

(c) the steps proposed to be taken by Government to increase the production and ensure price stability ?

THE MINISTER OF STEEL AND MINES (SHRI K. C. PANT) : (a) Yes, Sir.

(b) The Joint Plant Committee of main producers had assessed the demand for steel over the last 5 years as follows :

<i>(Million tonnes)</i>	
Year	Demand
1980-81	10.2
1981-82	10.5
1982-83	9.8
1983-84	9.9
1984-85	9.0

Per capita steel consumption in India is 17 Kg. and is not the lowest among all countries. During the last 5 years the price realisation for the main producers was increased on 7 occasions.

(c) Production depends on various factors like health of the plant, adequate availability of the right quality of inputs and power and the market needs. Efforts are being made to ensure adequate availability of inputs of the right quality so as to enable the plants to increase their production. Efforts are also being made to maintain cordial industrial relations and to inculcate a new work culture, adhere to technological parameters, better maintenance and to improve productivity. As a long term measure output of steel in the country will also be increased by technological upgradation of existing plants and setting up of new plants.

Price also depends on various factors like cost of inputs, wages and salaries, railway freight, duties and levies. Steps have been taken to contain cost of production which is expected to be controlled through higher production and productivity, better utilisation of capacities, better technological norms, saving in energy utilisation and containment of labour costs. These objectives will be achieved in the 7th Plan through technological upgradation, better maintenance and debottlenecking of the plant.

**Import of Cotton and its effect in the Internal Market**

1900. SHRI V. SOBHANADREESWARA RAO : Will the Minister of TEXTILES be pleased to state :

(a) the quantity of cotton imported this season and the details of distribution of this cotton to the textile mills;

(b) whether the import of this cotton has dampening effect on the prices of cotton in the internal market; and

(c) the steps taken by Government in enabling cotton growers to get remunerative price for different varieties of cotton this season ?

THE MINISTER OF STATE OF THE MINISTRY OF TEXTILES (SHRI KHURSHID ALAM KHAN) : (a) A quantity of 75,000 bales of cotton has been imported by the Cotton Corporation of India on National Textile Corporation's account.

(b) No, Sir.

(c) The minimum support prices of different varieties of kapas have already been announced by Government and the Cotton Corporation of India has been directed to undertake price support operations whenever the prices tend to fall below the support level. Government have also released a substantial quantity for export during the current cotton season.

**Decision to set up High Level Committee for personal Taxation**

1901. SHRI V. SOBHANADREESWARA RAO :  
SHRI MANIK REDDY :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have taken a decision recently to set up a high level committee to go into the question of reform of the structure for personal taxation in the country;

(b) if so, the terms of reference of the Committee; and

(c) the names and number of members of the Committee ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Government have decided to appoint a committee to study the desirability of moving towards expenditure, wholly or partly, as the base for progressive taxation of individuals and other non-corporate entities and to examine the implication of the levy of tax on expenditure.

(b) The terms of reference of the committee will be the following :

(i) To study the desirability of moving towards expenditure, wholly or partly, as the base for progressive taxation of individuals and other non-corporate entities, keeping in view the constraint of revenue and ease of administration and compliance;

(ii) To examine the implications of such reform of the income tax system in all its aspects particularly in relation to taxation of the corporate sector and problems of international tax harmonisation;

(iii) To assess the likely nature and magnitude of transitional problems and suggest solutions, in case reform of the income tax base to provide for exclusion of savings is considered desirable and feasible;

(iv) To examine related issues.

(c) The committee will consist of six members whose names are as under.:

1. Dr. Raja J. Chelliah — Chairman
2. Shri C. K. Tikku — Member
3. Dr. Amaresh Bagchi — Member
4. Prof. Pulin Nayak — Member
5. Shri P. A. Nair — Member
6. Shri R. N. Bara — Member Secretary.

### Request of State Governments to Issue O.G.L. for Export of Foodgrains

1902. KUMARI PUSHPA DEVI : Will the Minister of COMMERCE be pleased to state :

(a) whether Government propose to consider the request of some State Governments to issue Open General Licence for exporting foodgrains;

(b) if so, the States which have applied for Open General Licence till date; and

(c) whether Government have issued any such Open General Licences to State Governments during the Sixth Five Year Plan period and the details thereof ?

THE MINISTER OF COMMERCE (SHRI ARJUN SINGH) : (a) to (c). There has been no request from any State Government for grant of Open General Licence for exporting foodgrains. Exports allowed under Open General Licence cover all categories of exporters including State Governments and private trade as well. During the Sixth Five Year Plan, export of Basmati rice was allowed under Open General Licence subject to Minimum Export Price and pre-shipment inspection. During 1983-84, and 1984-85 export of Barley was also allowed under Open General Licence.

### Adverse Balance of trade during the Seventh Five Year Plan

1904. SHRI B.V. DESAI : Will the Minister of COMMERCE be pleased to state :

(a) whether the last few years the adverse balance of trade has honoured around Rs. 5000 crores a year;

(b) whether any steps have been taken by Government to improve the balance of payments situation during the Seventh Five Year Plan;

(c) whether in the Seventh Plan period projected figure of trade deficit is about Rs. 34,700 crores or an annual average of almost Rs. 7,000 crores;

(d) if so, the main reasons due to which the balance of payment situation continues