

(a) whether it is a fact that the Gold Policy Review Committee has suggested to the Government the introduction of 18 or 14 carat gold jewellery to curb gold smuggling into India;

(b) whether it is also fact that a similar proposal to introduce 18 carat jewellery had created great disastrous results in the country where many goldsmiths had committed suicide; and

(c) if so, whether Government have accepted the suggestions of the Review Committee; and if so, the grounds which have compelled Government to favour the scheme suggested by the Committee?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA): (a) Copies of the Report of the Gold Policy Review Committee, 1979 (headed by Dr. I. G. Patel) have been placed in the Parliament Library for perusal of Honourable Members. In particular, paras 6.3 and 6.4 of the Report refer.

(b) 'Gold Control', including the restriction on the manufacture on new ornaments of more than 14 carat-purity, was introduced in 1963. However, in view of a number of representations from goldsmiths etc., the restriction on purity of ornaments was withdrawn in 1966.

(c) The decision on the recommendations of the Gold Policy Review Committee will be taken after the report of the Gold Auctions Enquiry Committee (Shri K. R. Puri Committee) also becomes available. The term of the Puri Committee has been extended upto 31-12-1980.

I.T.D.C.'s Steps for Development of Tourism in M.P.

2743. **SHRI KAMAL NATH:** Will the Minister of TOURISM AND CIVIL AVIATION be pleased to state:

(a) steps the India Tourism Development Corporation is taking for

development of tourism in Madhya Pradesh;

(b) areas which are to be developed as tourist spots in Madhya Pradesh; and

(c) proposed outlay of the Government in this regard?

THE MINISTER OF TOURISM AND CIVIL AVIATION (SHRI A. P. SHARMA): (a) to (c). The Sixth Five Year Plan 1980 to 1985 of the India Tourism Development Corporation is still under finalisation. It is tentatively proposed to expand the 48-room hotel Khajuraho Ashok at Khajuraho by addition of 30 rooms and the 8 rooms Travellers' Lodge at Sanchi by addition of 15 rooms and to construct a 60-room 3-star hotel at Bhopal in collaboration with the Madhya Pradesh State Tourism Development Corporation, subject to approval and availability of funds.

Foreign Equity Participation in Tea Companies

2744. **SHRI KAMAL NATH:** Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that there is no foreign technology involved in the growing of tea;

(b) if so, the reasons why Government are permitting foreign equity holding to the extent of 74 per cent in companies engaged in the growing of tea;

(c) whether Government are considering reducing foreign equity participation in companies engaged in the growing of tea; and

(d) if so, by what time?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) and (b). Under FERA guidelines tea plantation companies are allowed to retain non-resident equity upto 74 per cent. This has been allowed taking into account the special position occupied by tea in our exports and the functional utility of foreign com-

panies engaged in both plantation and exports in the international market.

(c) No, Sir.

(d) Does not arise.

Inflation in India

2745. SHRI A. K. ROY: Will the Minister of FINANCE be pleased to state:

(a) whether Government have any information regarding the extent of inflation in the major capitalist countries like USA, UK, West Germany, France and Japan for the last two years;

(b) the same for the Socialist countries of Eastern Europe and China;

(c) whether Indian inflation is because of its tie up with the international capitalism and its crisis; and

(d) if so, the steps taken in respect of that?

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): (a) and (b). The available information from the International Monetary Fund's Publication is presented in the attached statement.

(c) Government does not subscribe to the view that 'Indian inflation is because of its tie up with the international capitalism and its crisis'.

(d) Does not arise.

Statement
Annual Rate of inflation

Country	1978 over 1977	1979 over 1978
U.S.A.	7.5	11.3
U.K.	8.3	13.4
West Germany	2.8	4.1
France	9.1	10.7

Japan	3.8	3.6
Yugoslavia	13.6	21.4

Note : The above information is based on percentage changes in the Consumer Price Indices in different countries adjusted to a common base 1975=100, as reported in I.M.F. Publication 'International Financial Statistics', September, 1980. Similar information in respect of other Socialist Countries of Eastern Europe and China is not available.

Production of Pig Iron, Steel Ingots and Saleable Steel in integrated.. Steel Plants

2746. SHRI A. K. ROY: Will the Minister of STEEL AND MINES be pleased to lay a statement showing:—

(a) production of pig iron, steel ingots and saleable steel in all five major integrated steel plants in the country for the last 6 months, month-wise break-up in details;

(b) production capacity for the same period on the same items and the capacity utilisation of the blast furnaces installed in each unit;

(c) whether the production is less than that planned; if so, factors responsible for that and the extent of loss attributed to each factor for the last 6 months; and

(d) steps taken on that?

THE MINISTER OF COMMERCE AND STEEL & MINES (SHRI PRANAB MUKHERJEE): (a) and (b). Month-wise and plant-wise production of ingot steel, saleable steel, saleable pig iron and hot metal in the six integrated steel plants for the period June-November, 1980 are shown in the Statement laid on the Table of the House. [Placed in Library. See No. LT-1518/80]. Also included are the rated capacity in respect of the different items and figures of capacity utilisation.