

The Ford Foundation's activities in India started on the basis of a Memorandum of Agreement signed on 19th January, 1952 between the Government of India and the Ford Foundation for rendering assistance to a programme of Rural Village Development. Supplementary Memoranda of Agreement from time to time were signed subsequently for enlarging areas of the assistance by the Ford Foundation.

(b) and (c). So far as could be readily ascertained, a sum of Rs. 13.76 lakhs was spent on Fellowships and training abroad of various persons including Government officials out of the Ford Foundation grants given to the I. I. P. A. since 1952. The amount in respect of Government officials alone is not readily available. The number of Government officials sent was 48 and they were given the allowances etc. in foreign countries by the I. I. P. A. out of the Ford Foundation grants.

(d) A new Director for the Indian Institute of Public Administration has not yet been appointed.

(e) Does not arise.

Agricultural Wealth Tax

9992. SHRI D. N. PATODIA :
SHRI RAM KISHAN GUPTA :
SHRI DEORAO PATEL :
SHRI DEVINDER SINGH
GARCHA :

Will the Minister of FINANCE be pleased to state :

(a) whether Government have completed the examination of objections raised by the Chief Ministers of the States with regard to the levy of Agricultural Wealth Tax ;

(b) whether the delay in taking decision will cause accumulation in tax arrears ; and

(c) if so, whether Government propose to give relief to the tax payers for easy payment ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) : (a) Not yet, Sir.

(b) No, Sir.

(c) The question does not arise in view of (b) above.

However, the wealth-tax authorities would, no doubt, in due course, consider sympathetically requests from tax-payers for extension of time for payment or for granting of instalments for payment, etc. and allow reasonable accommodation if the circumstances of the case so require.

Report of Central Committee on Famine Stricken Areas in Rajasthan

9993. SHRI D. N. PATODIA : Will the Minister of FINANCE be pleased to state :

(a) whether a Central team had visited Rajasthan to study scarcity conditions in the State ;

(b) whether they have completed the work ;

(c) if so, whether the team has suggested the financial assistance to the State for scarcity work for the next six months ; and

(d) if so, the details thereof and how the assistance compares with the assistance given during earlier six months ?

THE MINISTER OF SUPPLY AND THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. K. KHADILKAR) : (a) Yes, Sir.

(b) The report of the Central team has not yet been received.

(c) and (d). Do not arise.

System of Customs Evaluation

9994. SHRI VIRENDRAKUMAR SHAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to an editorial published in the *Economic Times* of the 17th February, 1970 under the caption "Customs Valuation" ;

(b) whether it is a fact that India has adopted her own system of Customs Evaluation and that some of its provisions are held to be inconsistent with the internationally recognised concepts ; and

(c) if so, the steps proposed to be taken to adopt to new valuation system which would conform to internationally accepted concepts ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) : (a) Yes, Sir.

(b) India has adopted a system of customs valuation based on the principles enunciated in Article VII of the General Agreement on Tariffs and Trade to which India, among other countries, is a signatory. Another popular system of customs valuation is that evolved by the Customs Co-operation Council and is commonly called the Brussels definition of value. It is also based on the same principles. There is some difference between the Indian system and the Brussels system mainly on the question whether goods should be valued on their transaction value, as provided in the former, or on the value they would fetch at the time of importation as provided in the latter, and in this respect the Indian system follows the principles enunciated in the General Agreement on Tariffs and Trade.

(c) Does not arise, in view of reply to part (b).

Price Policy of Public Sector Undertakings

9995. SHRI VIRENDRAKUMAR SHAH : Will the Minister of FINANCE be pleased to state :

(a) whether Government's attention has been drawn to the views expressed by the Cabinet Secretary, on price policy of the Public Sector Undertakings and published in the Indian Express of the 24th January, 1970;

(b) whether it is a fact that inventory control in public sector plants is very lax and results in a wastage of Rs. 11.00 crores per year ;

(c) whether it is also a fact that in some public sector undertakings, even basic principles of maintenance schedules are not properly understood and followed ; and

(d) if so, the steps taken to stop such wastage of public money ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI P. C. SETHI) : (a) and (b). Presumably the Hon'ble Member is referring to the inaugural address delivered by the Cabinet Secretary on 23rd January, 1970, at the Seminar on Pricing and Investment held in New Delhi, where a reference was made to the Report submitted by a Committee which investigated

into the levels of inventories in 5 units of Public Enterprises. The Report had stated that there could be a saving of about Rs. 11 crores by way of inventory carrying cost with the proposed reduction in inventory levels of these units. The findings of the Report are under examination. While there is scope for improvement in this area, it would be wrong to generalise that inventory control in the Public Enterprises has been very lax.

(c) Similarly, while in a few plants the importance of proper plant and machinery maintenance may not have been adequately appreciated there is no general lack of awareness in this regard.

(d) In the field of inventory control the public enterprises have been instructed to improve their procedure by adopting wherever necessary modern techniques such as :

1. Application of A, B, C analysis.
2. Economic Order, Quantity System.
3. Codification, Classification and Cataloguing.
4. Value Analysis.
5. Fixation of reasonable recoupment limits.
6. Periodic review of surplus stores, etc.

In respect of plant maintenance, the plants have been instructed to identify the requirements of their individual maintenance schemes. With a view to assisting the enterprises in sharing their experiences and to evolve certain guidelines and principles that could help in setting up, operating and controlling suitable maintenance schemes in each plant, the Bureau has arranged a series of seminars on maintenance of plant and equipment.

Names suggested by Selection Committee for Indian Institute of Public Administration

9996. SHRI D. N. PATODIA : Will the Minister of FINANCE be pleased to state :

(a) whether a Selection Committee has suggested names of three administrators for the Indian Institute of Public Administration who are not professional Academic ;

(b) whether this is in contravention of the rules prescribed for the appointment of such persons ; and