

assessing the Annual Rental Value of properties. With a view to improve the resources' position of Urban Local Bodies, the Commission recommended that the levy of various taxes should be made mandatory for all the Urban Local Bodies.

**WEST BENGAL :** The State Finance Commission has recommended the devolution of 16% of net proceeds of State taxes namely, Stamp & Registration, Sales Tax, Motor Vehicle Tax, State Excise, etc. to local bodies. The SFC has also recommended to hand over the responsibility of collection of Entertainment Tax to Urban Local Bodies.

**PONDICHERRY** First six-monthly report of the Commission, i.e. an Item Report submitted in September, 1997. The recommendation has been made to be effective from 1998-99. The Collector may arrange to refund every quarter the collected duty on transfer of property the collection charges to the concerned Local Body. The Commission has recommended that at least Rs. 5.00 crores may be paid at lump-sum compensation to local bodies due to non-revision of Property Taxes and Rs. 2.00 crores as compensation to local bodies for loss of revenue due to abolition of toll/Vehicle Tax.

#### Import of ABB Locos

3002. PROF. AJIT KUMAR MEHTA :  
SHRI RAJ BANSHI MAHTO :

Will the Minister of RAILWAYS be pleased to state :

Refer to the reply given to the Unstarred Question No. 5272 on July 23, 1998 regarding Import of ABB Locos and state :

- (a) whether the Government have since sent its reply to C&AG;
- (b) if not, the reasons for delay; and
- (c) the action proposed to be taken in pursuance of the Report of C&AG?

**THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS, MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS AND MINISTER OF STATE IN THE MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION (SHRI RAM NAIK) :** (a) Yes Sir. The Draft Action Taken Note in reply to C&AG's Report on Import of ABB Locos has since been sent to C&AG on 16.7.1998.

- (b) Does not arise.
- (c) No further action is proposed/called for at this stage in view of Draft Action Taken Note already submitted to C&AG.

#### Sick Steel Plants

3003. SHRI SUDHIR GIRI :  
SHRI AJIT JOGI :  
SHRI RANJIB BISWAL :

Will the Minister of STEEL AND MINES be pleased to state:

- (a) whether some steel plants under Public Sector Undertaking are sick since long;
- (b) if so, the details thereof alongwith the reasons therefor; and
- (c) the measures taken by the Government to revive these steel plants?

**THE MINISTER OF STATE IN THE MINISTRY OF STEEL AND MINES (SHRI RAMESH BAIS) :** (a) to (c) The Indian Iron & Steel Company Ltd., (IISCO), a subsidiary of Steel Authority of India Limited (SAIL) is a sick company. The major reasons for sickness include old and out-dated plant and equipment, energy intensive and obsolete technology, and labour intensive operations, etc.

IISCO has been under reference to BIFR for determination of measures in regard to the future of the company. Any action to be taken on any proposal for modernisation of the company will have to be in accordance with the orders of BIFR.

[Translation]

#### Poverty Eradication Programmes

3004. SHRI MOHAMMAD ALI ASHRAF FATMI : Will the Minister of RURAL AREAS AND EMPLOYMENT be pleased to state :

- (a) whether the World Bank has made observations in regard to the misutilization of the amounts under Poverty Eradication Programmes;
- (b) if so, the details thereof; and
- (c) the new guidelines issued by the World Bank in this regard?

**THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF RURAL AREAS AND EMPLOYMENT (SHRI BABAGOUDA PATIL) :** (a) to (c) In the Report "Reducing Poverty in India-Options for More Effective Public Services" dated May 28, 1998, some observations made by the World Bank are given below :

- (i) The new finding is that the demand for education and use of public health facilities by the poor is strongly linked to the quality of service they receive.