

SHRI SATISH AGARWAL : (a) The total amount pledged at the Aid India Consortium meeting held in Paris in June, 1979 is US \$ 2992 million. This does not include pledges by the United Kingdom and Canada whose representatives could not indicate the level of their commitments as new governments had taken over in their countries recently.

(b) The Consortium assistance promised in 1979-80 as indicated at (a) above is higher by 68.6% over 1975-76, 78.4% over 1976-77, 42.4% over 1977-78 and 21.4% over 1978-79.

(c) The Aid India Consortium meeting held under the Chairmanship of the World Bank was attended by the Representatives of the Governments of Austria, Belgium, Canada, Denmark, France, Federal Republic of Germany, Italy, Japan, the Netherlands, Norway, Sweden, The United Kingdom and the United States. Representatives of the International Monetary Fund, the United National Development Programme, DAV/OECDs, the Commission of the European Communities and the Government of Switzerland also attended the meeting.

The pledges of aid made by these countries/institutions at the Consortium meeting are preliminary and tentative as all countries have requirements of legislative approval, budget appropriation etc., and are therefore unable to give firm and precise indications before their legislative and government procedures are completed. It would not, therefore, be advisable to disclose the country-wise break-up before the countries themselves give us a formal indication about the level of their commitments of aid.

Exodus of Personnel from Air India

886. **SHRI S. R. DAMANI :** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state :

(a) whether there has been any exodus of personnel from the Air India recently ; and

(b) if so, the details of the remedial measures proposed by Government in this regard ?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI PURUSHOTTAM KAUSHIK : (a) Yes, Sir. Some trained personnel from Air-India have left the services of the Corporation because of more attractive terms offered by foreign organisations. During 1978, 183 personnel in all resigned from Air-India.

(b) Following steps have been taken to prevent this exodus :

(i) Air-India have contacted the management of concerned international airlines to ascertain their actual requirements and suggested that they should minimise and spread out their intake of employees from Air-India.

(ii) In the case of pilots and other flying crew their allowances to meet expenses while on flying duty abroad have been revised upwards to meet higher costs.

(iii) Other incentives such as raising of retirement age of licensed categories of Air-India upto sixty years, superannuation and group insurance schemes etc., are also being considered.

Vaidya Committee Report for reduction in premium rates of L.I.G.

887. **SHRI S. R. DAMANI :** Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state :

(a) whether the Vaidya Committee set up by the Life Insurance Corporation for reduction in the premium rates has submitted its report ;

(b) if so, the findings thereof ;

(c) when were the premium rates revised last ; and

(d) the decision of Government in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ZULFIQUARULLAH) : (a) to (d). On the nationalisation of life insurance business in 1956, it was decided to adopt for future new business the premium rates of the Oriental Government Security Life Assurance Co. Ltd., after reducing them by rupee one per thousand sum assured or 5 per cent of the premium, whichever was lower. Since then there has been no change in the premium rates of the Life Insurance Corporation under the with-profit plans. However, premium rates under several "without-profit" plans of the Corporation have been reduced from time to time since 1970.

The Committee of Actuaries, headed by Shri S. N. Vaidya, which the LIC had appointed, was required to examine the

premium rates currently offered by the LIC, to consider whether any revision is called for and if such revision is warranted to advise the premium bases and consequential measures to be taken to ensure equity among policy holders. The Committee has since submitted its detailed report and the same is at present under consideration in the LIC.

Replacement of Sales Tax by Central Excise

888 SHRI S R DAMANI,
SHRI BEDABRATA BARUA,
SHRI BHAGIRATH
BHANWAR,
SHRI ARJUN SINGH
BHADORIA:

Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether Government are considering a proposal to replace the Sales Tax by Central Excise;

(b) if so, the salient features of the scheme; and

(c) whether any commonly acceptable formula has been worked out with the State Governments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) to (c). The question of extending the scheme of replacement of sales tax by additional excise duties to some essential commodities like cement, medicines, vanaspathi and petroleum products, as recommended by the Indirect Taxation Enquiry Committee, was last considered at a meeting of Chief Ministers of States held on 19th and 20th May, 1979. The proposal was objected to by a large majority of the States. As levy of tax on sales or purchases of goods taking place within a State is a State subject of taxation under the Constitution, it cannot be replaced by excise duty without the concurrence of the State Governments.

Periodic Stock-taking of confiscated Goods

889. SHRI S. R. DAMANI,
SHRI SHAMBHU NATH
CHATURVEDI

Will the DEPUTY PRIME MINISTER AND MINISTER OF FINANCE be pleased to state:

(a) whether any periodic stock-taking has been carried out of confiscated goods and when;

(b) what is their total value and whether proper accounts have been maintained;

(c) whether there have been reports of any thefts from the godowns; and

(d) whether any revised procedure for the storage and disposal of confiscated goods is under the consideration of Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): (a) Yes, Sir. According to reports received by Government, stock-taking of seized and confiscated goods stored in Customs godowns has been conducted periodically during the last three years.

(b) Yes, Sir. The total value of seized/confiscated goods stored in customs godowns as on 31-3-1979 was about Rs 59.75 crores.

(c) Yes, Sir.

(d) The procedure prescribed in 1961 in regard to proper storage of seized/confiscated goods has been found to be adequate. However, the procedures for disposal of these goods were reviewed and revised instructions regarding the manner of disposal of different categories of these goods were issued in May, 1978. In order to accelerating the pace of disposal of seized/confiscated goods ripe for disposal the following additional measures were introduced recently:

(i) Sale of some items like synthetic textiles, electronic goods and other miscellaneous items to the National Consumers Co-operative Federation for disposal to consumers through Co-operative Consumers Societies, Super Buzas etc.

(ii) Sale of the above items to the military and para military organisation for use of their personnel.

रिजर्व बैंक द्वारा इंडिया के तीसरी श्रेणी के कर्मकारियों द्वारा नियमानुसार कार्य किया जाना

890. श्री मनमोहन राय जायसवाल : क्या जब प्रधानमंत्री तथा वित्त मंत्री यह बातों की कृपा करेंगे कि

(क) क्या जून के महीने के दौरान रिजर्व बैंक द्वारा इंडिया के तीसरी श्रेणी के कर्मकारियों द्वारा नियमानुसार कार्य करने के मादोलन के फलस्वरूप बैंक का संपन्नता सात का फलस्वरूप हो रहा था जिससे बाणिज्य, व्यापार और उद्योग को भारी धारा उठाना पड़ा ,