

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) The special category States are generally those with hilly terrain, low population density and overall economic backwardness. They are also situated alongwith the border of the country and have weak resource base.

(b) The special category States are Arunachal Pradesh, Assam, Himachal Pradesh, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. As decided in the NDC 1988, Assam, Jammu and Kashmir, Nagaland were to be classified as special category States. In the course of years, the States of Himachal Pradesh, Manipur, Meghalaya, Tripura, Sikkim, Arunachal Pradesh and Mizoram attained statehood and since these States were also financially weak and happened to be on the border areas, they were also treated as special category States from date of statehood. Union Territories are not classified in Special and non-special categories.

(c) and (d) State Governments of Bihar, Goa, Orissa and Rajasthan have demanded special category status in the past. These demands were not acceded to because none of these States fulfill the criteria for special category States.

Benchmark Price for Natural Rubber

998. SHRI P.C. THOMAS : Will the Minister of COMMERCE be pleased to state:

(a) whether the Government have recently declared the benchmark price for natural rubber;

(b) if so, the details thereof;

(c) the cost of production of Rubber during 1995 and 1996;

(d) whether the Government have procured natural rubber at the declared benchmark price; and

(e) if so, the market price since declaration in each week thereafter?

THE MINISTER OF COMMERCE (SHRI RAMAKRISHNA HEGDE) : (a) and (b) Yes, Sir. On the basis of the study conducted by the Cost Accounts Branch of the Ministry of Finance from February-April, 1998, the Govt. of India has, on 28.9.98 revised the Bench Mark Price of Natural Rubber at Rs. 3405/- per quintal and Rs. 3355/- per quintal for RSS 4 and RSS 5 grades respectively.

(c) Cost study on rubber production has not been conducted during 1995 and 1996.

(d) No, Sir. The Benchmark Price was announced in September, 1998. The Benchmark price is only an indicative price and not a support Price for natural rubber. STC has been directed to procure 20,000 MT of Natural Rubber in May 1998, on Govt. account at the prevailing market price, but not exceeding Rs. 34/- per kg.

(e) Weekly average price of various grades of Natural Rubber is given below :-

Week ending	RSS-1	RSS-2	RSS-3	RSS-4	RSS-5
03.10.98	3650	3450	3150	3055	2995
10.10.98	3700	3600	3425	3367	3150
17.10.98	3850	3700	3600	3368	3150
24.10.98	3925	NT	3400	3315	3110
31.10.98	3950	NT	3350	3300	3075
07.11.98	3850	3600	3450	3300	3075
14.11.98	3800	3600	3400	3308	3080

(NT : No transaction)

[Translation]

Reduction in Growth Rate

999. SHRI RIZWAN ZAHEER KHAN : Will the Minister of FINANCE be pleased to state:

(a) whether the Government have reduced the target of growth rate during the Ninth Five Year Plan;

(b) if so, the main reasons therefor; and

(c) the proposed steps/plan of the Government to increase the target of growth rate?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA) : (a) to (c) The Planning Commission, in its last meeting in November, 1998 decided to recommend to the National Development Council a reduction in the target rate of growth of GDP from 7 per cent to 6.5 per cent per annum average over the five years of the Ninth Plan (1997-2000). The target has been revised downward in view of the slow economic growth in 1997-98. Government is monitoring the growth rate. A number of steps have been announced recently by the Government to boost the rate of growth.

Disbursement of Loan by Banks

1000. SHRI MITRASEN YADAV : Will the Minister of FINANCE be pleased to state:

(a) whether the bank managers have misutilised the public funds by giving loan worth crores of rupees to the computer industries and other influential/defaulting people and due to which the loan amount is on the verge of going into bad debts;

(b) if so, the number of branches of State Bank of India in Delhi which have disbursed the loan during the current year alongwith the amount of loan disbursed and the number of cases of bungling came to light, bank-wise and branch-wise;