivation is almost a failure in Kerala. The coconut trees are affected by the root-wilt diseases. A fair price should be given for coconut also. A minimum price for coconut oil also has to be ensured. The rubber prices are also not remunerative, the imported rubber must be priced at rates 50 to 60 per cent more than that of the rubber produced in India. The farmers were getting less than Rs. 14/- per kg. for rubber. Considering all these things I think that there is good scope for giving a better price.

Now, other States are also growing rubber, like Orissa, the North-Eastern States,

the Konkan area, and some parts in Karnataka. So there is full scope for growing of rubber. Also, irrigation facilities should be provided for rubber cultivation.

Earlier a subsidy used to be given for spraying rubber plantation. But it has now been stopped. I do not know the reason. If the spraying is not done in the season properly it will create problems. I therefore request the Hon. Minister to resume payment of spraying subsidy for rubber plantation, because as I mentioned earlier, 90 per cent of the farmers are small and marginal farmers.

With these words, I extend my wholehearted support for the Demands for Grants of the Ministry of Commerce and Supply.

MR. CHAIRMAN : Dr. G. S. Rajhans.

[Translation]

DR. G. S. RAJHANS (Jhanjharpur) : Mr. Chairman, Sir, I rise to support the Demands for Grants of the Ministry of Commerce and Supply. First of all, I would like to speak on the Import and Export Policy of the Hon. Commerce Minister. I think, it is for the first time in the post-independence era that such a good policy has been announced. The best feature of this policy is that the people have not to worry about Government's Import and Export Policy for the next three years. Import of computers has been liberalised and so also the import of capital goods for exporters. One of the salient features of the new policy is to permit those who had purchased capital goods abroad in turn-key projects and other projects to import them to India easily under O.G.L. Many concessions have also been given to Indians living abroad and similar other steps have been taken. But, then, there has been a serious lapse also. Deliberately or inadvertently, photo composing machines have been excluded from O. G. L. in this Import-Export Policy. On the one hand, you talk of taking the country into the twenty first century, but you are taking the country to the fourteenth century inadvertently. I cannot say how it has happened. Either it is a bureaucratic lapse or some other lapse, because in today's world even a person remotely connected with the newspaper or printing technology can understand that no newspaper or book industry can be run without

photo composing. If you allow me a little time, I would like to tell you that your traditional exports are losing their market. In a few minutes from now, I shall tell you that today or tomorrow you will have to step into the field of non-traditional exports and in that connections you have a big scope in book exports. People send typed manuscripts from abroad which is composed here in photo composing, then printed in off-set and instantly exported. I want that the Hon. Minister should look into it. If you exclude photo composing from O. G. L., then how would the people compose the matter ? I do not know where you want to take the country in this way. There is a hot news in the newspapers that photo composing is being excluded from O. G. L. which shows that you want to scuttle the freedom of the press. I hope the Hon. Minister does not subscribe to this view and this has, perhaps, happened inadvertently. I request you that photo composing should again be included in O. G. L. Similarly last year also big machines of offset printing were excluded from O. G. L. due to a bureaucratic lapse. The people had represented to the Hon. Minister who had again included it in O. G. L. in view of its practicability. Therefore, I request you on behalf of the entire newspaper industry to include photo composing in O. G. L. again.

Another thing I want to say is that your report is really very good. You have said that your exports are increasing. You have written in it :

[English]

"The year 1984-85 has, however, commenced on an encouraging note. According to the provisional trade statistics available for the first nine months of the current financial year, April-December, 1984, exports amounted to Rs. 8146 crores as compared to Rs. 6858 crores in the corresponding period last year, thereby registering an increase of 18.8 per cent."

[Translation]

What I mean to say is that you have said in it that your exports have registered an increase because of engineering goods. I want to tell you that there is a vast scope for in-

[Dr. G.S. Rajhans]

crease in the export of engineering goods, both in light as well heavy engineering goods. Hon. Minister, Sir, you had left the House at the time when an Hon. Member had asked a question. "How do you propose to raise the quantity of engineering goods? Why do Government not pay attention to quality?" In reply to this question, the Hon. Minister had said that he would import technology and when he improved the technology, quality would also improve. Sir, I want to tell you that it does not hold good. I have been in export business. I want to tell you what happens. Just suppose you have exported a fan as a sample in light engineering. You get an order from abroad on the basis of the sample of the fan you sent there, but at the time of actual export, inferior quality goods are sent. We have an Export Promotion Council to check the quality of goods meant for export. The goods are got cleared by this council by giving some gratification, and it brings a bad name to Government. Similarly, quality control should be there in garments as well as ready-made goods. Sample of some goods is sent but actually goods of a different quality are exported, as a result of which the goods pile up in the foreign countries. Therefore, I urge the Hon. Minister to pay attention to it.

Mr. Chairman, Sir, you have given me very little time to speak. Therefore, I would like to draw the attention of the Hon. Minister to two or three points. I belong to the Mithila area. The Paintings of Mithila or Madhubani are famous the world over. Till a few year back, lot of these paintings used to be exported, but now this export has slumped to the bottom. Government have not paid any attention to it. Another point of mine is that agrobased industry should also find a place in the report market. Agro based industry should be run on the lines of S.T.C. I would like to give you an example. Our north Bihar is a mango bowl. During the mango season, you should arrange to send plane-loads of mangoes direct to Bombay and from there to foreign countries. There is large scope for it because I have talked to the Embassies of the Gulf Countries. This arrangement for export of mangoes will give a lot of encouragement to the local people. Simultaneously, the people of the Gulf Countries will get mangoes at cheaper rates.

Similarly, there is a vast scope for export

of many of the handicraft items. Time is short, but I must touch an important point. Our construction industry has earned huge foreign exchange but at the same time many of the construction companies also both from the Public Sector as well as from the Private Sector — have earned a bad name. They have made a lot of bunglings there. A thorough screening should be made of company before it gets a contract for a turn-key Project or any other construction work so that it does not indulge in inferior quality work in foreign countries.

I had many things to say but you have not given me much time. The condition of the weavers in my area is miserable. Shri Shyam Lal Yadav has also drawn your attention towards them. The Hon. Minister Chander Shekhar Singh belongs to Bhagalpur which is a big centre for silk. The silk industry should be paid attention. There are many possibilities there and it can progress on the lines of the silk industry of Benaras. The middle men should not have any place in this industry. There is great demand for Bhagalpur silk in foreign countries. The Commerce Ministry should therefore, pay attention to all these aspects.

**SHRI GIRDHARI LAL VYAS** (Bhilwara) : Mr. Chairman, Sir, I rise to support the Demands of the Ministry of Commerce and Textiles.

Keeping in view the shortage of time I would like to touch only two or three points, specially regarding textiles. The condition of the textile industry has been very bad during the last few years. Today in country, at least 74 mills are lying closed and about one lakh workers of these mills are jobless. The Central Government have taken many steps in this direction — particularly regarding their modernisation and rehabilitation but these steps have not been implemented properly. On this occasion I would like to say something about the Mewar Textile Mills in my area. I have already drawn the attention of the Hon. Minister towards this and today also I am drawing his attention. The Central Government had taken over this Mill in 1968. For 6 to 7 years, this Mill remained with you, you modernised it and it earned huge profits also but after that you returned the Mill for reasons best known to you, I had informed you about that file earlier also. A lot of manipulations have been made in

that file by the officials of your Department. Why was the Mill handed back to them after keeping it for quite a long time. Now again they have ruined it. It is again under heavy debt now. It is a viable unit and if it is run efficiently, even today it can earn profit. Your Department had also written to the Rajasthan Government that the Mill should be revived. The Rajasthan Government took action in that direction. The Rajasthan Government decided to provide Rs. 50,000 by bringing it under Relief Undertaking Scheme and had written to the Central Government that as a guarantee against the loan to be provided by you, assets worth one crore of rupees would be created by selling the extra land of the factory. What is the difficulty being faced now? The Re-financing Corporation, which is located in Calcutta and which has to provide loan says that if the loom sheds of the Mill are run the Mill will go into losses because everywhere the loom sheds have been running at losses. They are ready to provide loan for the Mill instead if loom sheds spindles are operated. The Rajasthan Government have posted Shri Kawdya, an IAS officer as Chairman of the Mill and he is collecting all the information in this regard. If the Mill is run not on the loom sheds the loan can definitely be provided. I would like to add that the workers have talked to Shri Kawdya about loom sheds and have assured him that if the loom sheds cause any losses then they will bear all the losses. They have said that they are ready to enter into an agreement with him that whatever losses occur due to the operation of loom sheds, may be deducted from the worker's salaries and all efforts made to earn profit by resorting to full production. When we are entering into such an agreement and the Rajasthan Government are giving guarantee against your loan, there should not be any hitch in the providing of the loan by the Refinancing Corporation. This Mill must start working immediately, because 2,500 workers are facing starvation. If arrangements are made to run the Mill, these 2,500 workers will get the job. This Mill is not going to incur loss.

I would like to tell the Hon. Minister that the sheets manufactured by the Mill are sent to the whole of India and even to foreign countries. Metex vests produced by the Mill are very famous. If these two Departments earn profit, the Mill cannot run

into loss.

This Mill is a composite mill. If the loom sheds are closed, the compositeness of the mill will be no more. The business and other trades these have flourished due to the Mewar Textile Mills. Therefore, re-opening of this Mill is very essential. You yourself are aware that this Mill was started in 1935 and after that many more textile mills were set up there and this industry flourished. In Rajasthan, the maximum number of textile mills both spinning as well as composite mills — are in Bhilwara. All the development has taken place due to this industry. Therefore, the running of this mill is very essential and I hope that you will kindly arrange loan for it from the Re-financing Corporation. We can give you in writing and are ready to enter into an agreement because I am the President of the Trade Union of that Mill and I have talked to Shri Kawdya about the agreement. Therefore, you should direct the Corporation to provide loan to the Mill. I had requested you and you had assured me that you would talk to them. Therefore, if you make arrangements to start the Mill at the earliest, surely the people of the area will feel highly obliged. The Mill has been lying closed for the last one year and 2,500 workers, on whom 12,000 to 15,000 members of their family are dependent, have been sitting idle. They all have been facing starvation for the last one year. If the Mill starts working, their condition will improve. We can guarantee that this Mill will never run into loss.

I would like to make one more submission. The Textile Commissioner sits in your office. It is his responsibility to keep a watch on those mills which have gone sick in the past or are on the brink of becoming sick. We had examined the Textile Commissioner at a meeting of the Estimates Committee and had asked him what his responsibilities were towards these mills. He had told us that the function of his office was only a regulatory one. If some mill falls sick or there is any bungling in the assets of any mill, it is not the responsibility of the Textile Commissioner to look into such cases. That is what he has said but in your Report it has been stated that all that is his responsibility. If any mill, falling in his jurisdiction, becomes sick, may be because of mis management or misappropriation of the assets, it is the

[Shri Girdhari Lal Vyas]

responsibility of the Textile Commissioner to look into the matter. All these things have been mentioned in your report.

14.00 hrs.

If your Textile Commissioner in his area, be it Ahmedabad or Rajasthan, does not look after the sick mills, he is not fulfilling his responsibilities. It is because of the callous attitude of your bureaucrats that so many mills have gone sick.

These mills have gone sick because of the bunglings made in their assets by the managements. If you make a provision that the Textile Commissioner will look after the mills, will monitor their functioning, then the mills will run properly and the whole system will remain streamlined. You should endeavour to streamline the functions of the Textile Commissioner so that he keeps an eye on the mills.

It is in the nature of capitalists that first they earn the maximum from an industry and then after withdrawing its assets invest the same in another industry, making the earlier industry sick. This results in unemployment and starvation of thousands of workers. Many mills are in this condition. I would, therefore, forcefully urge that this post should be granted more power so that these people are able to look after the textile mills in their area properly.

There is one Mewar Textiles Mills in our area whose Managing Director Shri Sampatmal Loda has been advanced Rs. 4 crores by your financial institution. The money was given to him when the Mill was lying closed. I do not know which officer arranged money for him in such a situation. Today, even that money is not being utilised for the Mill. Those four crores of rupees have also been swallowed by the mill owners. Such are your officers who provide money to the capitalists with dubious methods but when we ask for money for running a mill, your officers create many obstacles in our way. That capitalist was provided Rs. 4 crores and he has not invested even a single paisa in the Mill. The entire amount has been misused. The Hon. Minister should set this system right, otherwise your offices in collusion with the capitalists, will make all your mills sick. The whole of our economy will be derailed due to this

You should set things right and give the maximum cooperation in starting these mills. Only then the sickness of these mills will go and more and more people will get employment. I, therefore, urge that you should get the mills started at the earliest.

With these words I express my thanks to you.

[English]

DR. K. G. ADIYODI (Calicut) : Sir, I rise to support the Demands of the Commerce Ministry. The Economic Survey of 1984-85 reveals that the growth rate of Sixth Plan on average achieved 5.2 per cent which is equal to the Plan target. In spite of our record food production and the almost satisfactory hike in the industrial and better export earning money-wise though not on value we have been forced to enter into an arrangement with the International Monetary Fund under the extended fund facility for drawing funds for narrowing our trade gap. The reduction in bulk import, especially of crude oil, provided room for other essential imports expansion for developing the country. Taking all these factors into consideration, the adjustment efforts during the Sixth Plan proved very successful especially when you consider the period from 1977 to 1980. The various economic and fiscal measures resulted in financial reserves including gold and SDRs upto 31-1-1985 to 547 crores net. Drawals are reduced to Rs. 101 crores and residual financing gap to Rs. 446 crores. Net import of major commodity crop during 1982-83 is Rs. 14356 crores during 1983-84 upto September 84 is Rs. 73848 crores. In general, a shortfall in commodity wise is marked in our export but money wise we earned more. This shows that a major effort has to be taken in the Seventh Plan to further accelerate the rate of growth of our exports and to reduce the import of bulk commodities. The Import-Export Policy for the coming 3 years is clearly spelt out by the Government and it is encouraging. This has been substantiated in the approach paper on the Seventh Plan and I am extremely happy to congratulate the Government. Unless we are able to provide 8 per cent to 9 per cent industrial growth and increase the agricultural production especially in export commodities the Seventh Plan expenditure for development will not be so easy. We have a large

domestic market which demands a wide range of products, industrial and agro-based. But the manpower especially the skilled manpower is not fully exploited so as to eradicate unemployment and to increase the living standards especially when 40% of our people are below the poverty line. So, a labour-oriented policy in export is warranted.

All agricultural products, for example, coffee, tea, rubber, cardamom, pepper, ginger, turmeric etc., are all exported in bulk, whereas all these are consumer products. If an attempt is made to export these items in consumer packings, the export income as well as employment and rural industry will definitely increase. At present, the benefit given by the Government to the exporters and importers are not transmitted to the real producers and consumers. There is a wide gap and it should be narrowed. In order to increase the export both agricultural and industrial, our universities and institutions should provide orientation training courses in various agricultural and industrial products, for example, marine products. I am sorry to say that this field is not exploited properly due to lack of training and infrastructure. Same is the case with ceramic and forestry. There is wide scope for many of these products to be exported provided the basic requisites are made by the Central and State Governments. May I point out, for example, today coffee is facing a serious crisis. One-third of the produce is consumed internally and another one-third is sold in buyers' market with 24 to 40% discount. The lowest grade tea fetches Rs. 35 per k.g. whereas coffee gets only Rs. 14.

I am so sorry to note with a little pain that the excise duty on 14 items has been abolished but not in the case of coffee. I do not understand the rationale behind this retention. The export duty on coffee is Rs. 7200 per tonne. So, these measures are adversely affecting the cash crop States like Kerala where majority of the plantations are small and marginal with less than 4 crores. Unless the Government comes forward with an export and import policy aimed at to ameliorate the economic conditions of plantations, I am afraid that the disparity in income and employment will not be reduced in this sector. The coffee cultivation has been reduced drastically by converting these coffee

plantations into some other remunerative crops.

The Husk Control Order is awaiting the approval of the Central Government for the last several months. This may also be looked into.

I would request the Hon. Minister through the august House to take necessary steps so as to prevent conversion of coffee plantations into some other remunerative crops and also to see that the Husk Control Order is given approval without any further delay.

With these words, I whole heartedly support the Demands relating to the Ministry of Commerce and Supply.

SHRI K.R. NATARAJAN (Dindigul) :  
Mr. Chairman, Sir, on behalf of the AIADMK, I support the Demands for Grants relating to the Ministry of Commerce and Supply. Yet, I would like to say a few words on the subject.

The exports in 1983, from April to December, were to the tune of Rs. 6,858.3 crores and the imports during that period were to the tune of 10,416.5 crores. The exports during 1984 were of the order of Rs. 8,146.2 crores and the imports were of the order of Rs. 11,746.1 crores. So, consequently, the trade deficit during the period April to December, 1984, was to the tune of Rs. 3600 crores which is higher than the trade gap of Rs. 3,558.2 crores in the previous year. So, the trade gap has to be bridged,

We have to produce more and export more than what we import. Then only the economy of the country will improve. A number of unimportant items imported can be reduced. For example, synthetics, alloy steel Australian wool tops and chemicals have to be imported less and indigenous industries have to be encouraged to produce more of these items.

We talk of self-sufficiency on food front. Yet, we import wheat from foreign countries, specially USA. The farmers are not given remunerative prices. Their condition is worse. The condition of agricultural labourers is still worse. Their condition has to

[Shri K.R. Natrajan]

be improved. Trade and commerce have to be agriculture-oriented and employment-oriented.

There should be large-scale production in the country. In Japan, each and every Japanese is given a job. Like that, every Indian citizen should be given a job. They produce more of sophisticated and industrial goods in Japan. They have improved their economic position tremendously. Japan was completely destroyed during the Second World War. Yet, they made good the damage and they improved their position in the economic field. Russia was also completely ruined during the Second World War. Their economy was completely shattered. Yet, they built up their economy so well that they could compete with USA in each and every field. USA was not a loser in the Second World War. Russia renders lot of help to the East European Countries like India. It helped China in the 50s. Socialist countries are the purchasers of more than 40 per cent of our export goods. Our trade and commerce with other countries has to be improved. The Government should find out the reasons for slow progress in exports. In trade and commerce, we should produce more and export more.

Jute in West Bengal has to be developed and exported to other countries.

Rubber industry is not yet developed in India. We import rubber from foreign countries to meet internal demand. Rubber industry has to be developed especially in Tamilnadu where rubber is available.

Import of wheat and edible oil has to be reduced to a great extent.

Coir industry has to be improved in Kerala. That must be exported to the foreign countries.

Agriculture is the largest industry in India. That has to be mechanised. All rivers in India have to be declared national rivers and utilised fully. The project of Ganges-Tamraparni should be implemented and completed. Agricultural production should be improved. The agricultural products should be exported to traditionally deficient countries.

Handloom is the second largest industry in India. It should be modernised. Modernisation does not mean mechanisation. By it I mean improvement of looms. There is a great demand for handloom products and handicrafts all over the world. So, handloom products and handicrafts should be produced more and should be exported to other countries.

Tobacco farmers are bound to sell their tobacco to merchants. The profit goes to the traders. Therefore, the long-felt need to form a separate Wing in the Tobacco Board should be satisfied.

The sophisticated, machinery for match-making is now being imported. It will render a number of people jobless. Therefore, one of the main aims should be job-orientation in industries. Cottage industry should be developed because it will provide employment to millions of people.

It is generally said that the export market is dominated by private people. The domination has to be eradicated or reduced.

The cashew farmers are not getting proper and reasonable prices for their produce. Reasonable price should be paid to the cashew farmers.

Cardamom is the main crop in Tamilnadu and Kerala. The Cardamom Federation is not selling cardamom to STC. The profits go to the middlemen. Therefore, the Government should see to it that the Cardamom Federation sells cardamom to the STC. The fruits should go to the farmers.

The economy involved in jute, textile, tea and coffee industries is self-generating economy. It should be developed and trade should be improved in this context. India will get a dignified position in the world economy by this means,

[Translation]

SHRI G.L. DOGRA (Udhampur) : Mr. Chairman, Sir, I support the demands for grants of Ministry of Commerce and Supply presently under discussion. The fact is that this Department is very important for our economic upliftment and in this connection

I would like to submit before you some new points.

Some new things which were to be spelt out in this connection have already been explained in his Budget Speech, by our Hon. Finance Minister who is also holding the portfolio of Commerce. But, unfortunately in spite of all the facilities being provided, the State Governments do not work in right earnest. I would, therefore, like to draw the attention of Hon. Finance Minister to the fact that, unfortunately, he has provided so many facilities to the State Governments for small scale industries that they are left virtually with nothing to do except registration. All bottlenecks have been removed. But, I have seen in Jammu that the local officers or General Managers of Industries are still trading on the same old line. From that it appears that either your new policy has not reached them or they are ignoring it deliberately. Perhaps the same situation might be prevailing in other States as well. Now, I feel that the misfortune of our country is that the Central Government do take good steps, take up good works in right earnest, but the State Governments do not pay attention to the extent they should have paid. If they also pay that much attention, much progress can be made. Therefore, I want to submit to the Hon. Minister who is young as well as dynamic that he should pursue his policy with the State Governments. But the trouble is that if he lays more stress, the opposition members make a hue and cry that you interfere in the affairs of the States. You have got power but you can use that power through the instrument of State Government. But when the State Governments do not pay attention to it, how can this policy be implemented? Therefore, I request you to pay a little more attention to it and for this purpose you should organise a study circle so that the concerned officers and Ministers could know how this work is to be done, because whatever new measures you take, these officers do not know how to implement them. I am apprehensive that we may not have the same conditions here in India as those obtaining in Iran because in some areas there might be tremendous progress, in some pockets we may progress industrially and in some other pockets we may make strides in agriculture but the major part our country may remain so much backward and give rise

to so much difference that the situation may go out of your control. Thereafter, even your successors will not be able to control it and the situation will worsen. Therefore, you must take personal interest. You have issued so many directives with regard to the implementation of your policy stressing that small scale industries should grow rapidly in backward areas, but they are not doing anything. Backward areas cannot make progress without the assistance and guidance of the State Government. Therefore, kindly get these things examined afresh and evolve a new mechanism through which the work could be carried on smoothly, because at present the things are not moving at all. You have announced all these concessions which were not given earlier, but the States which are backward, are hilly and have no industry are doing nothing in this regard. The time at my disposal is limited, therefore I would now express my views in the demands for grants. The textile industry can remove the backwardness of our State. But, at the present juncture, they are passing through a big crisis and that too of a strange type. Our traditional approach does not hold good today. The people have no stocks of goods. Even the small quantity of goods which they are producing does not have brisk sale. They are worried whether the goods produced by them will be sold out or not. There is another difficulty. The prices have risen considerably and due to this increase in the prices, the poor people cannot buy the goods. As a result of it, our country which was a leading country, particularly, in cotton textiles during first World War, is lagging behind and even Japan has forged ahead of us today. In my view, the reason behind it is that we do not have modern machines with which we could improve our position. We must pay attention to the fact that the machines, the looms on which we weave the cloth at present are very old and obsolete due to which we cannot compete in the national and international markets. We have not paid any attention to it. I do not think the people engaged in the textile industry, who are manily in the private sector, do any research work in this field. I was amazed to see the product of one of the Bombay Mills selling briskly. An expert told me that looms had been imported from Switzerland and I do not know if there would not have been designed here afresh after purchasing a prototype. The products of that mill started sell-



[Shri G.L. Dogra]

ing like hot cakes while the goods produced by the mills having old and obsolete machinery did not sell but started piling up. Today, our position is that we have not been able to improve upon our looms and the people who were not in this line at all developed new models and their products started selling the world over.

I think, we do not have any worthwhile organisation for marketing. Attention must be paid to it.

I would like to congratulate you that your Trade Fair Authority and three other authorities which you have created, are doing a fine job. They have organised exhibitions, owing to which we have a name in the international market. I had a chance to visit one or two places. These organisations have held our name high in the international market. But, you will have to improve a bit the working of our organisations in the private sector as also S.T.C. in particular. There should not be any closed door policy. Those who have entered the field do not let the newcomers enter it. Attention should also be paid to it. New channels are not being created for them even outside. Your new Managing Director has made an attempt to change it, but the vested interests are so deep-rooted and strong that they do not allow any change to take place.

You will have to pay attention to the handloom sector. Only handlooms can remove our unemployment to a great extent. In every State, a sizeable population depends on handlooms. Some of these handlooms have been closed down as they do not have any work. Some of them do have stocks. The designs of the handlooms are also old. I am of the view that if the State Governments provide proper modern facilities to handlooms, provide facilities for designs and marketing, our goods can go even to the international market and our unemployment problem can be solved to a great extent. This aspect needs your attention.

I do not want to repeat the suggestions made by Shri Yadav. We should make efforts to sell the unsold stock. So far as powerloom are concerned, they can do quite good job, but they too have their own problems. Powerlooms too do not have any marketing organisation and only State Governments

can create such an organisation and it is for them to take steps in this direction.

I would like to draw your attention to the woollen sector. Tweed used to be manufactured in our Jammu and Kashmir in the woollen sector. It was very popular and it had an international market too. But, it so happened that neither the State Government took interest in it nor the Central Government paid any attention to it. Only a very few craftsmen are now left in this field. I have heard that even in England, the best of their tweed is manufactured in the cottage industry and not in big factories. No big technology is involved in it. Our tweed was no less popular than theirs but still it has disappeared. Even now some woollen cloth is produced in some of the backward areas of our State and it is very popular. A variety of cloth is manufactured there. I would request that you assign this duty to somebody who should pay attention to it in co-operation with the State Government. These industries exist in our State, Himachal Pradesh as also in U.P. We can extend the woollen industry to the far-flung areas through handlooms and its product can even be exported. Therefore, you should pay attention to it.

Sir, at the same time, I would like to tell him that the entire *Pashmina* which we have, is produced in Ladakh. Till a few years back, *pashmina* used to be procured from Tibet. After the dispute with Tibet, we reared some goats. The people who rear, these goats lead life of nomads. During the peak winter and heavy snow falls, their goats are killed. Therefore, steps should be taken to see that they do not suffer any loss.

In our country *pashmina* is used extensively. Both males and females long for it. Therefore, the more the incentives to this industry, the better it would be. The Central Government should hold discussion with the State Government in this regard and should endeavour to encourage it further by taking ample interest in it.

You are taking very good steps to promote handicrafts, but it needs more attention on your part. Although you are making efforts in respect of training in and marketing of handicrafts, these efforts are not up to the

desired level. Marketing has an important role in it. You should go in for the modernisation of their tools.

We have carpets, embroidery and wooden handicrafts in our State. Every State has a handicraft of its own and you should pay attention to them. This handicrafts work is done mainly in the backward areas. Therefore, our Hon. Minister should pay full attention to them so as to bring prosperity there and to remove the problem of unemployment.

Now, I would like to say a few words about tea and coffee. The area of cultivation under these two plantations should be increased. Tea growing in District Kangra is still being practised on the same old lines. No new technique has so far been developed for its further improvement. Tea cultivation can also be done in some areas of Bihar adjoining West Bengal.

In so far as coffee is concerned, we have seen that there is a vast scope for its expansion. Coffee was being cultivated in Nicobar area, its quality was also good, and it is in great demand in the market also but we have not captured foreign market for it to the extent that we should have done.

The Tea Board has done a good job in popularising tea. This work needs to be kept up further. If you pay attention to all these things, we shall be able to improve the financial position of some of our people on the one hand and also remove unemployment on the other. It will be better if your Ministry sets up a monitoring cell for this purpose which should oversee the working of these Boards and study them. The report is submitted to you, you take action on it also, but it is at the lower rungs where the people remain inactive. You should pay special attention to all these aspects.

With these few words, I strongly support the Demands for Grants of this Ministry.

[English]

THE MINISTER OF STATE OF THE MINISTRY OF SUPPLY AND TEXTILES (SHRI CHANDRA SHEKHAR SINGH) : Mr. Chairman. Sir, I am extremely grateful to the Hon. Members for the support that they have extended to the Ministry of Commerce and Supply and also to those who

have made constructive suggestion and referred to specific problems in their speeches.

The textile sector has three clearly defined sectors within itself—the composite mill sector, the powerloom sector and the handloom sector. At the present moment, as some of the Hon. Members have spoken, at times it appears that one sector is trying to push into the territory of the other sector at the cost of the other sector. I would not go into the details of this situation. The House is aware that the Textile Policy was announced last in 1981. We are engaged at the present moment in the task of formulating and concretising the textile policy for the next few years. The Exports Committee is expected to submit its report to me in a day or two. We hope that we should be able to take the House into confidence and announce the new textile policy during the current session of Parliament. But care would be taken to see that all the three sectors of the textile industry function in perfect harmony or at least their interests do not collide and create difficult situation for all of them.

Mr. Chairman Sir, I would like to briefly refer to some of the important aspects of the situation and take this House and our country into confidence.

I always consider that whatever policy we formulate and implement, our prime concern should be to protect the interests of the consumer, the common man. We sometimes tend to take a view where it appears that sectional interests are occupying a more dominating position in our thinking and in the formulation of our policies and programmes.

The first responsibility of the Government is to see that the level of per capita availability and consumption of cloth is increased in this country. A look at the figures of the per capita availability indicates that there has not been any major change in the situation during the last so many years.

What is significant is that a shift has taken place in the pattern of consumption from cotton to non-cotton and blended or mixed fibre fabrics. People are taking to these fabrics because they are more durable, their wear life is higher. The rate of substitution has been of the order of two per cent per

[Shri Chandra Shekhar Singh]

annum. This shift is visible not only in the urban areas but in rural areas as well and it touches even the lower income groups. During the Seventh Plan, considering the income elasticities relating to these categories of fabrics, with the anticipated rate of growth of GNP of 5 per cent per annum, the estimated rate of growth of per capita consumption of these fabrics is minus 1.66 per cent for cotton plus 7.8 per cent for non-cotton and plus 6.57 per cent for blended and mixed fibre cloth. In the terminal year of the Seventh Plan period, the estimated per capita consumption of textiles in the household sector is as follows :

Cotton	9.06 metres
Non-cotton	2.31 metres
Blended or mixed	3.77 metres

If you take into consideration the durability factor, the cotton cloth equivalent works out to 22.19 metres against 17.70 metres in the Sixth Plan. That way, we hope to make available for the common man in our country more cloth and we are trying to gear up production to that end.

The next question which is of deep concern to all of us is the employment factor. The textile industry is very important, not only from the angle of production but also from the angle of employment and export earnings. It has been estimated that in the year 1984-85, the total number of workers in this industry in the mill sector is 8.84 lakhs. Doubts have been raised and apprehensions have been expressed whether retrenchment would not be resorted to if the modernisation process had to be accelerated in the mill sector. We would like to make it clear that while in some cases this might be necessary, but by increasing the spindlage, we hope that the present level of employment in the mill sector would be maintained by the end of the Seventh Plan period. Government are taking measures to increase productivity of labour and machinery by implementing proper training programme for workers and we are also enlarging the programme of workers' participation in the management and trying to modify in a manner so that it becomes more effective and meaningful.

In the powerloom sector, by the end of

the Seventh Plan period, the employment is expected to be of the order of 35.32 lakhs. The handloom sector is the most employment oriented sector and efforts are being made to raise the level of employment in this sector and introduce a package of measures which will not only raise the level of employment but will also raise the earnings. The estimated rise in employment in the handloom sector is from 57 lakhs on full employment basis in the year 1984-85 to 98 lakhs in the year 1989-90. Thus from the present level of 98 lakhs + employment, we hope, in the next five years, we shall be able to create employment opportunities for 142.16 lakhs of workers in this country. In addition to this, indirect employment will be provided to cotton growers and in ancillary trade, which would come to an order of nearly 100 lakhs, i.e. one crore. This, however, excludes employment in textiles— in silk yarn and other fabric trade.

Hon. Members have always raised in this House the question, how the sickness, which is prevailing at the present moment in the textile industry will be met with. This is a matter of serious concern and it is only natural that Hon. Members would be expressing their anguish and their concern over this issue. Members in their anxiety to tide over the present crisis, always repeat the demand of nationalisation or take over. I need not repeat but I would like to make it clear to the House what the Government's policy on sick industries or take over of such industries is. It is amply clear that the present policy is to make all efforts and these efforts have to be directed by the administrative Ministry to review and rehabilitate sick units with the help of the banks and financial institutions and take over shall be resorted to only if the unit is supposed to become viable within a reasonable period of time and if it is in public interest. I would like to make it clear to the House that we consider industrial sickness is a concomitant phenomenon of the very process of industrialisation in which poorly conceived projects or badly managed units would tend to become sick and may have to be closed down, while better planned projects or better managed undertakings will come up. We cannot rule out this possibility altogether. However, we are trying to meet the situation as best as possible. According to the Reserve Bank of India, upto June 1982, there were 435 large industrial sick

units with an outstanding bank credit of Rs. 1728.95 crores. Out of them, 111 undertakings were textile units. This number has increased to 123 in 1983. This industry is in a low profit area and is also subjected to cyclical patterns of fortune. I need not go into the detailed analysis of the causes of their sickness. But I may briefly mention that in short run, the problems relate mainly to short-fall in cotton production and upward rise in input costs, while long term problems are mainly structural imbalances, backlog of modernization, low productivity, growth of powerloom etc. Modernization of textile industry, as Hon. Members have pointed out, has long been neglected, leading to obsolescence of equipment. We have to meet the situation, and try to bridge the gap between actual production and potential productivity. It is highly important that the level of both labour and machine productivity is increased, substantially enhanced to compete with the advanced countries of the world, so that we many come up fast and establish ourselves in the international market.

I would refer briefly to the performance of N. T. C. which is presently responsible for managing 103 nationalized, and 23 managed units. This is largely a burden caused by mismanagement by the private sector. N. T. C. has taken over these mills in the larger public interest, and is trying to manage them as best as possible. Certain improvements have taken place, and the situation is not as gloomy as it is sometimes made out to be in the N. T. C. The production value has gone up from Rs. 225 crores in 1975-76 to Rs. 641 crores in 1984-85. The spinning productivity has gone up, and weaving and spinning utilization has also considerably improved.

I would like to tell the House that nearly half the NTC-managed mills have been able to cut out losses, and come out of that bad situation. Losses from April to December, 1984 have been at Rs. 15 crores per month. During the last quarter of the last financial year, i.e. January to March, they have been reduced to Rs. 11 crores per month. A modernization programme has been envisaged, and we hope that it would have the right impact, and create a better situation in the future.

2.54 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

During the last several years, the expenditure on modernization has been of the order of Rs. 296 crores, and the expenditure on this programme is expected to be of the order of Rs. 347 crores in the 7th plan period. But we must also keep in mind that the NTC is contributing considerably to the State exchequer by way of excise duties and taxes to the tune of Rs. 40 crores per year, and employs 2.5 lakh workers at the moment. We hope that if certain hard decisions are taken and the modernization programme is implemented, we shall be able to create a much better situation than what obtains at the present moment. I would like to say, a few words about the export of textile items. Textile constitutes a significant portion of our export from India. It is around 20 per cent of the total export. India's share in clothing has risen from 0.71 per cent in 1970 to 2.44 per cent in 1982. However, in respect of cotton fabric woven, India's share has come down from 6.85 per cent in 1970 to 4.07 per cent in 1972; and in respect of woven textile non-cotton, the decline is from 4.77 per cent to 2.74 per cent during the same period.

The relative position of India in the world trade in textile has also suffered between 1963 and 1982. India which ranked fourth in the world textile trade in 1963 has come down to ninth position in 1973 and 13th position in 1982. One of the main reasons for this slippage is the lack of modernisation of the textile industry. Certain other factors are also there, but I think all those engaged in the textile industry, artisans, workers and the entrepreneurs, they must realise that they must step up their performance if the textile industry is to compete in the world market. Several new countries have been able to build up their strength and compete with us and even elbow us out. In fact, it is extremely important that all efforts should be directed to this purpose, to the objective of making our textile industry competitive in the world market. During the last two years, there has been promising increase in the export of garments, but a glance at the present situation would lead us to think and consider that our main strategy henceforward should be to diversify not only the items of export but also our market.

There have been disturbing reports on a proposed legislation in the United States which seeks to curb the imports. We hope

this legislation would not be enacted and these countries would not go that far in pursuance of their protectionist policies. The developing countries have also taken a stand in the international fora that trade in textile and clothing should be governed by normal GATT rules without any special dispensation like MFA. This is the present position and we hope that, with the modernisation of the industry better quality control and eliminating such other constraints, we shall be able to push up our export in the years to come. Mr. Chairman, I would like to say just a few words regarding the handloom sector of textiles which is so important because it concerns millions and millions of our handloom workers. This occupies a very prominent place in the textile sector of the economy but as Hon. Members have pointed out, it is marked by considerable unemployment and underemployment and low level of earnings for the handloom weavers. I would not go into the details of the reasons which contribute to this situation but we all know that they are lack of proper weaver organisations, lack of availability of inputs, including working capital, the absence of a reliable marketing system and there are inherent technological constraints so that an ordinary handloom worker or weaver is not able to earn much for his day's labour.

I would not like to go into the details of what we proposed to do but I would like to assure the House and all those engaged in the handloom industry that we are trying to tie up all the loose ends right from the stage of marketing their products and evolve a system in consultation and cooperation with the State Governments and their organisations, so that the interests of the weavers are fully protected, they are able to earn much more than what they do at the present moment and more employment is generated in this sector.

Members have referred to the need for reservation of certain items of production in the handloom sector. Shri Shyam Lal Yadav repeatedly referred to this issue in his speech. The House is aware that a law has been enacted recently for reservation of certain varieties of handloom fabrics for exclusive production in the handloom sector. The rules are being framed and the policy of reservation which was being pursued even in the past shall be made fully effective. The handloom weavers are also greatly benefited by the

janata cloth scheme. At the present moment, during the year 1984-85 production of janata cloth has been of the order of 330 million metres by handlooms. As is well-known to the House, it is the policy of the Government that the production of janata cloth would be increasingly made by handlooms in the next year. This is going to be enhanced to 370 million metres and more work would be provided to the weavers.

A number of welfare schemes have also been formulated for the weavers. I would not like to go into the details of these schemes but briefly mention them. First is a thrift fund like the provident fund scheme for handloom weavers.

We are also considering construction of household-cum-work-sheds for the weavers with the help of financial institutions and other organisations. Then there is the scheme of medical assistance to them. Also some particular scheme for women weavers and a hill area development project for development of woollen items in Kumaon and Garhwal areas of UP have been contemplated. This sector is highly important and we shall take every care to see that the interest of the handloom weavers is protected, their earnings are increased and more employment is created in the handloom sector.

I would like to say a few words about the controlled cloth scheme. In the Textile Policy Statement of 1981 it was envisaged that the total production of cloth by the handlooms or the NTC mills would be 650 million square metres. The share of handloom sector has been increased to 370 million square metres. This policy would continue to be pursued.

A study has been made of distribution of controlled cloth which reveals that this scheme has an urban bias and that mostly those living in urban areas have benefited by this scheme. We are in consultation with the Civil Supplies Ministry. I have discussed the matter with the Civil Supplies Minister also. Very soon we shall be able to formulate a distribution system by which we shall be able to ensure distribution of janata or controlled cloth in the rural areas where the poor people mainly live. I would like to

remind the House that the price of controlled cloth within the reach of the common man has not been revised since July, 1981. Subsidy has been increased but prices have remained at the 1981 level. We are trying to implement this scheme as best as possible and streamline its distribution system.

I would like to say a few words about what our Hon. Members have specifically referred to. Shri Shyam Lal Yadav has urged the Government to make arrangements for supply of silk yarn to those engaged in the production of Banarsi sarees in his constituency. I shall certainly look into the matter and try to see that every possible measure is undertaken to ensure all facilities to the workers engaged in the town because Banarsi sarees are famous world over and they should be able to retain their grandeur.

Shri Lalit Maken is a labour leader and naturally he feels concerned that some of the mills working here should not close down and that every effort should be made to avoid the situation which is sought to be created by proposals of closures and lockouts. I have gone into the situation relating to this particular mill which he has mentioned in his speech, and I am in full agreement with his approach and shall try to see that his point of view is accepted and workers are not retrenched.

About the DCM, the position is well-known that the Delhi Administration has not accepted the plea of the millowners which is likely to create unemployment for more than 8,000 workers and depress the economy of the entire area. We are in full agreement with his approach and shall try to do whatever is possible in this regard.

Shri Giridhari Lal Vyas Ji has referred to the Mewar Textile Mills. He is well aware of the situation as he has given the details in his speech also. I am informed that the package of relief measures have been discussed by the Group of officers constituted to look into the problems of closed mills and those measures have been finalised. But Vyas Ji has referred to the suggestion of certain financial institutions to modify the scheme. I shall look into it. I expect, and I am informed so, that the mill is expected to be reopened shortly and will try to remove the constraints in its way.

I need not say anything more except a few words about the jute industry about which a discussion took place here when a Calling Attention Motion was under consideration. I would only like to inform the House that immediately thereafter, I tried to contact and communicate with the State Government. We have sent repeated reminders to them but I have not yet received their assessment of the situation. A delegation of Congress Members of Parliament from West Bengal, led by Shri Ashok Sen himself, met me a few days back and urged upon this Ministry that every step should be taken to reopen the closed mills as soon as possible. But it is the primary responsibility of the State Government and at least I expect that they must come forward with certain proposals. We cannot sit in a vacuum. So far I have not received any such proposal except proposals for general nationalisation which is not the panacea for all difficult situations and certainly is not going to be achieved within a month or two or three. The present crisis, as I explained that day, will continue for some time unless we are able to find a way out of it, say, for three months or so. After the next crop is available, we hope that the jute mills would get adequate supply of raw jute and that they would be able to start their work. But we are extremely anxious that some immediate solutions should be found. I would like to assure the House that as soon as I receive certain concrete proposals or even some proposals in any form from the State Government, we will try to call all the parties concerned—the mill owners, the workers' representatives and the State Government—and will try to find a solution to the present situation. I hope that the textile industry which is facing a very critical situation will get over it. It is a challenging job for the industry because it is suffering because of the obsolete machinery, excess labour, fluctuations in the prices of cotton and several other constraints, but I would like to assure the House that we will come soon to the House and spell out our policy statement in this regard and make all efforts to enhance the present level of its performance by modernising the industry as best as possible and as quickly as possible to improve its competitiveness in the world market so that our objectives and goals of increasing employment and earnings of the workers in this sector as well as our objectives of increasing the export earnings of the country and also above all

the goal of providing cheap and durable cloth to the common man is achieved.

I thank the Hon. Members for their highly constructive suggestions. I assure them that whatever specific points they have raised will receive our urgent and best consideration.

**SHRI THAMPAN THOMAS** (Mavelikara) : The Hon. Minister has mentioned certain things in detail about the textile industry, but one of the main, export items about the marine products, which has suffered a lot during the past few years, has not been touched upon. In the 70s there was a boom in the export of marine products, but in the 80s it has dwindled very much. Its export has come down to fifty per cent of what was exported earlier. It seems the Government has no scheme to give more preference to boost its export to earn more foreign exchange.

I would like to say that the import-export policy which the Government have now presented before the House and the country on the whole seems to be a shift from the earlier policy in the sense that the present policy will stay for three years. Apart from that very many relaxations have been given in this policy. But I wonder how these relaxations will affect the social and distributive justice. These concessions have no favourable implications in regard to these objectives. Rather these concessions will help the people who are engaged in this to earn more. Of course, the approach of the Government is to give these relaxation to enable more production and more export. But ultimately the benefit does not go to the common people. It will only go to a section of people who are controlling still the export market and mostly the money which they spend for exporting is from banks or by taking loans from Government sector. So, mostly the money involved in this business is the money of the Government, whereas the benefits go to the individuals and private sector. Therefore, a policy approach from the Government to reduce concentration of private sector in this is very much needed. My view and my suggestion in this matter is that as far as possible, the cooperative sector is to be encouraged. If the cooperative sector, the nationalised sector and the Government sector are encouraged in this matter, then the

exploitation can be reduced very much. When the Government has not said about the approach on that line where is the relaxation is given? I would like to point out that there is a relaxation given for import of machineries and the past experience is that when the import policy was relaxed in the case of chemicals, when the chemicals required here were imported from abroad, that had immediately caused a slump in the chemical industry. Many of the chemical industries which are producing chemicals here are suffering and many of the industries are under lock-up. In my State, chemicals industries are facing a very big crisis especially the middle-type chemical industries. Now, a new experiment is going to be made by the Government in importing machineries from abroad. If these machineries are being imported, then the most affected will be the companies like the BHEL or other Government undertakings. So, a balanced approach has not been made in this domain. My objection to the export-import policy is that the approach is to give relaxation without restriction and because of the relaxation, the section which is going to be benefited is the exporters and the private sector who handle their business with Government money and bank money. When people are involved in this business with the money of the Government or the bank, why can't the Government think in terms of involving directly rather than encouraging these people? Of course, may be the Government's view is to increase production and to have a higher rate of growth in national income. There cannot be two opinions that national income has to be increased and that has to be done. At the same time, the income which we receive has to be distributed to the common people. There is no approach of that type. I would like to point out that in the agricultural sector there was an increase of 11.4 per cent in production in the Sixth Five-Year Plan. But all the people in this country are not having one meal a day. Can the Government assure that the entire population in the country will be given at least one meal a day when we say that the country is self-sufficient in food and we are expecting the export of foodgrains? So, my submission is that first of all, the Government will have to establish credibility among the people that what they produce goes to them. Then only they can be involved in production with sincerity. When the Government brings out the present policy, they should give assurance

that distributive and social justice is given. There is no story of an exporter who has lost his business. He starts business only to become a multi-millionaire with the money of the bank or of the Government. If he loses in business, ultimately that is the loss of the bank. This money is of the tax-payer. The Government has not thought about this seriously. When concessions were given there should be some method to restrict them from exploiting. My submission is that there is no proper approach for social justice and distributive justice in the import and export policy. I fear very much because the industries in India will be affected by the present policy, just like what had happened when the Government decided to import chemicals from abroad. You know how it had affected the chemical industry in India. In the same way, the Heavy Engineering industry will be affected in the future days.

Secondly, when the import policy is changed and liberalisation is given and when more things are imported, it will end in joblessness. Now the present rate is that 26.85 million people are unemployed in this country and the Hon. Minister was submitting in his statement that at the end of the Seventh Five Year Plan, the rate of employment in the textile industry would remain the same. That means, for the next five years, there is a moratorium for employment in the textile industry which is the largest industry in the country where 8.65 lakh people are working. There would be no fresh appointment in that sector at all for five years. So, you can see how dangerous it is. This sector was giving employment for the people who were coming in search of jobs. Already the registered number alone is 26.8 millions. Therefore, your approach will ultimately end in disaster to the working class in this country. Therefore, my submission is that the Government should have a programme for re-employment and rehabilitation of the people who are thrown out of employment on account of mechanisation or nationalisation.

I will come to the very particular point regarding my State, i.e. Kerala. Kerala is very much in the export business. They are exporting most all the cash crops grown there. But there is no encouragement in this approach paper. There is no any sort of encouragement for the export of cash crops or commodities from Kerala. Coir product is an item which

is exported. 70% of the coir product is exported from Kerala. But still the traditional industry, the age-old industry where millions of people are engaged is in peril. The common man's living in the State and his women, children and family who are running that industry are now put to peril. The traditional industries like coir, handloom, cashew processing are all suffering a heavy set back. I would like to point out that there is a trend in my State to drive away these industries to the neighbouring States. This is also due to lack of Governmental coordination in this matter. The Government has failed to give a coordinated approach—whether the industry is running in Tamil Nadu, Kerala or Karnataka or any other State—and there should be a Centralised policy in this matter. If there is no centralised policy, there should be regional policy, at least. The industry is going away from one State to another State which causes unemployment in that State.

PROF. N.G. RANGA (Guntur): It is because of the mistake of the State.

SHRI THAMPAN THOMAS: It is not because of the mistake of the State but because of the absence of a regional policy in this matter. If there is a regional policy, at least, the cashew industry would have been there. If cashews were permitted to be imported or cashews were made available for workers in this area or re-scheduled in a manner which would have brought cashews in these areas, this situation would not have happened. For coir also, it is the something. For handloom also, it is the something.

I would like to refer at the end to some of the issues in my State. I would like to state in regard to marine products, cashews, coir, cardamom and rubber. For such cash crops, the Central Government will have to give necessary encouragement in this matter.

I will conclude that the overall approach in this paper is not for the common people but for a section of the people. It is for those who are having something. It is not for the workers; it is not for the common people. But it is for the people who are still controlling the nation. It is because their purse is big. They have access to the banks; they have access to money. They can control the



whole affair and relaxation given in this export-import policy will once again make them rich and richer. The poor will remain poor and poorer.

Mr. DEPUTY SPEAKER : Now I request the Hon. Minister of Finance to make a statement.

15.30 hrs.

STATEMENT—RE : GRANT OF INTERIM RELIEF AND ONE MORE INSTALMENT OF ADDITIONAL DEARNESS ALLOWANCE TO CENTRAL GOVERNMENT EMPLOYEES

[English]

THE MINISTER OF FINANCE AND COMMERCE (SHRI VISHWANATH PRATAP SINGH) : Sir, I would like to make an announcement regarding Interim Relief to the Central Government employees. Government had felt that having set up the Fourth Pay Commission it would be appropriate if that Commission considered the need for any relief of an interim character during the course of its deliberations. The terms of reference of the Pay Commission were therefore suitably amended by the Government in order to enable the Commission to submit a report of interim character in this regard. The Commission has now recommended an instalment of Interim Relief at the rate of 10 per cent of the basic pay of the employees subject to a minimum of Rs. 50/- per month to be paid with effect from 1st March 1985. They have further recommended that this amount of Interim Relief should be taken into account for determining the retirement benefits only and not for any other purposes.

Government have decided to accept this recommendation of the Pay Commission. The financial implications of acceptance of this recommendation of the Pay Commission will be about Rs. 327 crores per annum. This will benefit about 5 million Central Government employees including Armed Forces personnel, employees of the Union Territories and officers of All-India Services.

I would like to make another announcement which concerns the Central Government

employees. With the increase in average index to 576, Government have decided to pay an instalment of dearness allowance to the serving employees and dearness relief to pensioners with effect from 1-1-1985. The financial implications of payment of this instalment of dearness allowance and dearness relief are likely to be Rs. 81.6 crores and Rs. 9.3 crores respectively during the current financial year 1985-86.

MR. DEPUTY SPEAKER : We now take up Private Members' Business : Bills for introduction.

BEEDI AND CIGAR WORKERS  
(CONDITIONS OF EMPLOYMENT)  
AMENDMENT BILL\*

(Amendment of Section 2, etc.)

[English]

SHRI AJIT KUMAR SAHA (Vishnupur) : Sir I beg to move for leave to introduce a Bill further to amend the Beedi and Cigar Workers (Conditions of Employment) Act, 1966.

MR. DEPUTY SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Beedi and Cigar Workers (Conditions of Employment) Act, 1966."

*The motion was adopted.*

SHRI AJIT KUMAR SAHA : I introduce the Bill.

CONSTITUTION (AMENDMENT)  
BILL

(Amendment of Eighth Schedule)

[English]

SHRI HARISH RAWAT (Almora) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

\*Published in Gazette of India Extraordinary, Part II, Section 2, dated 26-4-1985

**MR. DEPUTY SPEAKER :** The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

*The motion was adopted.*

**SHRI HARISH RAWAT :** I introduce the Bill.

RESERVATION OF POSTS IN SERVICES AND SEATS IN EDUCATIONAL INSTITUTIONS (FOR PEOPLE BELONGING TO ECONOMICALLY BACKWARD AREAS) BILL\*

[English]

**SHRI HARISH RAWAT (Almora) :** Sir, I beg to move for leave to introduce a Bill to provide for reservation of posts in the services of Central Government and public undertakings and seats in all types of educational institutions for people belonging to economically backward areas.

**MR. DEPUTY SPEAKER :** The question is :

"That leave be granted to introduce a Bill to provide for reservation of posts in the services of Central Government and public undertakings and seats in all types of educational institutions for people belonging to economically backward areas."

*The motion was adopted.*

**SHRI HARISH RAWAT :** I introduce the Bill.

EQUAL REMUNERATION (AMENDMENT) BILL\*

(Amendment of Section 10, etc.)

[English]

**SHRIMATI BIBHA GHOSH GOSWAMI (Nabadwip) :** Sir, I beg to move for leave to introduce a Bill to amend the Equal Remuneration Act, 1976.

**MR. DEPUTY SPEAKER :** The question is :

"That the leave be granted to introduce a Bill to amend the Equal Remuneration Act, 1976."

*The motion was adopted.*

**SHRIMATI BIBHA GHOSH GOSWAMI :** I introduce the Bill.

WELFARE OF HANDICAPPED, DISABLED AND MENTALLY RETARDED PERSONS BILL\*

[English]

**SHRI B. V. DESAI (Raichur) :** Sir, I beg to move for leave to introduce a Bill to provide for the welfare of persons who are born handicapped, disabled or mentally retarded.

**MR. DEPUTY SPEAKER :** The question is :

"That leave be granted to introduce a Bill to provide for the welfare of persons who are born handicapped, disabled or mentally retarded."

*The motion was adopted.*

**SHRI B. V. DESAI :** I introduce the Bill.

UNION TERRITORIES (PREVENTION OF UNAUTHORISED WRITINGS ON THE WALLS) BILL\*

[English]

**SHRI N. VENKATA RATNAM (Tenali) :** Sir, I beg to move for leave to introduce a Bill to prevent unauthorised writings on the walls of Union territories.

**MR. DEPUTY SPEAKER :** The question is :

"That leave be granted to introduce a Bill to prevent unauthorised writings on the walls of Union territories."

\*Published in Gazette of India Extraordinary, Part II, Section 2, dated 26-4-1985

*The motion was adopted.*

SHRI N. VENKATA RATNAM : I introduce the Bill.

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**SPECIFIC RELIEF (AMENDMENT)  
BILL\***

(Amendment of Section 14)

[English]

SHRI VIRDHI CHANDER JAIN : Sir, I beg to move for leave to introduce a Bill further to amend the Specific Relief Act, 1963.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Specific Relief Act, 1963.”

*The motion was adopted.*

SHRI VIRDHI CHANDER JAIN : I introduce the Bill.

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**WIDOWS' PENSION BILL\***

[English]

SHRI VIRDHI CHANDER JAIN : Sir, I beg to move for leave to introduce a Bill to provide for payment of pension to destitute widows.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for payment of pension to destitute widows.”

*The motion was adopted.*

SHRI VIRDHI CHANDER JAIN : I introduce the Bill.

**CODE OF CRIMINAL PROCEDURE  
(AMENDMENT) BILL\***

(Amendment of First Schedule)

[English]

SHRI VIRDHI CHANDER JAIN (Barmer) : Sir, I beg to move for leave to introduce a Bill further to amend the Code of Criminal Procedure, 1973.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Code of Criminal Procedure, 1973.”

*The motion was adopted.*

SHRI VIRDHI CHANDER JAIN : Sir, I introduce the Bill.

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**ANDHRA PRADESH LEGISLATIVE  
COUNCIL (ABOLITION) BILL\***

[English]

SHRI G. BHOOPATHY (Peddapalli) : Sir, I beg to move for leave to introduce a Bill to provide for the abolition of the Legislative Council of the State of Andhra Pradesh and for matters supplemental, incidental and consequential thereto.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the abolition of the Legislative Council of the State of Andhra Pradesh and for matters supplemental, incidental and consequential thereto.”

*The motion was adopted.*

SHRI G. BHOOPATHY : Sir I introduce the Bill.

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\*Published in Gazette of India Extraordinary, Part-II, Section 2, dated 26-4-1985.

15.36 hrs.

**INDIAN TOBACCO COMPANY LIMITED (TAKING OVER OF MANAGEMENT) BILL.—Contd.**

[English]

**MR. DEPUTY SPEAKER :** The House will now resume further consideration of the following motion moved by Shri Ram Bhagat Paswan on 12 April, 1985, namely :—

“That the Bill to provide for the taking over of the management of the undertaking of the Indian Tobacco Company Limited for a limited period in order to secure the proper management of the same, be taken into consideration.”

Shri Mohar Singh Rathore may continue his speech.

[Translation]

**SHRI MOHAR SINGH RATHORE (Churu) :** Mr. Deputy Speaker, Sir, I am speaking about I.T.C. This company conceals the quantum of production; it conceals leakage and evades the taxes payable to the Government. After many questions had been raised by the Hon Members, Government decided to enquire into the tax evasion by the company but in spite of this assurance, no enquiry has been held so far. In the absence of such an enquiry, the company is committing the offence of tax evasion repeatedly resulting in losses to the exchequer. Government also are indirectly an offender because they have not fulfilled their assurance...*(Interruptions)* We had demanded that the accounts of this company should be audited but till today its accounts have not been audited. The Directors of the company debit the whole of the huge expenditure on their tours, including foreign tours to the items of accounts of the company. There are many expenditure which are unrelated to the company. Because of this, the financial position of the Company is being adversely affected. The profit of the Company is reported to be 33 per cent. By stating the amount of profit in an exaggerated way, our money is sent to the foreign countries in the shape of foreign exchange. According to the Supreme Court, taxes to the tune of

Rs. 109 crores are due from this Company. 33 cases have been filed against it in the Court against which Stay Orders have been obtained. Just to avoid recovery of these taxes by Government the company goes to the courts. The company is misusing the peoples' money under the cover of the courts and laws. What can be more regretful than this that in spite of the Supreme Court's decision, such a huge amount is not being recovered. Why does it happen? In spite of all the resources available with the Company recovery of Rs. 89 to 90 crores of taxes are still due from the company. As Government have declared that tax evaders will be dealt with severely they should deal with these tax evaders strictly. There cannot be a better case to deal with strictly. If a poor farmer is given a loan of Rs. 100 or Rs. 200 or Rs. 500, his fields and house are attached or auctioned for recovery of the loan but no strict action is taken against these big people against whom recovery worth hundreds of crores of rupees is due. I want to submit that strict action should be taken against those companies who misuse the laws. They have no right to loot the public money in this way. The land is ours, the workers, money and machines belong to us, even then we do not get the profit and the dividend goes to foreign countries whereas no money is deposited in the Government exchequer. You should take strict action against such companies. They have no right to manufacture inferior quality goods. This company produced 72 crores of packets of cigarettes between 1-12-83 and 30-4-84 but the prices were not printed on them resulting in evasion of excise duty. The Company evaded all the direct and indirect taxes due on them. In spite of this no strict action was taken against it. It has become the avowed aim of the company to violate constantly all the laws of the land and the company has become an epitome of vested interests.

Charas was also seized from Company premises and the cases are going on against it in the Court. These are the things against which Government should take strict action. The Directors of the company do not print the price on the packets of cigarettes.\* is the main functionary and he has made it his business. Stern action should be taken against such persons. This company

\*Not recorded.

without any permission started fishing in the sea with fishing trawlers and exported the catch. Subsequently, the company submitted merely an application for permission and under the cover of that application, it went on committing the offence. This company should, therefore, be taken over immediately and it should be ensured by taking strict action against it that the public money is not misused and the people of our country are not exploited.

With these words I conclude my speech.

**SHRI GIRDHARI LAL VYAS** (Bhilwara) : Mr. Deputy Speaker, Sir, I support the Indian Tobacco Company Ltd. (Taking over of Management) Bill, 1985.

In M/s Indian Tobacco Company, which is quite an old company, most of the investment has been made by Government and with Government money, this private company has been earning profit. In spite of all this, it is not paying taxes and excise duty. Many complaints have been made against it that it is neither paying excise duty nor income tax nor other taxes. When it was asked to pay the arrears of taxes etc., it filed writs in the High Court and the Supreme Court. Because of this, a large amount of money is due from it to Government.

Secondly, it is always trying to send more and more money to its share-holders in foreign countries. By sending at least Rs. 200 crores to Rs. 300 crores of every year to its shareholders in the foreign countries, it is draining the foreign exchange of the country.

The workers of the Company have never been made permanent. They are always appointed as contract labour. The company has always appointed and dismissed its workers at will. This is the situation prevailing in the country.

Neither the labour laws nor any other laws are applied to this company because our officers are always afraid of big companies. They think that if action is taken against these people they will come out clean because of their approach to the high ups. Therefore they are always afraid of them and do not take any action against them. This is the position prevailing in this company.

The most significant thing is that the big capitalists who are connected with this company have been transferring the assets from one company to another. They have made investment in many companies. They go on investing in new companies and make the old companies sick so that the funds provided by the financial institutions may remain due and they may not have to pay anything. Government should at times get the transfers of money investigated under the company laws or the MRTP Act and take action against them. Strict action should be taken against those companies which have diverted funds to other companies.

The accounts of the company should be audited so that it may be known whether the company is running into losses or earning profit. The directors of the company are all members of the same family or are related to one another. According to the law, a Director gets Rs. 7,500/- and he can have one per cent of the profit. In the books it is shown like this but they manoeuvre to draw huge amounts from the company. Thus they have been constantly running the company at a loss. The company has earned a bad name for this also. Government should take action in this regard also. If you take action against this, then you will be able to recover the arrears of excise duty and other taxes. In addition, you will come to know the fraudulent activities of the company.

One more thing is being done by the company. Under the cover of tobacco, it is distributing narcotics. Big people are engaged in this business. The use of narcotics is on the constant increase in the big cities like Delhi, Bombay and other metropolitan cities. Lakhs of people are engaged in it. The selling agents of the company also try to do the same thing. This is harming the youth of the country. In this connection also our Government should take some action. Government should pay attention towards this in a determined way. This company has spoilt the youth of the country and has earned money by dubious means. This company must be taken over by Government because it has not paid a single penny to Government and has been sending huge sums to foreign countries. It has harmed our country, our youth and has not paid any tax. It has not given any relief to the workers and till

today casual labour has been working on contract basis. The Hon. Labour Minister is sitting here. I want to draw his attention to the fact that the workers in the company are working on contract basis and are casual labourers. They have not been made permanent or quasi-permanent. They have neither been given any facility nor have they been provided with the facility of provident fund and ESI. In spite of large assets, this company has been committing excesses on its workers and it will certainly be wrong if Government do not take any action or investigate the matter. I would like to tell the Hon. Minister that if such people are encouraged, then not only will our trade be adversely affected, but it will harm our country also and we shall not be able to give benefits to those poor people whose economic condition we want to improve. Therefore, it is very necessary to take over this company. If you do not take it over hundreds of crores of rupees due from this company to Government will not be recovered and at the same time, thousands of its workers will lose their bread. Keeping this in mind, the company should be taken over at the earliest and improvement brought about in the functioning of the management so that the people of the country can be benefited. The workers should be provided with all their rights and the company should be run efficiently. The Directors of the company manipulate the things in such a way that they do not give any information about the company. Therefore the Directors should be appointed by Government themselves. More and more Government officials should be appointed as Directors. When more than 50% of the investment has been made by Government, there is no harm in doing so. What are those Government officials doing who have been nominated as Directors? Why is action not taken against them? Why they do not attend the annual meetings of the company and inform Government about its assets and liabilities? They should tell them how the company is functioning and misutilising Government money. You should also conduct an enquiry under the M.R.T.P. Act how such officers have been nominated as Directors of the company who, in collusion with the Company officers, are misutilising Government money and earning profits by dubious means. With this information you will come to know the condition of the company *in toto*. Therefore, I would like to draw the attention of the Hon.

Minister to the fact that though there may be certain technical loopholes in the Bill, but the intention of the Bill is *bonafide*. The intention of the Bill is that this company, which is harming our country, should be taken over. Taking over of the company will prove advantageous to the country and the unlawful activities going on in the company will be stopped and the company will not be able to harm the country. With these words I support the Bill.

\*SHRI R. ANNANAMBI (Pollachi) :  
Mr. Deputy Speaker, Sir, I am grateful to you for giving me this opportunity to say a few words on the Indian Tobacco Co. Management Taking Over Bill that has been moved by Hon. friend Shri Ram Bhagat Paswan, belonging to ruling Congress (I) Party. I am happy that he has moved this Bill for the consideration of this House. I am sure that the Hon. Minister also will take the House into confidence and give full details about the working of this Company. This company has been taking for a ride the tax officials. The management of the Company has not hesitated to deceive the Government of India in tax matters. Whenever the payment of tax or duty arises, the Company rushes to the Court and gets injunctions for not paying the dues of the Government. Several hundreds of crores of rupees are due to the Government from this Company.

After the recent judgment of the Supreme Court in regard to post-manufacturing expenses, this Company owes to the Government several hundreds of crores of rupees as excise duty. There is systematic evasion of income tax also. The high executives of the Government are paid salaries of Rs. 15,000 a month. Their tour expenses run into several lakhs of rupees. They are also given other financial incentives. Thus the Company successfully evades income tax payment also.

In the name of diversification the profits earned by this Company are diverted to form another Company called Bhadrachalam Papers. Thus the payment of bonus to the workers can be avoided; taxes need not be paid. Besides, for investment capital they can take more money from public sector financial institutions. I understand that nearly 60%

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\*The speech was originally delivered in Tamil.

of the funds invested in these two companies has come from the public sector financial institutions and from public sector banks at a lesser rate of interest to be paid in easy instalments. You can imagine the cumulative benefit this Company gets. That is how from assets worth Rs. 75 crores in 1972, this Company has been able to amass assets valued at Rs. 850 crores in 1985. In thirteen years the assets have multiplied manifold times.

It is not that the Government alone is being cheated. The workers, with whose sweat and blood the Company is earning substantial profits, are not given proper wages. They cannot demand for better wages. They cannot raise their voice for bonus. They cannot ask for other benefits. This is because they are all treated as contract labour. They are not treated as regular workers of the Company. For the workers on contract labour, the Company has no permanent obligations. The workers have no right to insist on getting their dues.

The Company violates with impunity the provisions of Monopoly and Restrictive Trade Practices Act. Every year Rs. 400 crores and more are repatriated abroad.

In the interest and welfare of workers, I demand that the Government should nationalise this company. The Government have got concrete evidence to justify the nationalisation without compensation. The Government is aware of the evasion of excise duty by this Company as it manages to clear the products through the sole-selling agents. The Government is fully in the know of wasteful expenditure being incurred by the high executives of the company.

16.00 hrs.

The first duty after nationalisation, the workers must be given the guarantee of their jobs. Whoever has put in 5 years of service must be regularised. All of them should be made regular employees of the company by abolishing the contract labour system. The Government must tone up the administration so that the dues can be recovered. The standard of living of the workers can be raised.

I take this opportunity to say that such Companies known for evasion of excise

duties and income tax, wherever they are located and however powerful they might be, must be taken over by the Government. After all, all of them have taken financial assistance from public sector financial institutions.

I would like to take this opportunity to refer to another issue. In Mettur, the Alexander Thread Mill has remained closed for nearly six months. Another spinning mill there is also on the verge of closure. In Coimbatore also some Textile Mills are remaining closed. I demand that the Government should bring forward legislation to nationalise them in the interest of workers of these industrial units.

With these words I conclude my speech.

SHRI D. P. YADAV (Monghyr) : Mr. Depury Speaker, Sir, the House is presently discussing the question of the taking over of ITCL i.e. the Indian Tobacco Company Ltd. As I was listening to the discussion, it appeared to me that perhaps this was a Company which was doing only injustice and was engaged only in wrongful activities and Government were a Partner in it. I have some personal information about this Company and I would submit all that factual information before you.

This Indian Tobacco Company was first of all set up in my Parliamentary constituency of Monghyr some 75 years back. In the beginning its name was the Peninsular Tobacco Company and today it is known as I.T.C.L. all over India. This Company functioned during the British rule also, and today also, whether it is the paper factory at Bhadrachalam, the Khidarpur factory near Calcutta, the Tobacco Company at Bangalore or the cigarette factory at Saharanpur, a good job has been done by this Company in the sense that it has, in its 75 years life, developed the labour force and has given employment to a large number of people. This goes to the credit of the Company.

Sir, so far as this Bill introduced by my friend Shri Ram Bhagat Paswan is concerned, I do not want to oppose it because his intention is *bona fide* and we should get information about and enquire into all the activities of those companies where injustice is done and

unscrupulous means are resorted to but we should see that we do not go on talking about one Company only and leave aside the other Companies. Therefore, I would request the Hon. Minister that if he institutes an enquiry against the I.T.C.L. on certain points, then the activities of other cigarette companies of India as also other cigarette manufacturing units should also be investigated with regard to those points. Sir, I read in the newspapers that a raid was made on the Golden Tobacco Company. What is the actual position? I do not want to go into it. I do not say that how much money is due from such and such a Company. It is a matter of accounts, and the Finance Minister and the Industry Minister should bother about that and if necessary, they may get the matter examined by the Ministry of Finance. If money is due from them, that must be recovered. I agree to that but the activities of other companies should also be enquired into on those points on which the activities of the Indian Tobacco Company are enquired into.

So far as the assertion made by the Hon. Members about the share-holders and the holding firm is concerned, I may submit that I have been the President of the Union of the Monghyr Branch of the Company and I also know certain things. It is true that a contract struggle goes on between the labour force and the management. A lot of fight goes on. I have seen there that out of the two thousand workers, there is no one who is on casual labour. When someone retires from the Company, his son or any other member of the dependent family is taken into service. The Company pays bonus also. I have seen that around 20 to 22 per cent bonus is being given by them but other facilities like labour hostel and houses have not been provided. Therefore, I feel that these facilities should definitely be extended by the Company. There should be labour participation in the management and there should be a single union. I would request the Hon. Labour Minister who is present here, that he should bring forward a Bill at the earliest to provide for one Company-one Union. That Union should only be recognised.

**SHRI SYED MASUDAL HOSSAIN** (Murshidabad) : There should be secret ballot.

**SHRI D.P. YADAV** : Yes, but in one Company there should be only one Union.

So far as payment is concerned, I know something about it also. Mr. Deputy Speaker, Sir, this Company has paid Rs. 409 crores in 1981-82 as excise duty and in 1982-83 and 1983-84, it has paid Rs. 503 crores and Rs. 490 crores as excise duty respectively. It is said that this Company sends Rs. 400 crores to foreign countries. Its earning is Rs. 650 crores and it pays Rs. 500 crores as taxes. Out of the remaining amount, Rs. 150 crores is spent on the salaries of the workers and management and Rs. 20 crores or Rs. 25 to 40 crores will remain as net profit. 37 per cent of its equity shares is held by foreigners. In this way the Company can, at the most, send Rs. 2 crores to Rs. 5 crores outside India. Therefore, I do not agree that Rs. 500 crores worth of foreign exchange is sent to foreign countries. You should get all the facts examined and such charges should not be levelled as are not based on facts. You should recover the arrears of excise duty, income tax etc. and you should compel them to pay the dues of the workers also. The Labour Minister is present here. Therefore, I would request the Labour Minister to instruct that a person appointed as a class IV employee should not necessarily retire as a class IV employee. I want that this system should be abolished that the son of a labourer should be appointed only as a labourer. The Company should be compelled to take measures to increase the academic and educational facilities. Whether it is the India Tobacco Company or any other Company, provision should be made that the sons of class IV employees should be in a position to be appointed as managers. The ideal situation will be to provide for at least 50 per cent of the manager's vacancies to be filled by the sons of class IV employees.

One more instruction you should issue under which this Company should participate in rural development programmes. This Company should take part in rural development programmes and social work. It should establish academic institutions and research centres so that the society may be benefited.

Regarding management, there can be shortcomings and they are there but if the management is clean, then to my mind it



should not be nationalised. We have already many nationalised factories and it is not that all these factories are earning profit or proving very beneficial to the workers. Whether you take over a sick mill or a good mill, you cannot say with certainty that it shall earn profit.

Our Hon. friend has said that labour laws are being flouted. I have been the President of that union. I have never seen them daringly flout the labour laws. Whatever is the truth, I am stating. We should pay attention to whatever shortcoming is there. I have already spoken on this. Whatever is the loss has been shown in the accounts. All the points relating to accounts which have been raised here can be examined by the Finance Ministry. There cannot be two opinions about this. This should also be kept in mind that such points do crop up in competitive Companies.

I conclude with these few words and thank you for giving me an opportunity to speak. The Hon. Minister is sitting here and whatever he decides, we shall have to abide by that.

**SHRI MOOL CHAND DAGA (Pali) :** Mr. Deputy Speaker, Sir, the Hon. Member who has moved the Bill has done a lot of hard work. Perhaps during the days of Holi he prepared the Bill because it is a well drafted Bill. My wisdom is not proving as sharp as that of the Mover. His wisdom has helped him while I have not been able to understand the Bill.

The Hon. Minister is very efficient and will give a befitting reply. He should tell us how much Government money has gone down the drain. He should also kindly tell

16.13 hrs.

[**SHRI SOM NATH RATH** *in the Chair*]

us from which financial institution the company has taken loan and which of the loans have proved irrecoverable.

He has further stated that the labour laws have been flouted. The Hon. Minister is present here. He should tell us whether the labour union belongs to the INTUC or ATTUC or to some other political party

because of which they have flouted these laws ?

He should also tell us how it is that a major share of the income is taken by some persons. It is a private company owned by private individuals and they earn the profit. Whom do they authorise to use that profit ? How much black money have they earned ? With this, you have already tarnished the image of Government. It is a very serious question. The Hon. Housing Minister, the Law Minister and the Industry Minister are sitting here. An important Bill is being considered here you are all Ministers of Cabinet rank. You should pay attention towards this because with this everybody's image has been tarnished. I am of cown saved. Shri Bhagat has done something to improve the image. If you introduce a Bill it should include a specific act, it should not be generalised. You should indicate the names of the institutions from which loans have been taken stating the amounts of loans taken and the outstanding amounts along with the periods for which repayments were not made. Then, you have said that, many cases are in litigation, if so, what are these cases of litigation ? You should make only specific allegations against a company. You have said that Government should take over this Company, but have Government such a right ? Under which law should Government take over this Company ? There is a law to challenge the acts of Government and our judiciary functions independently. Shri Bhagat might be clear in heart and in his intention, but it should also be known as to what the spirit behind his bringing forward this Bill is, I think it would be better if he withdraws this Bill for the present and then gives it a patient consideration as to how much money is due from the Company, how much money is due to the workers, how much black money has been amassed by the company and how much unaccounted money is there. As at present, he does not have any facts and figures. If you are to lower the image of a certain company, if the Hon. Member has the right to erode the good will and lower the image of that company in the business community in public interest, then he should also tell us all these facts, so that we could also know whether Government can take over that company legally under the provisions of the Bill which is going to be passed by Parliament, but if he says

something against a company, and makes only general and vague allegations against it, it lowers the prestige of this Parliament. Therefore, he should kindly give us facts and figures. The Hon. Labour Minister is present here and he will certainly take legal action. If there is some unaccounted money, you lodge a report under the laws governing the unearthing of black money for which you will get a reward and, perhaps, you may get one-fourth share also. If that company has evaded excise duty, then the Hon. Finance Minister has announced in this very House that if a person gives information about evasion of excise duty, he will be rewarded. So, he should also not be deprived of that reward.

I think Shri Bhagat has put in a lot of labour on this Bill and if he has these facts, he may tell us those things right now. *(Interruptions)* You have written 6 to 7 lines in this Bill stating that it will boost the image of Government. But the image of Government will be spoilt when they will not be able to take over this company on the basis of this Bill. Even the Hon. Minister will not be able to take any step without any basis. Therefore, I want that Shri Bhagat should withdraw this Bill. We agree with him in principle and we have a great regard for him, but, perhaps, he has not drafted this Bill. This Bill has not been drafted by our Bhagatji, it is some other Bhagat who, perhaps, has drafted this Bill. You just rise and say that you will place the facts relating to this Bill before the House. You establish contact with the Hon. Minister and tell him that they are indulging in wrong deeds. This will improve your image. If you lodge an F.I.R., with the police some action can be taken under rule 182. Whosoever has drafted this Bill, kindly give the facts so as to prove that the Government are losing money and the outsides are earning so much profit. The Hon. Member has also been a Member of Rajya Sabha and I appeal to him that he should reconsider it and go to the Hon. Minister along with facts. If there is some weight in what you say, the Hon. Minister will agree to it. Through this Bill, neither the company can be taken over nor any other action can be taken. It is not in consonance with the rules to make allegations in Parliament against someone without any basis. I not only oppose this Bill, but I request that this Bill

should be considered by a Committee and only then any action should be taken.

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY AND COMPANY AFFAIRS (SHRI ARIF MOHAMMAD KHAN) : Mr. Chairman, Sir, first of all, I would like to congratulate our Hon. Member, Shri Ram Bhagat Paswan who has moved this Bill on the vigilance that he has displayed in this regard. Congratulations are also due to him because he had raised many questions on the subject while he was a Member of Rajya Sabha and this Bill was also introduced in the Upper House in 1983, but due to some reasons, it could not be considered. He has studied this question. If he has received information to the effect that the company is evading taxes or is indulging in other irregularities or is violating the law, then he has, in a way, expressed his concern over all these irregularities and violation of laws. But the information which he has received and on the basis of which he has moved this Bill in the House for consideration, is perhaps, not based on facts. According to the objects and reasons given by the Hon. Member for this Bill, on which other Hon. Members have also expressed their views, more than 50 per cent of the capital invested in the company has been given by Government Institutions, whereas its profit is being pocketed by some individuals. Similarly, it has also been said that its board of management is earning black money. The company has tried to evade a large amount of excise duty and has not paid it. He has also complained about the violation of labour laws and, particularly, one Hon. Member from Rajasthan, Shri Vyas has expressed his grave concern over it. I think—if the information given by him is correct, it is certainly a matter of concern.

[English]

MR. CHAIRMAN : The time is extended by half an hour for the Minister to say and the mover to reply, because two hours which were allotted are over.

[Translation]

SHRI ARIF MOHAMMAD KHAN : If labour laws are being violated, the workers

are not getting their due rights. They are not being made permanent, and they are not being provided with other facilities then the concern expressed in the House on the subject is justified.

But before I give a detailed reply in this regard, I would like to say that a more detailed reply has already been given by the Hon. Member, Shri D.P. Yadav who is also the President of one of their trade unions. I shall place before you the information which I have with me on the subject. The Hon. Member has also said that if I.T.C. is taken over, Government will get an amount of Rs. 300 crores out of the profits of the company and with that money, the money required for completing Government projects can be made available. He has also complained that the Board of Directors of the Board of management of the company is incurring excessive expenditure, whether it is travelling expenses or advertising expenses, due to which the production cost goes up considerably and that the take over will help Government to control the prices.

Generally, the policy of Government with regard to take-over is that in cases where in public interest the take-over is deemed to be justified, there are some grounds for it, if production in a unit is declining abnormally or the unit is being mismanaged, then with a view to checking such mismanagement, running it efficiently, maintaining the production at the desired level, Government consider the proposal of taking over in such circumstances. Generally, it is not the policy of Government to take over a unit which is a healthy one, the production of which is good, which is being managed efficiently and which is functioning properly.

Now, the first submission made about this unit that 50 per cent of its investment has come from Government Institutions is not correct. Of its total capital, the investment made by the public financial institutions, nationalised banks or insurance companies is only 34.80 per cent. The share of non resident companies is 37.28 per cent. The shares of Directors and their relatives constitute 0.05 per cent of the total capital, the shares of Indian corporate bodies are 0.72 per cent and those of others 27.15 per cent. The profit is distributed among the share holders according to the share held

by them. Everybody knows that the profit earned by the company is distributed among the shareholders on the basis of the share pattern.

The main point which has been raised against this company relates to evasion of excise duty. Sir, out of the gross income of Rs. 698 crores in 1983-84, the company paid Rs. 479 crores as excise duty to Government, not only this, they have also set a part an additional amount of Rs. 7 crore, in respect of which cases are pending in the Supreme Court. After the verdict, this amount will be due from the company. Sir, this is not the only company whose cases are pending in the Supreme Court. There are many other units or undertakings, cases of excise duty in respect of which are pending in the Supreme Court. The Supreme Court has also given verdicts in some cases, but its verdict on the appeal filed by this company has not yet come, and after the verdict the entire amount due, I am told, will be paid by the company.

As I have said earlier, this is important that the company has already paid Rs. 479 crores as excise duty out of its total income of Rs. 698 crores. In May, 1983, there was a dispute regarding section 4 of the Central Excise and Salt Act and the Supreme Court has given its verdict on that but there has been no decision yet on the appeal filed by this company. I have been told that the company will pay that amount to Government. The financial position of this company can certainly be described as satisfactory. After the Hon. Member had moved this Bill in the House, I have received a note from the Reserve Bank in which the Reserve Bank has commented upon the financial position of the company as under :

[English]

"Its accounts and overall performance are quite satisfactory. Its management is vested in the hands of the Board of Directors consisting of representatives of various financial institutions and professionals. The company is considered to be one of the best managed having an excellent professionals set up."

[*Translation*]

As I have said earlier, the excise duty paid by this company was Rs. 479 crores in 1984, Rs. 492 crores in 1983, Rs. 400 crores in 1982, Rs. 295 crores in 1981 and Rs. 318 crores in 1980. What I want to say through these figures is.....

[*English*]

**SHRI RAJ MANGAL PANDE (Deoria) :**  
I am on a point of clarification.

So long as there is nothing against the Company by any Government Auditor or Government agency, is it necessary for the Minister to explain the situation why the Company should not be taken over? The Minister is explaining why it should not be taken over and he is replying to this issue. The point of order is that there is nothing against the Company either by a Government auditor or any such agency appointed by the Government to find out that there is some such kind of irregularity necessitating the Company to be taken over. So long as there is nothing against the Company, is it necessary for the Government to explain away the situation under which the Company should be taken over or nationalised?

**MR. CHAIRMAN :** It is not a point of order.

**SHRI ARIF MOHAMMED KHAN :** I don't think all these allegations have been made.

[*Translation*]

It has been said that a major portion of the profit is being pocketed by some private individuals but as I have said earlier, the profit is distributed in proportion to the shares invested in the company. The dividend is distributed to individuals in accordance with the shares held by them in the company. Hon. Daga Sahib has referred to black money. There are laws to check it also. If some specific complaint is made, we have got the authority to deal with it. This authority is not only for this company but if we receive any complaint against other companies we shall take action under the law and authority against those companies as well.

Shri Raj Mangal Pande was just now saying that it was not desirable to divulge everything about this company. Since many things had been said earlier and the Hon. Members had said something on the basis of their information, So I thought it proper to furnish the information here which I have with me. Otherwise it was not necessary to say anything about it. I thought it would be better to remove the misapprehensions in this regard.

It has also been said that its Board of management has been incurring excessive expenditure on itself. I have a major item with me for 1983-84 which pertains to the expenditure of Rs. 83-10 crores. Out of it, a sum of Rs. 34.73 crores was spent by this company on payment of wages, provident fund and for the welfare of the workers working there. Similarly, sum of Rs. 6.32 crores was spent on travelling and advertisements. I think it can not be said that the amount spent was excessive or was more than necessary.

This company has paid Rs. 479 crores last year as customs and excise duties. Besides this, it has also paid Rs. 7 crores Government have received Rs. 479 crores which will definitely be utilised for undertaking a number of projects of public interest. This is more than two thirds of the profits earned. This constitutes two-thirds of the entire turn over.

Sir, this is not the only company engaged in manufacturing cigarettes. There is a component of competition in it which itself helps in maintaining the price control. Besides this we have the provisions of the Essential Commodities Act to keep a check on prices. If it is thought that the prices are very much on the high side, even then there is no need to introduce a new Bill for that. We already have the Essential Commodities Act and we can use its provisions. I think in the context of the objects and reasons which the Hon. Member has stated, the facts which I have placed before the House and what Shri D. P. Yadavji, who is the President of the Trade Union, and Shri Dagaji have said must have removed the misapprehension and the concern which the Hon. Member had expressed at the time of the introduction of the Bill. I hope now he will not press it any further but

withdraw his Bill.

One more thing has been said. I am not remembering the name of the Hon. Member. Probably Shri Mohar Singh had said something about the export of fish by the company. Legally there was no violation of the law in this case. According to the information available with me, the export of fish was permissible under the law. So, there was no violation of the law in this case.

Similarly, it has been said that they have tried to enter the field of small scale industries. They entered such fields as have been reserved exclusively for the small scale industries. Our Hon. Member has made this complaint also that they have purchased 10 per cent shares of Triveni Handlooms. According to the information received from the concerned department, no violation of law has taken place in this case. It was permissible under the law.

I thank all those Hon. Members who have taken interest and made their contributions in this discussion and also expressed their views and request the Hon. Shri Ram Bhagat Paswan that since all the facts have been placed before him, he may withdraw this Bill.

SHRI RAM BHAGAT PASWAN (Rosera) : Mr. Chairman, Sir, I express my gratitude to those Hon. Members of the House who have raised their voice in this House on behalf of the people against this capitalist and multi-millionaire company. Sir, Mr. Daga, is not present here. I had delivered my speech in this House on the 12th instant and I had given all the facts and figures in my speech. It was not superficial speech but it contained the answers to those questions which I had asked in the Rajya Sabha from time to time. Those answers are still with me and I am laying them on the Table of the House.

Hon. Yadavji has stated that they have increased the enrolment of the labour force tremendously. This is true, but I am also the President of All India Labour Welfare Association and I have received several complaints against this company. May I know whether it is not a fact that even after putting in more than 350 day's continuous

service the workers have not been declared permanent and work from them is being taken on contract basis? This matter should be investigated. Shri D.P. Yadav belongs to Bihar and I also hail from that area. The cigarette factory is situated at Monghyr in Bihar. Injustice is being done to the workers there. I can place all the facts before you. Mr. Chairman, Sir, Hon. Shri Daga has forcefully pleaded their case. He has said that I have presented this Bill without going through the facts...[Interruptions]

SHRI SYED MASUDAL HOSSAIN (Murshidabad) : He is a very good lawyer...

[Interruptions]

SHRI RAM BHAGAT PASWAN : It seems that he is aware of all the facts. If he gives me 10 minutes' time, I can place all the facts before the House and tell the House how many laws have been violated by the company. I have replies to my questions regarding the violation of the M.R.T.P. Act, the Finance Act and the Industrial Disputes Act committed by them. The Hon. Minister has said that they have paid Rs. 479 crores. I have just received a letter from the Finance Minister, which I would like to read?

[English]

"I understand that the amount is pending realisation as these matters are in dispute in courts. Depending on court decisions, the exact amount can be quantified. However, pending decision by the courts, M/s I.T.C. Ltd. have made an *ad hoc* payment of Rs. 19 crores so far."

[Translation]

This letter dated 8th March, 1985 from the Finance Minister is with me. They have made this *ad hoc* payment whereas it is learnt from the reply to the question that in February 1983 the Supreme Court had ordered Government to realise a sum of Rs. 109 crores from the the I.T.C. Out of it, the company has made payment of Rs. 19 crores only. Whatever facts I have got with me, these have been received from the Government. After this, they have filed 33 suits in the Supreme Court and the High Court. I am not merely delivering a speech but presenting facts before you. It is matter for

happiness that Mr. Daga has come again. Had he been present on that day he would have got all the facts. I am again giving him all the facts because he has pleaded their case very well. I would like to tell him that they have obtained stay orders in 33 cases from the Supreme Court and the High Court.

\*\* has written :

[English]

"Stay orders have been granted by the Supreme Court and other High Courts in about 14 cases. Applications for vacation of stay have been moved before the courts concerned. The Department has also admitted to establish a close coordination with the Law Ministry at the highest level for expediting the action in the court by way of getting the cases listed and heard. Cases are also being mentioned before the court so that they may be taken up for hearing."

MR. CHAIRMAN : That cannot be referred to.

[Translation]

SHRI RAM BHAGAT PASWAN : They have taken stay orders, but the excise duty is still outstanding. They have evaded excise duty... [Interruptions]

SHRI MOOL CHAND DAGA : I would like to know whether he has got a certified copy.

SHRI RAM BHAGAT PASWAN : I have with me all the original copies. He does not know even this much that original copies are certified copies. He has spoiled the image of Parliament... [Interruptions]

Parliament is a supreme body. If anyone indulges in any illegal activity, Parliament has got the authority to take action against him. I have brought forward this Bill in the interest of the people and the nation.

[English]

MR. CHAIRMAN : Any reference to an officer is expunged.

[Translation]

SHRI RAM BHAGAT PASWAN : Mr. Chairman, Sir, I am going to lay the facts and the answers which I had received on the Table of the House.

Mr. Chairman, Sir, are there restrictions on the growth of any multi-national company the rules framed under the M.R.T.P. Act. Previously, the name of the company was American British Tobacco Company and now its name has been changed as Indian Tobacco Company. From its very name one comes to know that this company is manufacturing cigarettes, but it is also engaged in the activity of catching lakhs of tonnes of fish from the sea-shores and exporting them to foreign countries. I would like to know when you had given them permission in this regard.

After that, when a raid was conducted in Maurya Hotel to find out their illegal activities,—those those facts are with us .... [Interruptions]... ..their executive went to the court and obtained bail. My friend has said that. I have spoken without having any facts. I would like to inform him of the facts and would like to place all those facts before the House. I am presenting all the Papers here.

[English]

"The Indian Tobacco Company owned Hotel Maurya management in the Capital had allegedly broken open the shop's lock, removed goods worth Rs. 8 lakhs. damaged fixtures and fittings and intimidated the firm's partner, the complaint pending before the court said.

On 6 July last, the Magistrate issued search warrants for the recovery of the 'stolen goods'. A police party raided the Hotel premises and recovered most of the goods which included pashmina, Kashmiri shawls, handicrafts, woollen garments and items of tourist interest.

In the second search, the police are alleged to have recovered two packets containing a substance like "charas".

[*Translation*]

These are the facts. In addition, Mr. Chairman, Sir, I have with me the newspaper *The Patriot* of 31 July 1983 which is a popular newspaper of India. In this paper also a report about this company has been published. If I get time, I would like to submit all those facts before the House, which I have obtained in answer to questions. It becomes clear from these that the company has violated the M.R.T.P. Act, the Companies Act and the Finance Act.

Mr. Chairman, Sir, in reply to the Question No. 1076 of 2 August, 1983, it was stated that the allegations regarding concealing of production and sale by the I.T.C.L. would be enquired into, but till today no enquiry has been made. I am stating before you the factual position. Similarly, they have their bogus agencies. It was stated that this too would be looked into but that enquiry has also not been completed. I am quoting these facts from the replies to my questions. These are the facts. [*Interruptions*]... Similarly, in reply to Question No. 1190 dated 8 May, 1984 it was admitted that Vazir Sultan of I.T.C.L. had manufactured between 1 December, 1983 to 30 April, 1984 72 crore pockets of cigarettes without printing the prices on them. No investigation has been made in this regard also, whereas an assurance had been given about conducting investigation in this regard as well. I am laying all these facts on the table of the House. You may go through them.

Subsequently, according to Question No. 1190 one unit of I.T.C.L. sold cigarettes worth Rs. 56.63 crores between 1 January, 1984 and 30 April, 1984 [*Interruptions*]... If you do not give me time, how shall I be able to tell you that I had delivered my speech on the basis of facts?

I have said all these things based on facts. This company is flouting all the rules. Therefore, in the interest of the country, it is necessary that it should be taken over. Till you take it over, a committee of the Hon. Members should be constituted which

should enquire into how the big industrialists of such a large company are earning money and becoming capitalists and its dividend is being sent to foreign countries whose excise Duty, Income Tax and Sales Tax are being evaded. Strict action should be taken against it. For this purpose, a Committee of the Hon. Members should be constituted.

With these words, I am laying all the facts on the Table of the House\* and request for leave to withdraw the Bill, but with this definite demand that in the interest of the nation, an enquiry Committee should be constituted so that the activities of the company may be looked into.

[*English*]

MR. CHAIRMAN : The question is :

"That leave be granted to withdraw the Bill to provide for the taking over of the management of the undertaking of the Indian Tobacco Company Limited for a limited period in order to secure the proper management of the same."

*The motion was adopted.*

SHRI RAM BHAGAT PASWAN : Sir, I withdraw the Bill.

MR. CHAIRMAN : Now we go to item No. 15 of the agenda. Prof. Narain Chand Parashar... He is not present in the House.

We go to item No. 16. Shri Saifuddin Chowdhury... He is also not here.

Item No. 17. Shrimati Bibha Ghosh Goswami.

16.57 hrs.

WORKING WOMEN WELFARE BILL

[*English*]

SHRIMATI BIBHA GHOSH GOSWAMI (Nabadwip) : Sir, I beg to move :

\* As the Speaker subsequently did not accord the necessary permission, the papers were not treated as laid on the Table.

"That the Bill to provide for the welfare of women employed in various industries and establishments, be taken into consideration."

Sir, I will be speaking in my mother-tongue, Bengali.

[*Translation*]

\*I am very glad that we are getting an opportunity to discuss this Bill today. This happens to be the last-year of the women's decade. It would have been better if this Bill was pre-scheduled to be discussed today and all the Hon. Members of this House knew about it. As it happens many Members especially the lady M.Ps had no idea that this Bill will be discussed today. Had they known about it, they certainly would have been present in the House in much larger numbers and would have participated in this discussion. This bill has come up for discussion today quite unexpectedly as the two Hon. Members who were to pilot two other earlier Bills are not present in the House by chance. It would have been very good if all the Hon. Lady Members were present and could place their views on this Bill before this august House. However, I hope that on the next occasion many more lady Members will be present and will participate in the discussion.

Sir, we all know that the women of our country are to a great extent deprived of the benefits envisaged for them in our Constitution. Most women are living as Second Class citizens, and they are victims of exploitation in some form or other. The number of women who work i.e. who get any opportunity to work, is very insignificant compared to men.

In the latest census of 1981 it has been stated that out of 66.3 million working women, 45.9 million are 'mainworkers' i.e. who are employed for the major part of a year, and 20.3 million have been identified as 'marginal workers' i.e. who work occasionally in a year. In the Census of 1981 the concept of the term 'worker' has been enlarged *vis-a-vis* the 1971 Census. In the 1971 census it was stated that 52.5 of the

able-bodied men population actually work whereas only 13.8% of the able bodied women were found to be working. This was contained in the 1971 census report.

Then in the 1981 census, the definition of the term 'worker' was enlarged and liberalised. Those were also counted as 'workers' who have worked for some time or other in a year thereby an effort was made to project the impression that the number of women workers have gone up. But inspite of this liberalised definition it was seen that the number of women workers did not raise beyond 21% and the number of women 'mainworkers' is only 45.9 million. We can study the position in another way also. In 1951 the number of men and women workers was in the ratio of 1000 : 525 i.e. for every 1000 men workers, the number of women workers was 525.

In 1971 the ration came down to 210 women workers for every 1000 men workers. In 1981 due to the liberalised definition, the ratio should slightly improve but still the number of women workers remain far less than the men workers.

The welfare facilities which are at present being made available to the working women are wholly inadequate and unsatisfactory. In various factories and establishments, where they work, more attention has been paid to items like cleanliness, ventilation, first aid, canteen etc. But not much attention has been paid towards labour welfare. The exiting laws do not provide for proper medical, educational, recreational facilities for the working women and their children.

The enactments mostly entrust the responsibility for providing these facilities on the employers. But the employers mostly deceive the workers and do not provide the required benefits to the working women, the working mothers, the pregnant workers and the children of the women workers. Therefore we feel that some such system must be devised whereby the burden and responsibility for providing reasonable working conditions and other welfare facilities to the women workers and their children must fall on the Government that is the purpose of introducing this Bill.

\*The speech was originally delivered in Bengali

Sir, this working women welfare Bill



consists of three parts. In the first part a provision has been made for the setting up of a Working Women Welfare Fund. In this Fund the Government shall contribute an amount equal to 10% of the pay of the women workers. The employer shall contribute another 10% of such pay to the Fund. The women workers will not have to contribute anything to this Fund themselves. This provision regarding constitution of the Fund has been made in this Bill.

In the next part it has been provided how this fund is to be utilised. The very first item for application of the fund is 'to ensure the right to work for the women employees in any industry or establishment.' It has been our experience that at many places the employers appoint men workers even where women can be suitably appointed. The other day there was a discussion in this very house about women's welfare. There Smt. Geeta Mukherjee pointed out how in the Bharat Coking Coal Limited the women workers were being forced to proceed on voluntary retirement and to give in writing that in their place a male member of their family will be appointed. In this way the men are being given employment there in place of the women. The B.C.C.L. is also retrenching a large number of women workers. "As a result of the Babheja Committee report it is found that in the BCCL about 50,000 women workers will fall surplus. Even in the open hearth mines, women are not being employed and only men are being appointed. Whenever one woman is coming out of employment, she is being replaced by a man. No woman is being appointed in her place. Therefore, there is need for such an enactment whereby a woman only shall be appointed in place of another woman. No man shall be allowed to be appointed there. There is a function in the coal mines called 'shell picking'. This function performed with the hand ensures that no stones mix with the coal that is lifted out of the coal mines. This shell picking job is performed very efficiently by women. But this very function of shell picking is being given up in the mines. This Bill seeks to ensure employment to women at all those places where they can be suitably employed. This Fund shall be utilised for that purpose. Secondly, this fund shall be utilised to ensure to women employees equal wages for equal work. In this connection I have one submission to make. We have seen that in some sectors, where govern-

ment fixes the wage, women get less than men. For example, in the plantations where the Government themselves fix the wages, there too grave injustice is done to the women workers. Women are paid comparatively less wages for the same work as done by men. The Government should rectify this.

Then, it has been provided that this 'Working-Women Welfare Fund' shall be utilised "to ensure steady and definite increase of the women employees in the total work force." I have already stated how the number of women workers are declining over the years even in industries and establishments where they used to be employed traditionally. Take for instance the Jute mills. In all the jute mills the women workers have practically been wiped out where once they used to work in large numbers. We have seen that at all places where the women work, the most tedious, the most back breaking items of work are given to them. They are mostly non-technical and untrained. Therefore, they are given the lowest type of work which carry the least remuneration and require the maximum patience and endurance. The men workers are given the more remunerative works which carry many associated benefits. The women have unfortunately very little opportunity of receiving training and thereby getting better and more remunerative jobs. They are, therefore, employed on the more monotonous, tedious and difficult jobs. In the textile mills of Bombay there were at one time about 25% women workers. In a discussion held in 1983, it was found that the percentage had come down to 5%. Today, in 1985 I doubt that there are even 3% women workers in the Textile mills of Bombay. Then, in the tea plantations, upto 1971 the number of women workers was more than the men workers. In the total work force, the number of women was more than men. But in 1972 it was found that the men workers outnumbered women workers by 25,000. This gap is increasing continuously in favour of men. In tobacco, in Coir, the same situation prevails. In the mines, the number of women is dwindling steadily. In 1951 their number among the mine workers constituted 20%. In 1971 it came down to 12% and even less. In 1973 they numbered 30,000. In 1982 we found that the number of women workers in the mines have fallen to 12000 only. Their number has been falling steadily. It is a matter of regret that even our public sector undertaking viz. the

B.C.C.L. is also resorting to retrenchment of women workers. In our country the women have equal rights with men. Here we want that the women should come forward in larger numbers for more socially responsible productive work. This is what we want. Otherwise there can never be equal rights for women, unless they can be self supporting economically. Till then there cannot be equal rights. We all know that. So long as women are economically dependent on others, there cannot be any rise in their social or economic status. Therefore, we must all strive to ensure that the women may join the work force of our country in larger numbers as 'main workers'. Therefore, I want that through this Bill the proposed fund shall be utilised towards that end. Efforts should be made to suitably amend the existing labour laws to provide adequate benefits to the women workers. Keeping their need in view, provision has also been made in the Bill for providing child-care facilities to the women employees. If proper and adequate child care facilities are not available, than many mothers cannot go for work even if they are willing and have deed for work. The children are a nation's wealth. They must be considered as such and the state should take their responsibility upon itself, and provide all facilities for them. This Bill provides for that also.

A special problem of the women employees is proper accommodation or residential facilities. The women workers in our country and all over the world need some extra residential facilities. The women cannot reside at any and every place. They need some extra facilities. They should be provided with safe accommodation near their place of work and with proper transport facilities. They should be enabled to go to their place of work and come back in safety with enough security. That provision has been made in this Bill. It has been provided that this fund may be utilised for improving the working conditions of the women at their place of work. Now a word about maternity facilities. This will be considered alongwith childcare. Sir, in this last year of the women's decade, the Government of India should come forward and declare that all the new born babies and their mothers, both are our national responsibility and the Government is accepting them as such. For every child and its mother in any part of our country, the Government of India will provide full

maternity facilities such as paid maternity leave. The Government should declare that all the mothers all over the country and the pregnant ones also, be she in the factories or in the fields shall be provided with full maternity and child-care facilities. In this year it is necessary for the Government to make this declaration.

The Bill provides for construction of more hostels for the working women at suitable places near their place of work so that they may live in safety and may be able to join work in larger numbers. Provision has been kept in this Bill for protection of women against health hazards inherent in certain types of work.

Therefore, in this Bill I have provided for the constitution of the Working Women Welfare Fund in the first part and in the second part it has provided as to how this Fund is to be applied or utilised. Towards the end of the Bill, it has been provided how this legislation should be implemented. To enforce or implement this law, I have provided that in every area or in every industry or establishment an Advisory committee should be set up which should have three types of representation. First there should be Government representatives second, there should be the representatives of the employer and third, there should be representatives of the trade union. But here too, I have said that preference should be given to women while selecting these representatives. Because if these are female representatives, then they would be able to realise the problems of the women workers more intimately and will be able to consider them more sympathetically. This Law is to be implemented through these advisory committees. This Bill also provides for constitution of a Central Advisory Committee by the Central Government. This Central Advisory Committee should monitor and coordinate the work of the other Area Advisory committees all over the country and the state level committees. The Central Government shall have to appoint many officers to ensure the enforcement and implementation of this legislation all over the country.

Now, for implementing this Law effectively, it is very necessary to know correctly and accurately how many women are actually working at a particular establishment. For

that it has been provided in this Bill that a register is to be maintained in each district where in every employer shall enter the number and details of the women workers in his establishment. The districtlevel advisory Committee shall have the right and responsibility of collecting these details from the employers. At the end of each financial year, the District Advisory Committees should submit a report. From this report it will be known what difficulties were faced by the women who are already in employment. What facilities were provided to them during the year etc. The State Government as well as the Central Government shall have the powers to collect all the information regarding the employment of women in various organisations, facilities that have been provided to them and what problems were faced by them etc. All sort of statistics and other information shall have to be provided to the Government in any form they ask for it. The Government shall also have the power to enquire whether this law is being properly implemented or not in any establishment. In the end it has been provided that this enactment will be enforced, even if there are any point agreements or condition entered upon by any employer with any women employee. There may be any unfavourable agreement entered into for getting employment by a poor women. In our society we know that women do accept jobs under humiliating circumstances for economic reasons. They even sign bonds. This law shall have precedence over all such agreements. If at any place women are in receipt of some additional facilities or benefits not included in this Bill, they will continue to enjoy them in addition to the benefits of this Bill. It has been stated as usual how the Government of India shall issue notification etc. for implementation of this Bill.

17.14 hrs.

[SHRI SHARAD DIGHE *in the chair*]

Sir, this Bill is totally non-controversial. There is nothing to be said against it. I hope that all sections of the House shall extend full support to this Bill and help to pass it unanimously. We are all interested to provide good working conditions to our women and to protect the future of our children. Since it is absolutely non-controversial, I hope for unanimous support to this Bill. There are

some printing mistakes in the Bill at Page 2 line 32-35. On the next occasion I will move an amendment if necessary, incorporating the necessary corrections.

[*English*]

MR. CHAIRMAN : How much time should we allot to this Bill? I think two hours.

SOME HON. MEMBERS : Yes Sir, minimum two hours.

MR. CHAIRMAN : Now Shri Shantaram Naik.

SHRI SHANTARAM NAIK (Panaji) : Sir, in principle, I very much agree with the objects of this Bill which has been presented by Shrimati Goswami. Basically, I would prefer that all the labour legislations, whatever they be, are included in one Labour Code. Today, at this stage, of course, it is not a directly involved questions but I would like to take this opportunity to state—since the Labour Minister is also here that there are piece-meal legislation in this country dealing with various aspects of labour laws. It is very much necessary that these piece-meal legislations should be codified into one labour law including such legislations which deal with women's welfare. For this purpose I state that all the laws dealing with labour problems should be reviewed. As far as this Bill is concerned, there are various objectives laid down in this Bill. While considering this Bill, I would like to suggest that whatever legislation are there today, partly or fully dealing with women labourers should be reviewed in the light of objectives contained in this Bill, and whatever can be done by way of amendment or otherwise to ensure these and other objectives with respect of women, should be reviewed and incorporated in those legislations.

Today is a time that we consider women labourers with more dignity, with more attention. I would even suggest that the labour Ministry and Government of India should earmark even certain industries, may be small, cottage or otherwise industries only for women's employment. I will go to such an extent.

There are certain types of jobs which can be better done by women of conveniently be done. Such industries should be exclusively, by statute, be marked for women and there only women employees be employed. I have gone to USSR recently. I do not know whether there is any such law existing there, but in many places, I saw women working exclusively; and this is the time for us to consider this aspect.

Clause 6 reads as follows :

“The Central Government shall constitute for each area, where industries and establishment are situated, Advisory Committees in respect of the area of the city of level, etc.”

There is a provision for providing Advisory Committees, consisting preferably of women. Where the provision lies that preferably women be included, I would advise necessarily that women should find a place in such advisory boards. Not only that, authorities mentioned under this Act, wherever legislation is enacted, certain authorities for the purpose of this Act are required. I would suggest that even under this Act those authorities may necessarily be women. Now a question of constitutional provision may arise, but I think when we have got a lot of exemptions made to the fundamental rights in the constitutions and when these exemptions, in the interest of the country in the interest of peace and other conditions, have to be hailed to be good, I think even such provisions or exceptions for the purpose of uplifting the women of this country, the Supreme Court and the High Courts of India will certainly consider and they may not attack any article of this legislation or any other legislation which seeks to protect the women in this land.

Article all reads as follows :

“The appropriate Government may require an employee, who employs women in his industry or establishment, to furnish, for the purposes of this Act, such statistical and other information, in such form and within such period, as may be prescribed.”

I find that there is no penal provision for failure to enforce the law. Normally, when-

ever there is any legislation, it has also to be ensured that it is enforced and for that purpose, there must be some penal provision, so that in case an employer fails to comply with any of the provisions of that legislation, some action can be taken.

Another aspect which I want to mention is with respect to the trade union activities of women. Here there is a provision with respect to giving facilities as far as trade union activities of women are concerned. I would say that in this Act, or for that matter in any legislation, there must be a provision for providing for the trade union activities of women exclusively in the sense that if the trade union act provides for certain requirements, for the purpose of forming a trade union, then some concession should be given as far as women are concerned, to form a trade union. Then as far as the number is concerned, and the other aspects are concerned, some concession should be given to women's trade unions, that is even if they are smaller in number they should be recognised. And that is the way we can see to it that their voice is heard.

Lastly, although in principle I agree with the provisions contained in this Bill, I would request that the Government itself should take over this matter. The Government can assure the Hon. Member that they would consider bringing in such a legislation by some other Act independently and request the Hon. Member to withdraw the Bill so that they could come forward with a comprehensive legislation meeting the requirements mentioned in this Bill.

Therefore, on their behalf I request the Hon. Member to withdraw the Bill so that the Government can bring forward a comprehensive legislation on the matter.

MR. CHAIRMAN : Shri Harish Rawat.

[*Translation*]

SHRI HARISH RAWAT (Almora) : Mr Chairman, Sir, the Constitution provides for equal rights to men and women of our country but till the women are given economic independence and are made economically self-dependent, mere enacting of laws or making provisions in the constitution is not going to

help. The Mover of the Bill has tried to draw the attention of the House towards some of these issues through this Bill.

One thing is about service conditions. Where women are working in the Government Departments, Government should arrange for their residential accommodation near their places of work. In private concerns also where women are working, hostels should be constructed for them. More and more working women's hostels should be constructed. The day before yesterday, when discussion was going on, the Minister of Social Welfare had stated that 350 working women's hostels would be constructed all over the country, I feel this number is quite inadequate. The way, a large number of women are coming forward to join service to become economically self-dependent, Government should also come forward in a big way to provide facilities to them. There is need to bring forward separate legislations for different subjects. There is need to pay special attention to the women working in agricultural fields or other unorganised sectors. The problems of the workers of the organised sectors can be raised but there is no forum to raise the problems of the unorganised sector. I would like to refer to the plight of the 'bidi' workers. I happened to see them working in Andhra Pradesh and Karnataka. There, mostly women are engaged in 'bidi' manufacturing and their service conditions are so miserable that anybody will be moved to see them working in such conditions. In the area of the Hon. Minister also there are a large number of women bidi workers. I think 60 per cent of this work is done there by women and he is well aware of their problems and service conditions. Law is there in this regard but it is inadequate. It is not binding on the employer and if he does not accept the provisions of the law, there is no effective provision to punish him and compel him to implement the law. Shri Shanta Ram has said a very significant thing. There should be certain services which should be reserved exclusively for women. The majority of the workers in some services should be of women, as is the case in the USSR or other socialist countries. There, in hotels, airlines and banks, mostly women have been employed. Even if we do not want to make this provision statutorily, at least a convention of this type can be established in the Government concerns and

the officers can be directed to recruit mostly women so that more and more of them may be provided with jobs. This will inculcate a feeling of self-dependence in them. In the field of industry also, women can be quite effective. In industries and in the field of publicity, women are coming forward in good number but in the field of manufacture, their number is less, and in spite of that they have done a good job. I would like to urge the Hon. Minister that women should be encouraged by the Khadi and Village Industries Commission to set up industries in the villages. This will not only improve the economic condition of the rural areas, but the people there will also be able to earn their livelihood. In all the agro-based industries, where consumer items can be produced, women should be encouraged more and more. Presently men and women are paid equal wages. Ours is a male-dominated society. In a male-dominated society, if you give equal opportunities to men and women and ask them to compete without any special protection to women, I do not think women can do well. In the matter of loans and other facilities also, banks and other Government institutions should adopt a liberal attitude towards women. I would submit that there is nothing in the Bill which will commend the Bill for our acceptance. Its provisions are self-contradictory. It has been said that women should form separate trade unions. Your Party has diverse views on this aspect. There are many trade unions which are dominated by your Party. You can bring forward women in those unions. In the unions controlled by us, we can bring women to the forefront. But this object cannot be achieved by enacting laws. It cannot be that only women should be made the presidents of the unions. I think these things may appear to be attractive but there can be practical difficulties before the Hon. Minister. Keeping in view the practical difficulties of the Hon. Minister, although I support, the spirit behind the Bill, yet I feel the object of the Bill brought forward by the Hon. lady Member cannot be achieved by this Bill.

[English]

MR. CHAIRMAN : Shri A.K. Sen desires to make a statement.

17.39 hrs.

STATEMENT REGARDING SETTING UP OF A COMMISSION OF INQUIRY TO INQUIRE INTO ALLEGATIONS OF ORGANISED VIOLENCE IN DELHI FOLLOWING ASSASSINATION OF SHRIMATI INDIRA GANDHI — *Contd.*

[English]

THE MINISTER OF LAW AND JUSTICE (SHRI A. K. SEN): Sir, The House will recall the statement made on 11th April, 1985 by the Home Minister announcing the decision of the Government to hold a judicial inquiry into allegations in regard to incidents of organised violence in Delhi following the assassination of Shrimati Indira Gandhi, the late Prime Minister. It was also announced that a sitting Judge of the Supreme Court will head the Commission of Inquiry.

In this context, I rise to announce further decisions taken by the Government in this regard. After consultation with the Chief Justice of the Supreme Court of India, it has been decided that the Commission of Inquiry will be presided over by Shri Justice Ranganath Misra.

The terms of reference of the Commission of Inquiry shall be as follows :

- (i) to inquire into allegations in regard to incidents of organised violence which took place in Delhi following the assassination of late Prime Minister, Shrimati Indira Gandhi; and
- (ii) recommend measures which may be adopted for preventing the recurrence of such incidents.

The Commission of Inquiry has been asked to submit its report within six months. The notification in this behalf is being published in the Official Gazette today.

17.41 hrs.

WORKING WOMEN WELFARE  
BILL—*Contd.*

[English]

MR. CHAIRMAN : Now the discussion will continue. Shri Satyagopal Misra.

SHRI SATYAGOPAL MISRA (Tamluk): Sir, it is a pleasure to support this Bill and to speak something about the welfare of the women of our society. In this respect, I want to congratulate the mover of the Bill and also welcome the views expressed by the two speakers who have spoken before me. This is a very well thought-out and non-controversial Bill. I also think that it will get the support from all corners of the House.

There are certain points in the Bill. First of all, there should be no discrimination between man and woman so far as the employment question is concerned. Only the ability and the qualification should be given priority for employment of any person in any industry or organisation sector. Nowadays, in our country, almost 50 per cent are women.....

(Interruptions)

It may be even a little less than 50 per cent 52 per cent are males and 48 per cent females. But if we go to the employment field, we see that proportion is not maintained there. Everywhere in our country, we can see that the employers make a discrimination while appointing a person. Particularly, they do not want to have women employees in their organisations. In our society which is dominated by males, women are treated as second class citizens. I think that system should not be allowed to continue. All of us should come and rise to the occasion to give equal rights to the women of our country who are nothing but our mothers, our sisters, our wives, etc.

The second point in this Bill is that equal wages should be paid for equal work. Equal remuneration should be given for equal job. That slogan is there but it is not implemented. Shri Harish Rawat mentioned the same thing about the Bidi lady workers. I have gone to many areas where I have also seen that the women working in the bidi factories are not getting the actual wages which they deserve and their working conditions also are very bad. There are other fields where working women are not getting wages which they deserve for their work. Even in the public sector undertakings we find that women are being discriminated against so far as the question of employment of women is concerned. I would like to request the Hon. Minister to take note of this and instruct the Management of the

[Shri Satya Gopal Misra]

public sector undertakings to see that sufficient number of women are employed there.

Thirdly, I would like to suggest that some special facilities should be given to the working women. That is very necessary. A male worker can travel by bus for twenty or thirty miles and can go to his working place, but it is not possible for the working women. If the workplace of the women happens to be far off, some quarter or hostel facilities near the working place should be provided to them. Apart from that in the working complex itself some retiring room exclusively for the working ladies should be reserved. These retiring rooms should be fitted with necessary amenities like bath-rooms etc. They should be provided with medical facilities.

My next point is regarding the maternity leave facilities. It should be provided to all sections of women. Of course, in the organised sector this facility is provided, but in the unorganised sector it is not there. The women are paid only for the duration they physically work and no consideration is paid to the maternity leave period. Therefore, I would like to suggest that a legislation should be enacted so that in the unorganised sector the women are provided with full maternity facilities.

The child care facility is a very important aspect for the welfare of the working women. A child born today will be a citizen of tomorrow. Therefore, we must take care of the child right from the beginning. For that reason some sort of facility should be created where the working women can be assured of proper child care. For this there must be some responsibility on the part of the Government as well as on the part of the employer.

The Mover of the Bill has rightly stated that fund should be created for the welfare of the working women and the contribution for the fund should be made by the employer as well as by the Government. That fund should be exclusively for the welfare of the women working in the factories and in industries. For the welfare of children also that fund should be utilised. That is necessary.

Sir, our society can go ahead if we can

give equal opportunity, equal prestige to the women of our country. That aspect should also be looked into.

Sir, I want to request the Hon. Minister and the Government, and all my friends sitting here, to support this Bill and to rise to the occasion on a common cause for the welfare of the working women of our country. If we conduct a survey throughout the country, you will be astonished to see the conditions of the working women in different factories and in different industries in our country. They are not paid properly, their working conditions are not good there, and for all those reasons they are suffering a lot.

At the end I want to submit to the House that this system cannot be allowed to continue and proper legislation should be enacted for the welfare of the working women. So, I wholeheartedly support this Bill and I also request the Hon. Minister to accept this Bill. Let us have unanimity in passing this Bill.

[*Translation*]

SHRI MANOJ PANDEY (Bettiah) : Mr. Chairman, Sir, in our *shastras*, woman has been given the status of a goddess in society. There are references to Sita and Savitri in our *shastras*. We worship goddess Durga as Mother of the universe, who is also a woman.

Because of the importance and dignity given to women in our *shastras* the women of India occupy a place of dignity in every nook and corner of the world.

According to the situation prevailing in the present day society, we want to give them a status equal to that of men and our Government have assured repeatedly about this. I would like to draw your attention towards those women who are working as agricultural labourers in the rural areas. Shri Rawat, who spoke before me, has said very good things. I would like to add some more things to that.

Firstly, I agree that they are in the unorganised sector. But when you can organise the workers in the other sectors, why

should they be left unorganised? They should also be brought under the organised sector. We have come here to think of those women who have none to look after them and, mostly such women are engaged in the industrial sector. Hon. Members have expressed their views about them but we have to provide many facilities to women who are working in the rural areas. First of all they should be organised and a feeling should be inculcated in them that they too are significant and we want to give them a status equal to that of men. In this connection I would like to give certain suggestions.

First of all we should conduct a survey about the number of women working in the rural areas. After that we should think of their welfare in a well-planned manner. Firstly, we should provide them with jobs. We already have many schemes wherein certain reservation has been made for women but in the schemes like N.R.E.P., R.L.E.G.P. etc. also, women should get reservation. Women working under these schemes should get all those facilities which are provided to industrial women workers. We have not thought of wages of the rural woman workers. So far as my experience goes, the wages given to women workers are less than those given to men in the rural areas. We shall have to bring about a change in this process. We shall have to think of ways and means to bring the wages given to women workers at par with given to male workers.

The second problem is of their food. In the rural areas, women and children all work in the fields and farms. In my area, paddy, maize and sugarcane are the main crops. In paddy and maize farming, mostly women are engaged because they are better workers than men. In the matter of crops, where the job requires a sitting posture, I think the womenfolk should be imparted some special training. In paddy sowing, women work more in lesser time than men. Therefore, with regard to paddy sowing arrangements should be made to provide special training to women so that they may be employed in this sector as specialised workers.

So far as the minimum wages are concerned though we talk of providing the same, yet unfortunately, in the rural areas; minimum wages are not being paid to them. In Bihar though it is said that four kgs of

foodgrain per day in—villages usually food-grains are given as wages and not cash are given for the work yet the actual practice perhaps this is adhered to only at few places. We have enacted laws and we want to implement the 20 Point Programme also but not much progress has been made in their implementation. It is the responsibility of our Government to get it implemented. Government should ensure that the labourers are actually given minimum wages and women, in particular, get wages equal to those given to men.

[English]

MR. CHAIRMAN : You may continue next time.

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18.00 hrs.

#### HALF-AN-HOUR DISCUSSION

[English]

#### Educated Unemployed Benefited under Self-Employment Guarantee Scheme

MR. CHAIRMAN : We shall now take up Half-an-Hour discussion. Shri Jitendra Prasad.

[Translation]

SHRI JITENDRA PRASADA (Shah-jahanpur) : Sir, I am raising this discussion on the matters arising out of the reply given by the Hon. Minister to the starred question No. 409 on the 12 April 1985. This question related to the subject of the self-employment Guarantee Scheme. I am grateful to the Hon. Speaker for allowing me to raise the half-an-hour discussion, so that there could be a detailed discussion on this Scheme. This Scheme should have benefited the youths of the entire country, but due to the short-comings in this Scheme, the youth have been deprived of the benefits. Sir, this Scheme was announced by the Late Prime Minister Indira Gandhi, on 15th August, 1983 from the ramparts of the Red Fort. The aim of the Scheme at that time was to provide help to the unemployed youth to make them self-dependent so that with the



[Shri Jitendra Prasada]

help of our Government they could start some work and could make both ends meet. In addition, the aim of this Scheme was to generate employment opportunities. But I am sorry to say that the expectations raised by this Scheme have remained unfulfilled. There were many shortcomings in the implementation of this Scheme.

So far as the Scheme is concerned, there was no short coming in it, but at the time of implementation, many shortcomings were noticed. Our Hon. Minister of State for Finance, Shri Poojaryji, is present here. He is one of the hard working devoted Ministers. When the Hon. Minister got an opportunity to tour my constituency, he toured the districts ceaselessly without even drinking a glass of water. During his tour, he asked every beneficiary if any injustice or dishonesty was done to him, and this benefited the people very much. On the one side was Poojaryji and in the other side was the entire banking community. The Hon. Minister was threatened, an attempt was made on his life, he was gheraoed and he was threatened with a dagger. All these things have appeared in the Press. The Hon. Minister wanted to ensure justice to the poor and wanted to help them and wanted to translate the dream of Late Indira Gandhi into reality. That is why a planned attack was made on him.

Sir the Hon. Minister has said that this Scheme is being implemented throughout the country and it is not possible for him to tour all the places. We would have to find out a way to tour the maximum number of places, which is possible. The shortcomings of the Scheme should also be removed so that the benefits of the Scheme could reach the poor. It has been mentioned in the answer to the main question that a task force has been set up to select the people for giving loans. The Hon. Minister has said that the task force-comprises of District Employment officer, General Manager of the District Industries Centre, Project Manager of the District Industries Centre, one officer of the Lead Bank, two officers of the Bank and one officer of Small Scale Industries Service Institute, Government of India. This is your task force. The irregularity starts from this point. When beneficiaries are

selected and interviews are held for this purpose, the task force is unable to understand how the beneficiaries should be selected and how the applications should be sorted out from the large bunch of applications.

Secondly, when interview letters are issued, many applicants do not receive them. When the applicants make enquiries about the interview letters, they are told that interview letters have been issued to all the eligible applicants, perhaps you might not have received it. But what is the reality? The applicants to whom they want to sanction loans receive the interview letters and other do not receive them. This is how the bungling starts. Thereafter, the people are interviewed and after the interview, it becomes known that a list of applicants has been finalised and also a list of those who would be benefited and whose name would be recommended. Officers of the D. I. C. contact the applicants and tell them that they have done his work and he may now-contact the Bank. Again the bungling starts from this point. A share is decided at this point and corruption is encouraged. There is no check on it. It can not be inquired into and it can not be controlled. Efforts were made to have a check on such corruption, but there were many difficulties for which there was no solution.

The number of applications is very large. It is very difficult for the officers to know who is rich and who is poor, who belongs to the weaker section and who is more needy. No body can have an estimate about it by simply going through these applications and the officers cannot get any factual information from them. It would have been better if public participation had been allowed in it. The M. L. A. of the area the member of the Panchayat the corporator of the area should have been associated with this task, who could say who is poor and is eligible to get the benefit under the Scheme. The applicant would have got a certificate from him which could be a basis for taking a decision on the grant of loan. The officers do not have any information about the applicants as they are transferred after two or three years from a particular place and are therefore, unable to get full information about the applicants.

When selection has been done, many applicants who remain unsuccessful have no option but to make any appeal to the authorities or to find out the reason for their not having been selected. That way this impression could be removed from their mind, that they were not selected as they could not grease the paws of some persons. There should be some provision for making an appeal. The applicants should be told about the deficiency which was responsible for the rejection of their case. Summary dismissal is not proper and it gives rise to suspicion and a feeling is created in the public mind that people have been selected in a corrupt manner. You would have to take measures to remove this impression.

After the selection, the officials of the D.I.C. recommend their names to the Banks for grant of loans. But actually what happens is that if a loan is to be sanctioned to ten persons, a list of twenty persons is sent to the Bank. The Bank selects ten persons from that list. I do not want to go into the basis of selection by the bank. Actually an applicant, who pays more money under the table gets the loan while one who is unable to pay, does not get the loan. I want to know why a list of twenty persons is sent to the bank, when loan has to be sanctioned to only ten applicants. A list of only ten persons should be sent to the bank. If only eight persons turn up out of a list of ten persons, the names of two extra persons could be called for from the D.I.C. later on. But actually all the twenty persons turn up at the bank and the bank decides who should be given the loan and who should not be given the loan. If the D.I.C. recommends a loan amount of Rs. 15,000, the Bank Manager reduces the amount to Rs. 10,000 and if some settlement could be arrived at the applicant could get even more than Rs. 15000 as loan. In that case they say that the applicant's case is being referred back and it is again recommended. In this way, an effort has been made to sabotage the scheme.

Regarding the weaker section, I have already referred to the Minister's reply, in which it was said that loans were sanctioned to the weaker sections, but I would like to say that so far as banks are concerned, they do not have any scheme, nor have they any knowledge about any institution. Banks

do not have any knowledge about the weaker sections also. Their yardstick is only one, which I have already referred to. It is a matter of great surprise that for the same scheme a different loan amount is being sanctioned. If an applicant is opening a pan shop and another applicant is also opening a pan shop and the size of their shops is also same, one applicant is sanctioned a loan of Rs. 10,000 while the other applicant is sanctioned Rs. 14,000. I fail to understand the basis for grant of different amounts of loan for the same scheme. The capital required for both the shops is the same. Such things came to our notice daily.

The Hon. Minister has said that no guarantor is required. I have got the newspaper cuttings with me. When this Scheme was announced, it was said at that time also that no guarantor would be required and the loan would be sanctioned without asking for any guarantee, but in ninety per cent cases, the question is asked whether the applicant has brought with him any guarantor or not and whether the applicant is furnishing any surety or not. This is the inevitable question which is asked in every case and our Government makes the announcement that no guarantor is required. It is very difficult to prove it, as guarantor is never asked for in writing. The bank officials say that loan would be sanctioned, if the guarantor is produced by the applicant, otherwise the applicant is free to go away. When we make complaints. The officials say that they had not asked for any guarantor. The Hon. Minister had visited my constituency and he asked all the persons about their grievances. At one or two places, the people made the complaint and he took the action also, but many people did not tell him about it due to hesitation. This is the problem at every place in the country.

**SHRI HARISH RAWAT (Almora) :** Not only this, the sons of the persons who are running their own business are sanctioned loan by the bank and it is presumed that these persons have the capacity to repay the loan.

**SHRI JITENDRA PRASADA :** Nobody is going to see whether the loan amount is being utilised for the purpose for which it was sanctioned. A scheme is submitted and nobody checks whether the scheme is fake or real and whether the loan amount is going to

[Shri Jitendra Prasada]

become a bad debt or not. Nobody goes into all these things. As a result, a feeling has been created among the public that the loan amount which is being sanctioned would not have to be repaid. When such a feeling is created among the public, the people think that even if an amount of Rs. 5000 is spent to get a loan of Rs. 10,000, it is not a bad proposition, as an amount of Rs. 5,000 would still be received in the bargain. All this is happening because the utilisation of the loan is not checked and it is not checked whether the applicant is genuine or not, because the officials cannot get the factual information. It can not be checked until public participation is there.

The Hon. Minister has said that advisory committees have been set up by Government. When this question was first asked in the House, many Members had said at that time that such committees had not been formed and Hon. Speaker had also said that advisory committees had not been formed. But I would like to say that even if advisory committees are formed, the officials are not going to pay heed to our advice. Advisory committees are not going to solve the problem. Such a committee should be formed as could take action on a complaint of corruption or could recommend action so that there may be prompt action. If merely advice is given to the D.I.C. or the bank officials, they are not prepared to accept our advice. Even without advisory committees, we have been giving our advice and have been writing letters also and we make telephone calls and take all other action, but they are not prepared to pay any heed.

Advisory committees will not serve the purpose. You constitute such a committee or task force as has public participation and as could check the bunglings and see where such bunglings are taking place. Only then these irregularities can be checked.

In reply to the question you had said that you had issued instructions "to eradicate corruption." I would like to know what these instructions are? How will these help to check corruption. If corruption could be eradicated by instructions, it would be a very great achievement.

I want that while replying, the Hon.

Minister should clarify how our target of Rs. 401 crores in 1983-84 was lowered to Rs.65 crores only. I would like to ask whether our target of providing employment to 2.5 lakhs youths this year has been lowered. Shall we not provide employment to 2.5 lakh youths now? If we have lowered this target a bit, what are the reasons for that? My submission is that we should have raised this target to 5 lakhs from 2.5 lakhs.

You have provided subsidy to many states but they have not utilized that subsidy. You had allocated Rs. 3 crores to Haryana, out of which they utilized only Rs. 1.61 crores. The average loan advanced was Rs. 13,000. In this way, we can provide loans to more than 2.5 lakh people.

Sir, now-a-days, it is impossible to establish any business with a sum of Rs. 25,000. You should raise this amount. The amount provided by you should enable a young man to establish some business or industry through which he could earn as well as repay you loan. If you give him less amount, he will neither be able to establish any worthwhile business nor repay your money. It will be of no use to him. You should get it examined by the experts.

I am of the view that as long as there is no public participation in it, you will not be able to remove the lacunae in it. You constitute a committee of the M.Ps. and your officers should also be associated with it. That committee should chalk out a scheme which could be properly implemented so that the actual dream could come true and the youths could benefit.

I am quite hopeful that the objective and the spirit with which our late Prime Minister Indira Gandhi had implemented this scheme will be kept up by our Hon. Minister by removing all the bottlenecks so as to show that he is committed to providing employment to the youth of the country. I hope the Hon. Minister will implement this programme vigorously.

[English]

THE MINISTER OF STATE IN THE  
MINISTRY OF FINANCE (SHRI JANAR-  
DHANA POOJARY): I am very grateful to

the Hon. Member and also to the Hon. Speaker for giving me an opportunity to explain the scheme and also for the Hon. Member for giving us very constructive and also concrete suggestions so far as the improvement in the implementation of the programme is concerned.

It is true that with a laudable objective this scheme has been introduced by the late Prime Minister. Even though she is not here, this programme and the scheme has become very popular and the Hon. Member is correct in his statement that there is a lot of demand for the continuation of this programme and also he is correct in his statement that there are complaints and deficiencies in the implementation of the scheme. The Hon. Member has studied the problem. I wish to thank him for giving us very valuable suggestions. He has studied the deficiencies which are found at the time of identification by the Task Force and also after identifying the beneficiaries when it is forwarded to the banks for sanction. There also he found that the deficiencies correctly. He identified correctly the difficulties that are faced by the people. After the sanctioning when the actual disbursement is taking place what are the deficiencies and shortcomings, that also he has mentioned correctly. He goes one step further stating that at the time of monitoring what should be done, how monitoring should take place. He has gone one step further saying that if there is corruption what should be done. What is the deficiency in the system that also he has mentioned. He mentioned about the Committees which are entrusted with the duty of over-seeing the working of the scheme. How that could be done. He has clearly stated that also.

My submission to the Hon. Member and to the nation through this honourable House is this. When there are deficiencies in a system, we have to monitor it. We have to diagnose the whole thing; we have to identify the deficiencies. For that, the persons who are looking after it must go to the field; they must meet the people; they must meet the beneficiaries; they must find out as to what are the difficulties faced by the beneficiaries (*Interruptions*) Those persons who are looking after it should go there; even bank officials should go there; even Ministers should go there.

AN HON. MEMBER : It is not possible for the Minister.

SHRI JANARDHANA POOJARY : That should be the spirit. Now the Hon. Member was saying, for the Minister it will not be possible. I have made one thing very clear. It should be monitored not only by the Chief Executives of the Banks but also by the Reserve Bank of India. It should be monitored by the Administrative Ministry, that is, the Industry Ministry. So far as the banking sector is concerned we look after the implementation from the banking side. I toured the country. The Hon Member made some reference to this. When we made some enquiries with these people, particularly those people who are frustrated because of the unemployment, we found that there was lot of resistance. Unfortunately that was coming from the employees saying that the Minister is coming and he is holding the trial and so on. To that extent this thing has gone. Some of the Hon. Members from the opposition are not realising certain things. I am not generalising. The persons who are not thinking about things, who are not realising the importance of these things, went to the union, went to the conference, they criticised this type of monitoring also. So you, may see to what extent they have gone. I am appealing to the Members from the opposition parties also to think, to realise how these things could be implemented and even if there is corruption what action we have to take.

SHRI AJIT KUMAR SAHA (Vishnupur) : This is not true.

SHRI JANARDHANA POOJARY : I am not generalising.

SHRI AJIT KUMAR SAHA : We always try to help the Minister from the opposition side. You cannot blame the opposition.

SHRI JANARDHANA POOJARY : I have not blamed.

MR. CHAIRMAN : Let him complete his reply. I will allow the Hon Member to put his question.

SHRI JANARDHANA POOJARY : I have not made any allegation against any Hon.

[Shri Janardhana Poojary]

Member. I have got the record with me. If the Hon. Member goes through the paper clippings, he would know how many Opposition Members have attended the meeting and they criticised me in the meeting. There was an open criticism that had appeared in the newspapers. I am not blaming anybody, but because the Hon. Member made this point. Now, the point is : how have we to implement this? Now, it is not only for the Opposition Members or for the Members sitting on the Treasury benches, but it is for the entire nation to consider this. So far as the implementation is concerned, it requires dedication and commitment on the part of the employees, not only bank employees but even the task force. The Hon. Member stated the difficulties faced by the educated unemployed persons. When an unemployed person goes to get the application form from the banks—there are some blacksheep there—they are asking for money even to give one application form.

AN HON. MEMBER : Not some, but 75 per cent of them.

SHRI JANARDHANA POOJARY : How do you feel when you receive this type of complaint and that too from the educated unemployed? We have to do something for this. For that supervision is required. If there is commitment and if there is dedication on the part of the employees, these complaints would not come. Now, how does it happen? I am not defending them. I am not also putting blame on anybody. But what I say is that it should have happened. We have to think of doing something for this.

Sir, in Tamil Nadu one unemployed person had gone to the extent of murdering an employee. It is a fact that it has happened. Now, why has it happened? It is for the entire nation to think of it. Nobody has suggested that he should be murdered. But I think that it is due to frustration that has forced him to take that extreme step. To that extent, it should not happen and people should not do it. What the Hon. Member stated in this respect is correct. The Hon. Members on the Opposition say that they are bringing to the notice of the Government all these facts. So, it is for us to decide how we can implement the programme. That is why I am just appealing to the Hon. Member that

we have sincerely to make an attempt so that a situation should not be allowed to recur in future and for this cooperation should come from all the sections of the society.

Now, here for the suggestions made by the Hon. Members, definitely the scheme is going to be reviewed and the suggestions of the Hon. Members that have been made how will be taken into consideration. The officers from the administration and also from the Industry Ministry have come here to make note of the points made here. This programme has become very very popular. The Hon. Members have made it clear that they want more people to be covered under this scheme. I may submit that about 5 lakh people are to be covered under this scheme. Now that aspect is being considered.

As for other points raised by the Hon. Member, I had already stated in my reply when I was answering a Starred Question as to how many people have been sanctioned loans, what is the amount given, what is the subsidy given, why the amount has been scaled down, all these particulars have been given.

SHRI CHINTAMANI JENA (Balasore) : Sir, I would like to know from the Hon. Minister whether there is any machinery to evaluate the implementation of the scheme by the beneficiaries in their own area. If it is so, what is that machinery or body which would evaluate the true implementation of this programme?

Secondly, may I know from the Hon. Minister whether there is any criterion to select such beneficiaries? Who had exceeded the service age limit? If not, is the Government thinking on these lines, and will a directive be given to the DICs so that they may select youth who have exceeded their service age limits?

Thirdly, I am grateful to the Hon. Minister that while replying on 12th April, he had categorically told the House that whenever irregularities in the selection of beneficiaries etc. came to his notice, he would definitely take action thereon. Of course, such irregularities might not have come to his notice, but they may be brought to the notice of the

concerned Bank authorities, collectors of the districts etc. May I know whether action will be taken at his level or at the Ministry's level against the Bank authorities or persons who had selected as beneficiaries persons who are men of means, monied persons, sons of multi-millionaires etc. ? If so, how is the Hon. Minister going to take action in this matter ?

**MR. CHAIRMAN (Shri Sharad Dighe) :**  
You can put only 1 or 2 questions; not so many.

**SHRI CHINTAMANI JENA :** Has the RBI given a directive to the commercial banks to give priority to the priority sector, and not to this scheme of self-employment—for which is the late Prime Minister, Shrimati Indira Gandhi had shown the light, so that the youth of this country, who are millions in number, could forge ahead ? May I know whether such directives were given by the RBI to the commercial banks ? If so, what is the remedy for it ? How is the Minister going to solve this problem ?

Next, may I know from the Hon. Minister whether there are directives from the RBI that the Managers or people who disburse the loans are responsible for their realization, and that unless they are realized, these officials would be taken to task ? Because of this, when we approach the Bank officials, they say : "We will pay to the beneficiaries who can repay the loans, and not to others."

Similarly, is it a fact that whenever a loan is sanctioned, and the beneficiary goes to the bank, the Manager ask him to locate his business in a particular place, say X or Y according to his convenience ? In fact, the beneficiary takes the loan for his benefit. He would start the business where he will get some profit, and be able to repay the loan. If view of this, how is it that the Bank Managers are directing the beneficiaries to start business in a particular place ? I know hundred-and-one such instances. I have written to the concerned Bank authorities pointing out that the officials direct the beneficiaries and tell them that unless they started the business in such and such areas, they will not be given the loans.

[*Translation*]

**SHRI MOOL CHAND DAGA (Patil) :**  
Mr. Chairman, Sir, I am asking the Hon. Minister some specific questions. The loans are to be given to the Youths in the age group of 18 to 35 years having no resources of their own. The second thing is that you have decided that there will be five persons to decide about the sanctioning of the loan. You have said that these five persons will be as under :

[*English*]

"There will be task force at DIC level consisting of the General Manager, DIC, who will be its Chairman, Credit Manager of the DIC, a representative each from the Lead Bank and concerned small industries."

[*Translation*]

There are three or four confusing things in this scheme. First of all, you give its definition.

[*English*]

What do you mean by business, service or industry ?

[*Translation*]

The first question is that you have not spelt out to whom you want to give loan ? This you have not indicated.

[*English*]

Whether he will be below the poverty line.

[*Translation*]

If the Panchayat has inquired and found out that he is below the poverty line, what is the need of inquiry into it further ? If the Youth is educated, do you need to verify if he is below the poverty line, when the village Panchayat has already agreed that he is below the poverty line ? You will have to identify such a vast number of families every year and after identifying each Block, you

[Shri Mool Chand Daga]

will have to indicate that these people are below the poverty line, and when the Youth is educated, what right have you or this committee to challenge it ?

The second thing is that on what basis have these five persons to judge whether these people actually deserve to get loans, because one belongs to Punjab, the other belongs to Gujarat, another belongs to Bombay, I belong to Rajasthan. In the place to which I belong, I know, there are many rich people who have vast lands and your people can make a trip to that place and usurp the money. On whose assurance do you want to give loans ?

AN HON. MEMBER : On the assurance of the bank manager.

SHRI MOOL CHAND DAGA : Your bank manager is subject to frequent transfers. Your inspector is not a resident of that area. To whom are you giving loans, what is the criterion for that ? You do not know. Do you give loans to those having good looks ? You are not aware of the criteria. You have written that :

[English]

"It would be ensured that the relevant affluent sections of the society do not corner the benefits from this scheme."

[Translation]

It will not help. Therefore, it is my request to you that you should associate the representations of the people of that area, the local M.P. the local M.L.A., with the committee while taking a decision about the loans.

AN HON. MEMBER : Panchayat should also be consulted.

SHRI MOOL CHAND DAGA : I will not say Panchayat because he has been once declared eligible by the Panchayat.

[English]

If he is below the poverty line, he is to

be given loan; he should not be questioned at all because once you declare a person below the poverty line, then he must get loan; every year you have to identify people who are below the poverty line; and once you have declared them below the poverty line, then they are entitled to get benefits.

[Translation]

Mr. Chairman, Sir, the next question which I would like to ask is : What is the method of indentifying the people of the districts whose population is below 10 lakhs ? I would like to tell the Hon. Minister that the committee of these five persons will not serve the purpose, you should also associate with them the local M.P. or M.L.A. or their local representative. He will be able to say whether the person is actually poor or not or whether he actually needs loan or not. This is my first question.

Sir, my second question is that you had decided to provide loans to 2 to 2.5 lakh people every year. This statement was given by the former Prime Minister of India on the occasion of 15th August, 1983. Now, August, 1985 is approaching. To how many people have you given loans and what was your target ?

SHRI HARISH RAWAT : Have all the banks achieved their targets ?

[English]

SHRI MOOL CHAND DAGA : This is the 219th Report of the Public Accounts Committee for 1984-85; Seventh Lok Sabha. It has said in so many words :

"That the Committee are constrained to find that out of 79,445 cases recommended by DIC in 11 States and Union Territories during the year 1981-82, only 30,035 cases were given loans."

And in this way they have given the list. I do not want to go into the details and take time. Almost 30 per cent were given loans. The Committee recommended some, but they were refused.

[*Translation*]

I had recently asked a bank manager, who told me that they did not have money and that whereas I had said one thing the orders from above were different. I said, all right.

The question is that of giving loan. You want to provide loans to the educated unemployed Youth and so you should decide about the method of giving loans. Do you think anybody can set up an industry with Rs. 25,000 or Rs. 20,000? I challenge that nobody can set up an industry with much a meagre amount.

SHRI HARISH RAWAT : How many persons have been given even Rs. 25,000?

SHRI MOOL CHAND DAGA : This is also a big question. Even if you gave Rs. 20,000 or Rs. 25,000, a plot in our industrial area where he can set up an industry costs Rs. 70,000. Why are you cutting this joke by giving such a meagre amount for setting up an industry? You will give him Rs. 20,000 as loan and even for that he will have to take seven rounds. You go to Jadhpur and Jaipur and you will not find a single officer there. there is no one window service there. You add to the miseries of the unemployed. He is already unemployed and you increase his burden by adding to his expenditure.

I would like to know whether you will ponder over it namely whether he can setup an industry with rupees 20,000 only? You leave him with only one option, i.e. to open a tea shop in the village and indulge in bootlegging under its cover. A sum of Rs. 5,000 is sufficient to run a vegetable shop. You give Rs. 25,000 to educated matriculates. The Government officers are not concerned about it, because by God's grace their son will become a doctor or an engineer and the village boys will become only peons. There is an army of matriculates in the villages.

You give me the facts as to the criterion to judge whether a persons is living below the poverty line and he should be given loan? How long does it take to give him loan after a decision is taken to that effect?

Can he run any industry with Rs. 20,000

or Rs. 25,000? Will you please tell me the number of persons to whom you have given loans in 1985 and the amount given to each of them as also the total amount of loans distributed? Have you not taken any surety from them?

Why are the Members of this House not associated with that committee? Also tell me the number of applicants who have been refused loans.

[*English*]

SHRI AJIT KUMAR SAHA (Vishnupur) : Mr. Chairman, Mr. Daga has already asked the question I wanted to ask but I would ask only one or two questions.

When the scheme was formulated—I have got the Reserve Bank bulletin with me—the target fixed was 2.5 lakhs. I want to know whether this target has been fulfilled or not and what is the target of this year? That is one specific question, I want to put. And, in his reply to us show that the target for 1983-84 for Andhra Pradesh was 20,000 from the applications recommended by the DIC which were 25,401; and the number of applications sanctioned by the bank was only 14,781. That means, out of 25,000 only 14,000 and odd have been sanctioned, in the case of Andhra Pradesh. But if you look at all these figures you will see that out of 29,000 only 10,000 or only a fraction or 10 or 20 per cent have been sanctioned. So, I want to know whether the Government or the Minister will ask the bank managers why they have not fulfilled the target, and what action is the Minister going to take against those bank managers?

MR. CHAIRMAN : Shri Satyagopal Misra.

SHRI SATYAGOPAL MISRA (Tamluk) : There are two aspects of the problem. One is concerned with the scheme itself and the other is the implementation part. There are some defects in the scheme itself. One by one I am going to point them out and I would request the Hon. Minister whether he is going to accept them or not.

Firstly, the rate of interest is very high. It is meant for the backward classes and the



[Shri Satyagopal Misra]

rate of interest is 10 per cent, and for other classes it is 12 per cent. For an unemployed youth rate of interest should be lesser than this.

Another point is, to whom will the loans be given? What is the ceiling of his income? That is not mentioned in the scheme and in that way the rich people are getting more facilities. You know that the rich people have better lobbies and therefore as there is no ceiling for the income of the family, the rich people are getting the benefits. I want to know whether the Hon. Minister is going to put some ceiling on it or not.

My third point is that under the scheme a subsidy should be kept in the bank in the name of the beneficiary. This is not good. My suggestion is that the full amount should be released at a time to the beneficiary so that he can start the business or the industry.

Another very important point is about the role of the bank. Many Hon. Members have pointed out that banks are not functioning well. I know that there are some problems with the banks. In the year 1982-83 the Government had given some orders not to recruit some people even in the then existing posts. That order is still there. Therefore, the banks do not have sufficient hands but in the scheme you have said that four members will take the decision, one from the DIC, another from the lead bank and another from the Reserve Bank or other industries. Here the role of Lead Bank is very much important. I tell you that the whole problem is because Lead Banks are not functioning well. I can point out two or three cases. In the year 1984-85, the target for Andhra Pradesh was 15,100, the number of applications recommended to the banks by DICs was 24,295 and the number of applications sanctioned by banks was 9,550. For Maharashtra, the target was 25,000, the number of applications recommended to the banks by DICs was 22,335 and the number of cases sanctioned by the banks was only 6,839. Similarly, for Uttar Pradesh, which is the biggest State of our country, the target was 37,600 cases, the number of applications recommended to the banks by the DICs was 4,842 and the applications sanctioned by the banks were only 1,474. Just see the role

of the banks. The cases are sanctioned and given to the banks but the banks are taking time and time, thus delaying the whole matter. These figures are given by the Minister himself. So, the role of the Lead Banks should be scrutinised. There are some defects in the scheme itself. I would like to know from the Minister whether he is going to scrutinise the role of the Lead Banks or not.

Coming to the implementation part of the Scheme, there also some problem is there. When some money is sanctioned for a particular scheme, in my opinion, that money should be spent on that scheme only otherwise that money will go to the market and increase the inflation further. Therefore, some strong machinery should be there for monitoring the scheme. But the question is what type of machinery we want. It may be adventurous for the Hon. Minister to go here and there to check something but it is not possible for one person or for some persons to go to all the corners of the country and find out all the cases. Therefore, some local system should be developed. In my opinion Panchayats should be entrusted with this work. But the Panchayat system is very much defective. Where the elections of the Panchayats take place every three or four years, there the panchayats are active. In these places the Panchayats should be entrusted with the monitoring work, but in other places where the Panchayat system is not so much effective, there the MLAs and M.Ps should form committees and through those committees the whole system should be monitored. I would like to know from the Hon. Minister whether he is going to accept my points or not.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : The Hon. Member, Shri Chintamani Jena has made a point with regard to the performance of the bank managers. He has stated that the monitoring and other things will not be possible. The last speaker also said that there is understaffing. This point I want to make very clear. As I stated earlier, there should be commitment. It is the duty of the bank managers to monitor the scheme also. It is not functioning there just to give money and keep quiet. It is their duty to see that money is properly utilised. In Andhra Pradesh there were two Managers. I do not name them.

When I went there the entire village, more than 25,000 people were there and were jumping and dancing not because the Minister came there, but because of the performance of the Manager.

This Manager used to go and monitor the performance of the villagers and used to guide them. He used to monitor the scheme also. And if something was required that could generate income, he used to pay for that also. This type of help resulted in one hundred per cent recovery. That is what is required of them today. The Staff there thinks that once they give the money, their duty is over and they can sleep over the matter. I want to make it very clear to the employees that it is their duty to monitor and it is their duty to receive money that has been given. In my district I told one manager that he has to monitor. He started monitoring and now the percentage of recovery is 98 per cent. It is the duty of the Bank employees to help these illiterate people who are not in a position to know the things. That should be their spirit.

An Hon. Member has stated that they are under-staffed. I am sorry it is not so. I have seen after paying surprise visits to more than 2,200 branches that the people there were playing cards during office hours. They used to go to office at 11 a.m. and come back home at 2.30 p.m. And then they asked for over-time saying that on the previous day they had worked upto 8 p.m. That was going on. If they worked properly between 10 and 5, I feel the staff is sufficient, but the only thing that is lacking is sense of dedication and commitment. If that is there there is no difficulty.

The Hon. Member, Shri Daga, has made very constructive suggestions. Other Hon. Members have also given good and constructive suggestions.

Coming to the scheme, I would say that it is meant for the people between the age group of 18 and 35. Clear instructions have been given that it is not meant for affluent class. While identifying, they should also find out whether the person is so poor that he cannot get resources from any other source—father, mother, brothers or sisters. He should be a person who has no source to get the resources. Such a person could be given this assistance.

An Hon. Member has made a suggestion that a ceiling should be put. This will be considered and looked into when the scheme is reviewed.

Now, a Hon. Member has asked whether security and surety is there and what is the rate of interest charged and whether it could be reduced. The Hon. Member knows that when we get deposit for a period beyond five years, the bank rate paid is 11 per cent. If other expenditures like bank employees salaries, furnitures and fixtures and rentals etc. are taken into account it comes to about thirteen to fourteen per cent. In such a situation you can imagine whether we can reduce it or not. But still we have provided that if it is a backward class or a backward area, the rate of interest is 10 per cent.

19.40 hrs.

There is no demand for surety or collateral security. The security that could be asked is the asset that is created out of the loan, which is Rs. 25,000. If the asset is created that will be the only security. But unfortunately you are correct that there are some complaints that surety is being asked for. I fully agree with him that with the Minister or with one agency it cannot be implemented. When the people complain and when I go and ask the aggrieved person whether the surety has been asked, he would say, 'Yes, security has been asked. We want to the rich people to furnish the surety.' This is the complaint made by the aggrieved person. What has the Minister to do? He should come back and give the instructions. And we have to tell, 'If you do like this action will be taken'. And it is considered as trial, a public trial, the Minister is making a public trial. This is how it has been put. We have to see to it, and even when you are bringing to our notice a specific complaint, what we say is, 'we will take action'. But when we go outside, for example some poor man or somebody comes and says that this is the complaint, the Minister cannot say that he will not take action. But when he says that 'we are going to take action' and when it is said that the Minister is taking action, it is a public trial, what happened? I am not blaming anybody, but this is the reality. For that purpose we have to find out what is the machinery.

[Shri Janardhana Poojary]

Coming to how many people are given assistance—I will go step by step—it is 2,42,000 persons. The target is two-and-a-half lakhs people. We have to give to two-and-a-half lakhs of educated unemployed persons under this scheme. In 1983-84 we have been able to give to more than 2,42,000 people. The amount that has been sanctioned is Rs. 401 lakhs. You may ask what is the amount that has been disposed. It is Rs. 268.44 lakhs. How that could be reduced? When you are coming before the bank with one scheme—suppose a person starts a small industry or starts some technical workshop or something like that. First he has to acquire the land, then he has to construct the shed, then he must get the machinery. For all this time is required. So, when he acquires land some amount is given, for construction of the shed some amount is given and for getting the machinery some amount is given. Like that the amount is disposed of. You are correct in saying that delay is caused. When the application is received by the bank, either that has to be sanctioned or it should be rejected within 14 days. Unfortunately it is not done. I accept that fact, but not in all cases. There also implementation is required and we have to give the guidelines and we have to monitor, the higher authority should monitor and even the Reserve Bank also should monitor. Tomorrow when you are asking for the surety, there also action is to be taken and people cannot be exploited like this. Here also the delay should be avoided. At the same time, they have got the responsibility. That does not mean that when the Task Force recommends the application, they should immediately sanction. It is for the bank people also to see. For example in one locality ten applications are forwarded by the Task Force for starting of hospitals. Surely ten hospitals cannot be opened in one locality. So, in those cases the bank manager has to evaluate, and he can say, 'No, it is not viable'. He can send back a particular application. That evaluation, scrutiny and processing should be done by the Manager.

**SHRI HARISH RAWAT :** That can be done at the Task Force level also. Why there are two layers ?

**SHRI JANARDHANA POOJARY :** At the Task Force level if it is not done, that does not mean the Manager should not do

it. The Hon. Member is correct that if the task force properly processes the application after taking all factors into account and recommends sanctioning of loan, there is no difficulty at all. But in some cases, we have to give some margin. Therefore, the bank managers have to find out whether the project is viable, whether more industries could be put up there or more ventures could be put up there. It is because, ultimately, the bank manager will be held responsible for the recovery. So, it is his duty to find out whether the amount could be recovered, whether the project would be viable. These things come under productive purposes.

Now, the Hon. Member has mentioned about statistics. I don't know whether Shri Daga has referred to the report of the PAC relating to the year 1981-82. But I feel like that. I think, he has made a reference to the report of the PAC for the year 1981-82. But at that time, this report was not applicable to this scheme because this scheme has been announced by the late Prime Minister when she addressed the nation on the 15th of August, 1983. This scheme came into effect in the month of September, 1983.

It was for six months in the initial period and then it was extended, for six more months. When the target was not achieved, it has been extended beyond one year. As it was introduced in the month of September, 1983, the target could not be achieved within the financial year. So, it had been extended for six months initially.

In 1984-85, another two and a half lakh are to be identified and about Rs. 400 crores provided. Now, even if more money is required, it will be provided. There is no dearth of money so far as the bank sector is concerned. Now, the Hon. Member, Shri Misra ji said...

**SHRI SATYAGOPAL MISRA :** I said, why don't you entrust the monitoring aspect to the Panchayat wherever it is active. Where the Panchayat is not active, this can be entrusted to local MLA or MP.

**SHRI JANARDHANA POOJARY :** The Task Force is there. Now the controversy arose during the Question Hour the

other day when I answered about the district advisory committees. Now, here, clear instructions have been given by the administrative Ministry, i.e. Ministry of Industry, that the overseeing function and the working of the scheme should be entrusted to the district advisory committees. The Hon. Member has made out a point which Prasadji also made that when there is corruption, what would be the power of the committee. Now, this advisory committee is headed by the District Collector and at some places by the Deputy Commissioner. Now, the instructions already exist for these district advisory committees even before the implementation of this programme or this scheme. These instructions and these committees are there since 1978. At the time of introducing this scheme, the Ministry of Industry has said that so far as the supervision and overseeing functioning of this scheme is concerned, this aspect is entrusted to the district advisory committees. These instructions have been given even in 1978. Subsequently also, the instructions were given. I will read out. This committee may consist of MPs, MLAs and other office-bearers.

The Hon. Member also made it clear last time that in some of the States these district advisory committees are not in existence. On 20th August, 1983, the Ministry of Industry wrote to the State Governments saying that the district advisory committees should be associated with overseeing and also supervising the implementation of the scheme.

I will tell you what is the latest position. On 3.9.84, Mr. N. D. Tiwary, the then Industry Minister, wrote to the Chief Ministers saying, so far as the overseeing and supervising of the scheme is concerned, that it should be entrusted to the district advisory committees and that a meeting of the district advisory committee should be held once in a month. On 5.9.84, the Ministry of Industry, Additional Secretary and Development Commissioner, wrote to the Chief Secretaries about it. But I am sorry to say that this has not been implemented by the most of the States. I can say that no State has implemented it. We are receiving telex messages from the States. If you permit me, I will tell you what they have stated. I am not blaming any State. In Karnataka, the DACs are there but MPs and MLAs are not included. In Andhra Pradesh, the DACs are there but MPs or MLAs are not there. In Haryana, MLAs are included but not MPs. As regards

Punjab, no MPs are available. Regarding Tamil Nadu, the telex message received is that action is being taken to nominate MPs and MLAs.

As you know, the setting up of these district advisory committees is in the hands of the State Governments. We have to raise our voice. Last time, the Hon. Member raised his voice. At the same time, you have to raise your voice outside also. When you go from here to your respective States, if you raise your voice and if you can make your State Governments to set up the district advisory committees with MPs and MLAs, there will be better implementation of the scheme. I do not say that this is not at all workable. On the contrary, as the Hon. Members have made out, the district advisory committees are going to be very effective. So far as the suggestion made by the Hon. Member and others are concerned, we will take them into consideration when it is reviewed.

**SHRI SATYAGOPAL MISRA :** Just a clarification. The Hon. Minister said that the monitoring of the scheme should be entrusted to the Bank manager and that the Bank manager is also entitled to raise his voice about the sanction of the scheme. So far as my knowledge goes, the task force monitors the scheme at the district level. But the banks are located in every corner of the district. How can one Bank manager of a particular Bank raise his voice in the task force and monitor the scheme? How is that possible?

**SHRI JANARDHANA POOJARY :** The task force consists of the lead Bank manager and two other Bank managers of the district. It will not be a difficult thing to do. If they have got a will to implement the scheme, it is not at all difficult. There is no difficulty at all. It is not a difficult proposition. There must be a will to implement it. If there is a mind to do that, they can do it. That is why in the beginning itself I said that there should be dedication to it.

**MR. CHAIRMAN :** The House now stands adjourned to meet at 11.00 hours on Monday, the 29th April, 1985.

*The Lok Sabha then adjourned till Eleven of the Clock on Monday, April 29, 1985/ Vaisakha 9, 1907 (Saka)*