

vided by the National Bank for Agriculture and Rural Development (NABARD) during the last two years ending 31st March, 1989 to cooperative banks and cooperative societies in Punjab especially in Hoshiarpur district to help needy farmers in their agricultural operations?

THE MINISTER OF STATE IN THE

DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): National Bank for Agriculture and Rural Development (NABARD) have reported that they have provided the following refinance facilities to the State of Punjab (including Hoshiarpur District) during the last two years that is 1987-88 and 1988-89:

		<i>(Rs. in lakhs)</i>	
		<i>Punjab</i>	<i>Hoshiarpur</i>
(i)	Short Term Loans (SAO)		
	1987-88	13916.00	Nil*
	1988-89	13415.00	360.00
(ii)	Medium Term (conversion)		
	1987-88	1394.11	Nil*
	1988-89	1214.57	154.00

\* No limit was sanctioned during 1987-88 as the Hoshiarpur CCB was having adequate resources.

In addition to above NABARD have also provided the following refinance facilities:-

(i) Punjab Co-operative Bank Ltd. (PSCB) was sanctioned SAO credit limit of Rs. 900.00 lakhs each for the years 1987-88 and 1988-89 against pledge of Government and trustee securities. Against this the amount utilised was Rs. 900.00 lakhs and Rs. 750.00 lakhs during the years 1987-88 and 1988-89 respectively.

(ii) During the years 1987-88 and 1988-89 the Punjab State Government was sanctioned loans of Rs. 194.28 lakhs and Rs 86.98 lakhs respectively, from National Rural Credit (Long Term Operations) Fund for contribution to the various cooperative insti-

tutions in the State.

(iii) A sum of Rs. 41.25 crores and Rs. 33.67 crores was disbursed during the years 1987-88 and 1988-89 respectively, in respect of schematic lending in Punjab State.

#### **Income Tax Exemption on Payments of Leave Encashment and Commutation of Pension**

3470. SHRI RAJ KARAN SINGH : Will the Minister of FINANCE be pleased to state:

(a) whether the amounts received by the pensioners by way of encashment of earned leave and commutation of pension are exempted from income tax;

(b) if so, since when such exemption is being granted; and

(c) if not, whether Government propose to consider to exempt these amounts from Income-tax?

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K.PANJA): (a) and (b). Any payment towards encashment of unutilised earned leave on retirement received by an employee of the government is fully exempt from income-tax. However, in the case of other employees, the same is exempt upto a maximum of cash equivalent of 8 month's salary or Rs. 79,920/- whichever is lower, under clause (10AA) of section 10 of the Income-tax Act read with relevant notification issued thereunder. These exemptions are available since the 1st day of April, 1978.

Any payment towards commutation of pension received by an employee of the Government or a corporation established by a Central, State or Provincial Act is fully exempt from Income-tax. However, in the case of other employees, commutation of pension is exempt subject to certain limits specified in clause (10A) of section 10 of the Income-tax Act. These exemptions are available since the 1st day of April, 1962.

(c) Does not arise.

[*Translation*]

#### Delay in Civil Cases in Courts

3471. SHRI KALI PRASAD PANDEY: Will the Minister of LAW AND JUSTICE be pleased to state:

(a) whether the Law Commission has in its 129th Report made suggestions in regard to the delay caused in civil cases;

(b) the steps taken by Government to streamline the present judicial process; and

(c) the directions/suggestions given to State Governments in this regard?

THE MINISTER OF LAW AND JUSTICE (SHRI B. SHANKARANAND): (a) Yes, Sir.

(b) and (c). Judicial reform being a continuous process, Government entrusted its study to the Law commission with a view to further streamlining the functioning of courts and to expedite the disposal of cases. Besides, resolutions passed unanimously in the Joint Conference of Chief Justice, Chief Ministers and Law Ministers held in 1985 in regard to speedy disposal of pending cases and the suggestions of the Committee of three Justices to expedite disposal of cases have been forwarded to State Government/ High Courts for implementation.

[*English*]

#### Excise Duty on Life Saving Medicines

3472. CH. SUNDER SINGH: Will the Minister of FINANCE be pleased to state:

(a) whether Excise duty is levied on majority of the life saving medicines during the last two years because these have been shifted category to II under the drug price control Order;

(b) if so, the reasons therefore;

(c) the total revenue raised by taxing life saving medicines;

(d) whether Government propose to exempt the medicines from all type of taxes so that these could be made available cheaper to the general public; and if so, the details thereof; and