

(c) The amount paid by GOI shall be recovered from the State Government together with simple interest equal to the Bank Rate (as per RBI Act, 1934) plus 2.5% per annum.

(d) When any payment is made by GOI, it shall have the right to direct the private power company forthwith, as to where and to whom the energy from the power station should be supplied, until the amount has been fully recovered by GOI.

(e) On payment of termination charges, GOI shall have a pari passu charge with other lenders.

9. Other Conditions:

(a) GOI will also have the right to adjust the overdues outstanding from the SEB and payable to NTPC, NHPC and Powergrid in the same manner as elaborated at 8(i) and (ii) above.

(b) The Agreements and Guarantees shall be governed by Indian law. However, suitable exceptions could be made to address legitimate concerns of foreign lenders.

(c) Breach of this Agreement may attract penal guarantee fee of upto 3% per annum.

World Bank Report on Indian Economy

4529. DR. M.P. JAISWAL: Will the Minister of FINANCE be pleased to state:

(a) whether the draft World Bank Report on the State of Indian economy has warned that projected seven percent growth in Gross Domestic Product might not be sustained;

(b) if so, the details thereof; and

(c) the steps taken by the Government attain this target?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b). The World Bank's Country Economic Memorandum 1996 pointed out that the stabilization and reforms measures over the last five years have considerably improved India's growth prospects and may have created the pre-conditions for India's Gross Domestic Product to grow at a stable 6-7 percent per year. The World Bank has also pointed out, however, that a challenging agenda of structural reforms such as reducing fiscal deficit, accelerated human resource development, reform of agricultural policies, priority action for improving urban services and improvements in the infrastructure sectors need to be addressed to sustain the current growth rates.

(c) The Government's economic policies including the policy measures announced in the 1996-97 budget are aimed at ensuring sustained high growth rates of India's Gross Domestic Product.

[Translation]

Recycling of Clothes

4530. SHRI O.P. JINDAL: Will the Minister of TEXTILES be pleased to state:

(a) Whether some organisations are earning crores of rupees in illegal trade by importing rags in the name of providing free clothes to the poor;

(b) if so, the names of the organisations involved therein; and

(c) the action proposed to be taken by the Government against these organisations?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) No such instance has come to the notice of the Government.

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

[English]

Marketing Through 'ACASH'

4531. SHRI SANTOSH KUMAR GANGWAR: Will the Minister of TEXTILES be pleased to state:

(a) the percentage of commission charged by Association of Corporations and Apex Societies of Handlooms, New Delhi (ACASH) and its State handloom agencies from handlooms units registered with State handloom agencies;

(b) the list of societies registered with ACASH and the items exclusively reserved for purchase by the Union Government from ACASH;

(c) the number of contracts performed by ACASH during the last three years till date indicating items supplied in quantity, value of contract and supplied and unsupplied quantity; and

(d) the number of weavers benefitted by the Government's purchase policy through this organisation?

THE MINISTER OF TEXTILES (SHRI R.L. JALAPPA): (a) Association of Corporations and Apex Societies of Handlooms (ACASH) charges 5% of the value of goods supplied by its notified agencies as administrative charges. ACASH or Central Government have not specified any guidelines about the commission or administrative charges and the State handloom agencies decide the commission to be charged from its registered handloom units.

(b) A list of members of ACASH and the items notified for