

(b) The policy for steel distribution gives preference in supply of steel to actual users including small scale units. Priority is given to nationally important sectors like Defence, Railways, Atomic Energy, Oil and Natural Gas Commission, Engineering Goods exporters.

(c) No, Sir.

(d) Does not arise.

[English]

Import of Cigarettes from Yugoslavia

1892. SHRI JAGANNATH PATTNAIK : Will the Minister of COMMERCE be pleased to state :

(a) whether it is a fact that about 1,600 tonnes of cigarettes are likely to be exported by Yugoslavia to India; and

(b) if so, the justification for the same in view of the fact that smoking is injurious to health ?

THE MINISTER OF COMMERCE (SHRI ARJUN SINGH) : (a) and (b). This Ministry is not aware of any such proposal.

Scheme regarding Power Bonds to Agriculturists

1893. SHRI BALASAHEB VIKHE PATIL : will the Minister of FINANCE be pleased to state :

(a) whether Government propose to issue Power Bonds to agriculturists which will be free from income tax;

(b) if so, the broad outlines of the scheme;

(c) whether the scheme will be related to the availability of power in the agricultural sector; and

(d) if not, how the money is going to be utilised ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b). The Guidelines issued by Government on floatation of bonds by public sector undertakings in the telecommunication and power sectors were

already furnished in reply to Lok Sabha Unstarred Question No. 1048 on 22nd November, 1985. In order to tap rural savings and avoid inconvenience to those who may wish to subscribe to these bonds, but are otherwise not taxable, the Guidelines already provide that there will be no deduction of tax at source from the interest which also be entitled to exemption under section 80L of the Income Tax Act.

(c) and (d). There is no proposal to issue power bonds to agriculturists alone.

Chakravarti Committee on the Working of Monetary System

1894. DR. B.L. SHAILESH :
SHRI RAMASHARY PRASAD
SINGH
SHRI AMAR ROYPRADHAN :
SHRI CHINTAMANI
PANIGRAHI

Will the Minister of FINANCE be pleased to state :

(a) whether the Sukhamoy Chakravarti Committee set up by the Reserve Bank of India in December, 1982 to review the working of the monetary system has recommended the restructuring of interest rates, modification of credit appraisal system financing of the Plan through non-inflationary means and a re-definition of the Central budgetary deficit;

(b) if so, whether Government have examined the important recommendations made by this committee; and

(c) the reaction of Government thereto and the various exercises being made by his Ministry to reshape the existing monetary policy in the broadest sense particularly with a view to achieve price stability ?

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

(b) and (c). The Reserve Bank of India will be taking necessary action in consultation with the Government in response to the recommendations made by the Committee. A task force has already been appointed by the R.B.I. to inter alia, examine critically the