

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) (a) Yes, Sir.

(b) to (d) The allocations for the VII Plan period for the steel sector will be finalised shortly in consultation with the Planning Commission.

Shortage of coins and small currency Notes

710. SHRI BANWARI LAL PUROHIT :

SHRI R.M. BHOYE

SHRI SYED MASUDAL HOSSAIN :

SHRI B.K. GADHVI :

PROF. NARAIN CHAND PARASHAR :

Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that there is still shortage of coins and small currency notes in the country in spite of bringing out new coins and new small currency notes by the RBI daily;

(b) whether Government have investigated the causes of disappearance of the coins and small currency notes from active circulation;

(c) if so, the full facts thereof; and

(d) the steps Government have taken/propose to take to meet the shortage of small currency notes and coins in the country ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) and (c) There have been reports about hoarding of coins especially in big cities/commercial centres and also about melting of certain coins and use of coins for other purposes. Veracity of these reports could not, however, be established. Reports about sale of one rupee notes at premium have also been received from time to time. However, there have been no reports about hoarding of notes. Short supply, and

hoarding of coins and short supply of notes are the principal contributory factors for the shortage experienced by the public.

(d) Government have initiated necessary steps to augment production of notes and coins at the Note Presses and Mints. These include the modernisation and expansion of the present facilities in Presses and Mints, increase in working hours and introduction of incentive schemes to augment production. It has also been decided to set up a new Mint at NOIDA in Uttar Pradesh. Further, a decision has been taken to set up a new Bank Note Press. For immediate augmentation of supply of coins, 2,000 million pieces of coins are being imported.

Proposal to wipe out system of overdraft by States

711. SHRI BANWARI LAL PUROHIT :

SHRI NARSINH MAKWANA :

SHRI CHITTA MAHATA :

PROF. P. J. KURIEN :

SHRI SATYENDRA NARAYAN SINHA :

SHRI ANANTA PRASAD SETHI :

SHRI K. PRADHANI :

Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal under the consideration of Union Government to wipe out the system of overdrafts by the States;

(b) if so, the details thereof and when the said proposal will be implemented.

(c) the amount of overdrafts presently with each State; and

(d) to what extent the system will check inflation ?