

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) An Hon'ble Member of Parliament wrote to the Finance Minister on 13-3-1974 regarding the payment of commission by insurance companies to bank managers.

The said letter dated 13-3-1974 did not refer to the payment of commission by banks to officers of insurance companies.

(b) The auditors of Central Bank of India had drawn attention of the bank to the fact that in connection with certain deposits made by an insurance company with the bank, cash payments to the tune of Rs. 1.59 lacs have been made by the bank to an official of the insurance company. The entire matter is under C.B.I. investigation.

#### Malpractice in the Life Insurance Corporation's Office in Bombay

2653. SHRI MADHU LIMAYE: Will the Minister of FINANCE be pleased to state:

(a) whether a Member of Parliament has sent a communication dated the 13th December, 1973 regarding the malpractice in the Life Insurance Corporation's office in Bombay; and

(b) if so, what are the findings of Government on this malpractice carried on by the LIC, Bombay, specially regarding the disposal of its property at Hughes Road, Bombay and Swadeshi Market in Sadar Bazar, Delhi?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): (a) Yes, Sir.

(b) A proposal to sell the LIC's property at Hughes Road, Bombay admeasuring 3388 sq. Metres was considered by the Board of LIC and accordingly tenders were invited after advertising in the leading newspapers in English and vernacular languages. 33 tenders were received. An auction was held amongst the five highest

offerers. Finally the sale was effected to the highest bidder on outright purchase basis at the rate of Rs. 3500/- per sq. metre as approved by the Board.

2. LIC inherited property consisting of 81 shops in Swadeshi Market, Sadar Bazar, Delhi, from Lakshmi Insurance Co. On 12-6-73 due to outbreak of fire, most of the shops were gutted. The shopkeepers without informing LIC reconstructed the shops. As the yield from the property was nominal, the LIC decided after obtaining legal opinion that the best course open to them in the circumstances was to sell the property to the shopkeepers if the offer made by them was reasonable.

3. An offer of a lump sum of Rs. 4 lakhs for the property which roughly comes to Rs. 478.392 per sq. metre was found reasonable and the Executive Committee of the LIC at their meeting held on 21-7-1973 approved the deal.

4. Besides, LIC is to receive the Fire insurance claim (the structures were insured against the fire for Rs. 6.35 lakhs). According to the valuation of the Ministry of Works & Housing, in the year 1972 the assessed value of the land for this area is Rs. 358.79 per sq. metre.

#### Export of Sugar

2654. SHRI MADHU LIMAYE: Will the Minister of COMMERCE be pleased to state:

(a) what was the total export of Sugar in the year 1974;

(b) what was the actual foreign exchange realisation per tonne of exported Sugar;

(c) what will be the estimated export in 1975; and

(d) what is the estimated foreign exchange realisation per tonne of exported Sugar in 1975?

**THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):**

(a) The total export of sugar during 1974 was of 487345 metric tonnes.

(b) The prices vary from transaction to transaction and have been generally at a premium over LDP prices.

(c) and (d). The quantity of sugar to be exported during 1975 will depend upon international demand and indigenous supply situation. Efforts, will, however, be made to export maximum possible quantity at the best prices, to maximise foreign exchange earnings, keeping in mind domestic requirements.

#### Graded Farm Tax Structure

**2655. SHRI VJAYPAL SINGH:** Will the Minister of FINANCE be pleased to state:

(a) whether any of the State Governments has evolved the graded farm tax structure as recommended by the Raj Committee; and

(b) if so, the particulars thereof?

**THE MINISTER OF FINANCE (SHRI C. SUBRAMANIAM):** (a) and (b). The Government of Haryana have adopted a consolidated Land Holdings Tax with effect from June 1973, while the Government of Himāchal Pradesh have introduced an Agricultural Holdings Tax from the current year. These taxes are stated to be modified forms of the Agricultural Holdings Tax recommended by the Raj Committee.

#### Request of Punjab Government to purchase Cotton by C.C.I.

**3656. SHRI MOHINDER SINGH GILL:** Will the Minister of COMMERCE be pleased to state:

(a) whether the Cotton Corporation of India did not pay any heed to the repeated requests of the Punjab Government to enter market to purchase cotton and compete the private traders

and let the farmers enjoy a better price for their produce;

(b) if so, the reasons for the same; and

(c) whether the Corporation has not purchased cotton in any other State?

**THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):** (a) to (c). The Cotton Corporation of India did not enter the cotton market this season till recently because of paucity of funds. However, the Corporation has now decided to purchase cotton on a commercial basis in all cotton growing States, including Punjab.

#### Export of Basic Chemicals

**2657. SHRI RAJDEO SINGH:** Will the Minister of COMMERCE be pleased to state:

(a) whether the total exports of basic chemicals and allied items during April-August, 1974 amounted nearly to Rs. 32 crores against Rs. 27 crores for corresponding period in the previous years;

(b) whether Government expect this export percentage to be maintained in coming years; and

(c) which are the importing countries?

**THE DEPUTY MINISTER IN THE MINISTRY OF COMMERCE (SHRI VISHWANATH PRATAP SINGH):** (a) Total export of items covered by the Basic Chemicals, Pharmaceuticals & Cosmetics Export Promotion Council, Bombay during April/August 1974 have been Rs. 32.89 crores as against Rs. 27.04 crores during the corresponding period of the previous year.

(b) During April, 1974/Jan., 1975, the total export of the Council amounted to an estimated figure of Rs. 101.24 crores as against Rs. 62.62