

(a) whether there is any truth and substance about the report which appeared on the 28th January, 1978 in the 'Current Weekly' to the effect that certain shady sugar deals have taken place and the former STC Chairman flew into London to manipulate files relating to these deals; and

(b) if so, will Government hold a thorough enquiry into the whole matter?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND CO-OPERATION (SHRI ARIF BEG): (a) and (b) The matter is being investigated by the CBI at present.

Plea for Abolition of Sales Tax by the Delhi Traders Organisation

623. SHRI BALASAHEB VIKHE PATIL: Will the Minister of FINANCE be pleased to state:

(a) whether "The Delhi Iron and Hardware Merchants Association" (Regd). Chawari Bazar, Delhi and several other such organisations have approached the Government of India to abolish the Sales Tax from all sales and purchases on the plea that this will lessen the burden of Government by way of reducing the maintenance of Sales Tax accounts and collection of Sales Tax and also expenditure thereon, the business concerns and the consumers;

(b) whether Government have considered this proposal;

(c) if so, what is the Government's policy regarding this; and

(d) if the Government is against this proposal, the detailed reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) and (b). Yes Sir.

(c) and (d). Under the Constitution sales tax is a State subject of taxation. A preliminary round of discussions with the State Governments has been held. State Governments are reluctant to accept the proposal to abolish sales tax and replace it by Central excise duties.

Appointment of Directors on the Boards of Nationalised Banks

624. SHRI B. S. RAMOOWALLA: Will the Minister of FINANCE be pleased to state:

(a) the names of the Directors appointed on the Boards of the Nationalised Banks;

(b) the criteria on which the non-official directors have been selected;

(c) whether the criteria now applied differ in any way from those applied by the past Government; and

(d) whether any State Governments recommended any names for these Boards and the reasons, if any for the non-inclusion of these names?

THE MINISTER OF FINANCE AND REVENUE AND BANKING (SHRI H. M. PATEL) (a) to (c). The names of Directors on the Boards of the 14 nationalised banks reconstituted by Government in 1977 in consultation with the Reserve Bank of India are given in the attached list (Annexure-I) [Placed in Library. See No. LT-1590/78]. The criteria of selection are given in clause 3 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (Annexure-II) [Placed in Library. See No. LT-1590/78], and the same criteria have now been followed in selecting non-official directors.

(d) Some of the State Governments/ Union territories had recommended the names of persons for appointment as non-official Directors. Depending on the branch network of a bank in the state and categories to be given

representation in accordance with the provisions of the Nationalisation Scheme suitable persons were selected and appointed on the Boards of Directors of the nationalised banks.

Appeal from All India Small Scale Straw Board Mills Association for Excise Relief

625. DR. VASANT KUMAR PANDIT: Will the Minister of FINANCE be pleased to state:

(a) whether the All-India Small Scale Straw Board Mills Association has made an appeal to the Government to give excise relief for straw boards made by sun-dry process;

(b) is it a fact that the small Sun-Dry straw board processors are labour-based industry agrico ventures; and

(c) if so, has the Government examined their case and what relief is proposed to be given as against Mill-board manufacturer's with automatic dryers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGRAWAL): (a) and (b). Yes, Sir.

(c) The matter has been examined and the excise duty on straw board made by sun-dry process assessable under-item 17(2) of the Central Excise Tariff has been reduced to 10 per cent *ad valorem*. Board manufactured with automatic dryers continues to be charge able to duty at the rate of 15 per cent *ad valorem*, on the first 500 metric tonnes 25 per cent *ad valorem* on the next 500 metric tonnes and 30 per cent *ad valorem* on the balance.

- Export of Silver

626. SHRI PARMANAND GOVINDJIWALA: Will the Minister of COMMERCE AND CIVIL SUPPLIES AND COOPERATION be pleased to state the quantity of silver exported from India from April, 1977 to January, 1978 month-wise?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND CIVIL SUPPLIES AND COOPERATION (SHRI ARIF BEG): The quantity of silver exported from India from April, 1977 to January, 1978 is as follows:—

(in M. Tons)	
April 1977	7.50
May 1977	10.80
June 1977	17.22
July 1977	45.32
August 1977	19.52
September 1977	111.90
October 1977	106.30
November 1977	73.95
December 1977	35.77
January 1978	33.15
Total	461.43

Steps to Check Smuggling in Export of Silver

627. SHRI PARMANAND GOVINDJIWALA: Will the Minister of FINANCE be pleased to state:

(a) whether large quantity of silver is being exported from India illegally; and

(b) if so, the reasons therefor and steps to check smuggling?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI