

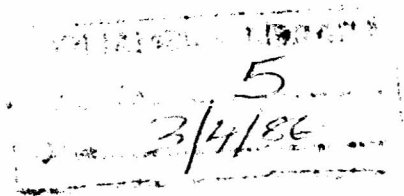
LOK SABHA DEBATES

(English Version)

Second Session
(Eighth Lok Sabha)



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LOK SABHA DEBATES

LOK SABHA

Friday, March 15, 1985
Phulguna 24, 1966 (Saka)

The Lok Sabha met at Eleven of the
Clock.

[MR. SPEAKER in the Chair]

ORAL ANSWERS TO QUESTIONS

[English]

Higher Price of Tea Despite Bumper Crop

*41 SHRI VIJAY KUMAR
YADAV : Will the Minister of
COMMERCE AND SUPPLY be pleased
to state :

(a) whether India had a bumper
crop of tea for two successive years in
1983 and 1984 ;

(b) whether despite the bumper
production, the prices at home have
almost doubled ;

(c) if so, the details of the produc-
tion and price variations during the last
five years ; and

(d) the reasons therefor ?

THE MINISTER OF STATE IN
THE MINISTRY OF COMMERCE
AND SUPPLY (SHRI P.A. SANGMA) :
(a) to (d) A statement is laid on the
Table of the House.

Statement

(a) to (d) ; Substantial increases in
tea production were registered in India
in 1983 and 1984 after a period of
stagnation as can be seen from the
following figures :

Production in M. kg.				
1980	1981	1982	1983	1984
570	560	561	589	644

However, tea prices are generally
determined by the position of interna-
tional supply and demand and in view of
an excess of world absorption of tea as
compared to world supply in the past
few years a substantial price increase
has been registered the world over in the
last two years.

Tea prices in India also started
rising sharply in 1983, after a period of
stagnation but it has been possible to
restrict the price rise in India, with
regard to tea consumed in the domestic
market as compared to the rise in world
prices, by regulating exports. The
average price of CTC teas (which form
the bulk of domestic consumption) in
Indian auctions varied from Rs. 12.88
per kg. in 1980, Rs. 13.77 per kg. in
1981 to Rs. 15.27 per kg. in 1982. As
compared to Rs. 17.98 in January 1983,
prices in January 1984 were Rs. 25.27
and the prevailing price is of the order
of Rs. 26 per kg.

[Translation]

SHRI VIJAY KUMAR YADAV :
Mr. Speaker, Sir, the reply given by
hon. Minister is not clear.

MR. SPEAKER : What is the way
out ?

SHRI VIJAY KUMAR YADAV :
I would like to know this from the hon.
Minister.

THE MINISTER OF FINANCE
AND COMMERCE AND SUPPLY
(SHRI VISHWANATH PRATAP
SINGH) : If one is not able to under-
stand, what can be done.

SHRI VIJAY KUMAR YADAV :
There has been a sharp and steady
increase in the prices of tea during the
past years. If the poor people of our
country do not get tea due to the in-
creasing prices, it is really sad.

It is said that the prices of tea
fluctuate on the basis of supply and

demand. From the statistics given by the hon. Minister for the last two years, it is clear that the production of tea has increased considerably in our country. The production of tea increased in 1983 and 1984 by 24 million kg. and 55 million kg. respectively. With the increase in production, the prices of tea increased by Rs. 2.71 paise in 1983 and Rs. 7.29 paise in 1984.

Mr. Speaker, Sir, it seems that the cause of this anomalous situation is our export policy and the manoeuvrings of our manufacturers, on account of which there is no control over the surplus tea in the market.

The production of tea was 644.52 million kg. in 1984 and out of it 215 million kg. was exported. The demand in our country is about 400 million kg. After meeting this demand, the surplus comes to about 30 million kg. In spite of this the prices of tea have increased. I want to know whether all the manufacturers are getting themselves registered with Tea Board as per rules? Is it not a fact that the surplus tea in our country is smuggled into Pakistan and other countries? Is it also a fact the manufacturers fail to get themselves registered with Tea Board and as such it is not possible for the Government to know as to how the demand of the consumers is met.

[English]

SHRI P. A. SANGMA : The prices of tea in our country have a bearing on the demand and supply position of tea in the world as a whole because India is the largest producer, exporter and consumer of tea. UNCTAD had made a study, and they came out that if there is one per cent difference in the supply position of tea in the world, it will have an effect of 7% difference in the prices of tea.

It is true that the production of tea has gone up substantially in our country; but in the other parts of the world, production has not been that much, because of the problem in Sri Lanka and weather conditions in other producing countries. So, when we take

the availability of tea for world consumption into account, there has been some gap. In fact, the gap in 1982-83 and 1981-82 have been 37 million tonnes and 19 million tonnes respectively. Now our problem is, as I have said, that since we are the *greatest exporter* of tea and we have to *cater to the needs* of the world market—we have established markets—the question is whether we should have a *sustained and consistent policy* of exporting our tea and not losing our market, or whether we should forget about the foreign exchange earnings and then we should cater to the needs of the domestic market. I think we have to take both the aspects into consideration. And our policy has always been to maximise our exports, at the same time making our tea available for domestic consumption. But if we look at the world picture about the rise in prices of tea, India is very much in a better position. I can give the figures for the last few years : in 1983-84 in India the price—in 1983—stood at Rs. 24.13, and the price went up to Rs. 26.09, whereas in Bangladesh from Rs. 45.19 it went up to Rs. 55.05. I will cite only three examples ; in London from 149.58 in 1983 it went up to...

[Translation]

SHRI VIJAY KUMAR YADAV : Mr. Speaker, Sir, I am not getting reply to my question. I had asked whether it is not a fact that in our country the consumption of tea is 400 million kg. and about 30 million kg. remain surplus and that this tea is being smuggled into Pakistan and other countries and that the Government is unable to check it? The tea manufacturers should get themselves registered with the Tea Board and the consumers should have knowledge about the movement of tea. This is not being done. The hon. Minister is not able to reply to it.

[English]

SHRI P. A. SANGMA : I have not come to the other part of your question. I will certainly come to the other part of your question. I have always tried to impress the House...

MR. SPEAKER : Satisfy him on these two counts, including whether there was smuggling or not.

SHRI P. A. SANGMA : It is not a fact that they are not registered with the Tea Board. These rules have been strictly followed. They are all registered with the Tea Board. Secondly, as far as smuggling is concerned, no incident has been brought to our notice. If the hon. Member has got any report to that effect, he is welcome to give it. We will investigate it.

[*Translation*]

SHRI VIJAY KUMAR YADAV : The whole machinery is at the disposal of the Government but the hon. Minister wants information about smuggling from us.

MR. SPEAKER : He has pleaded his ignorance.

SHRI VIJAY KUMAR YADAV : Because of poverty in the country, tea is the only commodity which everyone needs. Keeping this fact in view, what steps are being taken by Government to make tea available to the common man and is the Government making efforts to bring down the prices of tea ; if so, the details thereof ?

[*English*]

SHRI P. A. SANGMA : By giving all these statistics, I donot want to detend ourselves by saying that we will allow the rise of prices in tea and it is good for the country. I am not saying that. What I am saying is that under the circumstances it has been difficult for us to bring down the prices. But in order to bring down the prices of tea in the country, the government has taken a number of steps. We have regulated exports against such a bright prospect of export of tea and much higher value realisation outside in the world. But we have regulated exports of tea and several steps have been taken to bring down the prices.

MR. SPEAKER : Not outside the world, but outside India.

(*Interruptions*)

SHRI G. G. SWELL : The Minister in his statement has admitted that there has been a bumper crop of tea. He has also mentioned the rise in the price of a kilogramme of tea in the country. It was some Rs. 18/- in January 1983, and now, according to his own statement, it is Rs. 26 ; that means there has been a rise of Rs. 8, almost 50 per cent. Now, this could be explained only by three reasons. There has been a great increase in the export of tea. According to him, the price of tea in the world is very good ; we are getting a very good price. There are must have been a great increase in the quantum of exports. I would like to know how much tea was exported during 1983-84 and 1984 85 and what is the difference and how much foreign exchange we earned by this. Another reason could be that there is a greater demand of tea within the country, which I do not believe, because the consuming power of our population is limited, because we cannot go beyond a certain point. I would like him to enlightenus on this, the third explanation, which the Minister is trying to make light of, is that tea has disappeared from the country through non-conventional channels. The member who asked the question had hinted at smuggling. We would like to have the break-up : how much tea was produced, how much tea was exported and how much tea was consumed in the country so find out whether the tea has disappeared from the country by non-conventional channels.

SHRI P. A. SANGMA : Of course, the figure of production of tea has already been given in the main answer ; that figure is already available for the last five years ; I am not going to repeat that. As far as exports are concerned, in 1983, we had exported 208 48 million kilow and our foreign exchange earning was Rs. 516.82 crores. The value realisation at that time per kilow was Rs. 24.79 ; in 1984, we had exported 214.73 million kilow ; it is not very much, from 208 we have gone only to 214 in 1984, but the value realisation has been much higher ; against Rs. 24, it went upto Rs. 34, Rs. 10 more and

our foreign exchange earning has been Rs. 744.92 crores. So, it is not a bad performance.

SHRI G. G. SWELL : There are many questions which have not been answered. The quantum of tea exported abroad was marginal. If there has been a greater realisation of money, it is because of appreciation of the price of tea outside in the world; it has been explained. Secondly, I wanted to know whether there has been an increase in the consumption of tea. Whether all these figures, export figures and the figures of consumption in the country will relate to the production of tea; there has to be some kind of a realistic analysis.

SHRI VISHWANATH PRATAP SINGH : There has been increase in production, but due to increased consumption in the country the production has been — the quantum — more or less the same order. In 1975 the production of tea was 487 million kg. In 1983 the estimated figure is 587, but there is a sizeable increase in production. But so far as the exports are concerned, the exports in 1975 were to the tune of 218 million kg and in 1983 it is 208 million kg. The quantum of exports is about the same. The production has gone up. That has been taken away by the internal consumption.

A concern was expressed about this being the poorman's beverage, what steps the Government had taken. I may remind that when the prices went up we banned CTC tea and the tea industry was also asked to come to voluntary price control, which it did; and in some of the cosmopolitan towns it had package tea at agreed prices.

If you see, from August onwards when these measures were taken, there was an impact on the price of tea. In August it was Rs. 30.30 and in December it was Rs. 26.77. It is high, but these measures did reduce the price of tea.

SHRI INDRAJIT GUPTA : Poor people do not buy package tea, they loose tea.

SHRI SHARAD DIGHE : The hon. Minister has stated that it is possible to restrict price rise in India by regulating exports, and even then the figures show that from January 1983 the prices have risen from Rs. 17.98 to Rs. 26 today. I would like to know from the the Minister whether the Government proposes to take any strict measures regulating these exports with a view to restrict price rise so that there will be no further price rise or there would be reduction in prices.

SHRI P.A. SANGMA : We have already taken the steps and we have already announced our marketing policy for 1985.

PROF. N. G. RANGA : What is this marketing Policy ?

SHRIMATI GEETA MUKHERJEE : Now coming to brasstacks, it is the said that auction price of tea even in 1984 is Rs. 26 per kg. Though I strdailly feel that non of the questions was answered, I would like to know one thing. Are the Ministers aware how much does even this CTC tea today cost in the market? Do they know that even the cheapest variety of CTC costs Rs. 40? I would like to know if the price of Rs. 40 to 45 is the lowest. That being the cost, what is the reason that even after auction at Rs. 26 per kg., we poor souls are to buy it at Rs. 40 to 45 per kg? And, what measures have been taken by the Government to intervene in that sphere? In the other sphere nothing much has been done. But even in this sphere we would like to know how we can get cheaper tea. Please tell us, or get cheaper tea for us.

SHRI P.A. SANGMA : I am very much aware that the price of tea has risen. There is no doubt about this, because I am also a tea consumer. what I have explained is that in the circumstances it is not possible for us to bring down the price to the extent the consumer would have liked, including myself. We have been ourselves regulating exports even in the order to make it

available in the country within a reasonable price.

The cost of production of tea has been very high.

SHRIMATI GEETA MUKHERJEE : what is the difference between auction price and consumer price?

SHRI P.A. SANGMA : According to the figures available with me the consumer price of various grades of CTC tea, excluding local taxes, is as follows :

April-June 1983 —

Red Label — 28.76

Super dust — 30.47

Yellow label — 28.66

Ruby Dust — 30.48

April-June, 1984 —

Red label — 32.00

Super dust — 35.67

Yellow Label — 30.88

Ruby Dust — 35.68.

Export of Cotton Yarn due to Surplus Production.

*42 **SHRIMATI JAYANTI PATNAIK :** Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether India has become surplus in cotton ;

(b) if so, whether Government have a proposal to export cotton yarn in view of its surplus production ;

(c) the quantum of cotton and cotton yarn proposed to be exported during 1985-86 financial year ; and

(d) the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA): (a) to (d). A statement is laid on the Table of the House.

Statement

(a) to (d) : The production of long and extra-long staple varieties of cotton has been surplus to our domestic requirements during the last few years. The export of cotton is determined on the basis of demand, supply and trend cotton prices. During the current season (1 September 1984 — 31 August 1985), a quantity of 1.00 lakh bales of long and extra-long staple varieties of cotton has been released by Government for export so far. During the Calendar year 1985, export of cotton yarn of counts 4ls to 60s is allowed within a ceiling of 6 million kgs., while that of counts 6ls and above is allowed without any restriction.

SHRIMATI JAYANTI PATNAIK : The Minister has replied that the production of cotton has been in surplus for the last few years. I would like to know the average surplus quantity of cotton per year. What is the price in the international bulletin? what is the f.o.b. and c.i.f. price of it? Will the Minister supply a copy of the bulletin to me regarding this ?

MR. SPEAKER : I am happy that she asked this question though there is no cotton produced in Orissa. It is I who should have done it. She must be knowing all these facts. If the prices of cotton are going down, why can you not export more of it ?

SHRI P.A. SANGMA : As far as this year is concerned, the estimated production - hon. Speaker knows it very well because he has been talking very often about this - is 84.75 lakh bales. The carry-over stock is 16 lakh bales. That makes the stock available 100.75 lakh bales. The consumption by the mills is expected to be 86.65 lakh bales. As far as export is concerned, the surplus that we talk about is only in the case of extra long and long staple cotton. Our estimated surplus at the moment is 2.86 lakh bales, out of which we have allowed export of one lakh bales so far. As far as medium staple is concerned, there is in fact shortage of it to the tune of 70,000 bales.

That shortage is there. Exports have been very negligible. I am sorry I do not have the exact if value of exports.

SHRIMATI JAYANTI PATNAIK : But what is the price I could not follow. Whether it is in our port or in their post? And do we have buffer stock? If it is not so, is there any proposal for having a bufer stock?.....
(Interruptions)

MR. SPEAKER : The prices have already gone down.

SHRIMATI JAYANTI PATNAIK: Yes, these have gone down but the farmers will suffer.....(Interruptions)

MR. SPEAKER : That is why they are suffering.

SHRIMATI JAYANTI PATNAIK : That is why I am asking. And also there has been decline in the production due to natural calamities and due to other reasons also.....(Interruptions).

MR. SPEAKER : Yes, Mr. Purohit.

[Translation]

SHRI BANWARI LAL PUROHIT: Mr. Speaker, Sir there is a monopoly procurement scheme for cotton in the Maharashtra State. As a result of decline in the prices of cotton there, the Federation could not dispose it of. The Maharashtra Cotton Federation, therefore, sought the permission of the Central Government to export it. I want to know the number of bales for the export of which Maharashtra Government had sought permission and the number of bales for which the Central Government gave permission?

[English]

SHRI P. A. SANGMA : We have allowed them 40,000 bales for export. Out of one lakh bales, we have allowed 40,000 bales to be exported by the Cotton Corporation of India, 40,000 by Maharashtra Federation and 20,000 by Gujarat Federation.

MR. SPEAKER : So, in all it was one lakh.

[Translation]

SHRI BANWARI LAL PUROHIT : What is the number of bales for which permission was sought and the actual number for which permission was granted?

[English]

MR. SPEAKER : How much the Federation demanded?

SHRI P. A. SANGMA : I do not have the figure as to how much they wanted.

PROF. N. G. RANGA : Sir, according to the Minister's statement, there are still more than one lakh bales available here in addition to what they have already allowed to be exported. How is it and what steps are the Government going to take in order to facilitate the export of the surplus which is already there? Whether it is a fact that the Andhra Government has asked for permission to export their long staple cotton and whether it has been a long standing demand?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : I share the concern which Prof. Ranga has for the farmers and also his concern for the little price depression that cotton has. I can assure on the floor of the House on behalf of the Government that we will permit one lakh more bales of cotton to be exported in addition to what we have already allowed.

MR. SPEAKER : That is nice. That is all right.

SHRI VISHWANATH PRATAP SINGH : At the same time, regarding exports from Andhra, Andhra is the largest producer of long staple cotton. So far we have been allowing the Maharashtra Cotton Federation, CCI and the Gujarat Cotton Federation. This was with a view to restrict so that

there may not be many people in the international field to sell the same product and there may not be competition. But if the Cotton Federation of Andhra has long staple with it, we will sympathetically consider exports from there.

PROF. MADHU DANDAVATE :
Some good supplementaries may be put from the Chair.

MR. SPEAKER ? I will only get the positive answer. Yes, Mr. Reddy.

SHRI ERASU AYYAPU REDDY :
Sir, I would like to know from the hon. Minister whether the principal cotton growing States are consulted in determining the export policy and is there any possibility of the *kisan* lobby being represented before determining this export policy. The general impression is that immediately after the harvest, the prices are going down. Cotton goes into certain quarters and then the prices go on shooting up after the *kisan* is deprived of his produce. Therefore, I would like to know whether the principal States are consulted before determining the cotton export policy.

MR. SPEAKER : The question is what steps can we take to forestall any such happenings? We should be prepared. Prevention is always better than cure.

SHRI P. A. SANGMA : We will try to find out a way.

PROF. N. G. RANGA : The cotton Corporation goes to sleep.

SOME HON. MEMBERS *rose*—

MR. SPEAKER : The question has been done ample justice, I know.

Hike in Prices of Steel

*43 **SHRI SOMNATH RATH :**
Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the recent hike in the prices of steel has been enforced ;

(b) if so, since when ;

(c) whether the Indian steel prices are already twice that of the international prices ;

(d) if so, the reasons therefor ; and

(e) the steps taken to stabilise the steel prices ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) Yes, Sir, The Joint Plant Committee increased the prices of steel reform the midnight of 20/21 February, 1985.

(c) No, Sir.

(d) Does not arise

(e) In the long run, steel prices have to reflect the costs of production and constant efforts are made to contain these to the extent this is within the control of the producers. Some of the steps taken to control the cost of production are the planned higher production, improved technoeconomic parameters and technological processes, better maintenance and control over inventories and expenditure,

SHRI SOMNATH RATH : I would like to know the reasons which led to the steel price hike a number of times. Is it a fact that this has been done because of the fact the production costs of the public sector steel plants have gone up and so they want to meet the difference and hence this price hike has taken place? Is so, will the hon. Minister be pleased to appoint a Committee to go into the details and suggest removal of bottlenecks? Is it also a fact that one of the reasons is the increase in price of raw materials and components, like coal, energy etc.? It so, will the hon. Minister have co-ordination with the Minister of Coal, Railway and Energy to see that proper facilities are provided to these steel plants at the proper time for increased production?

SHRI K. NATWAR SINGH : The prices of iron and steel are fixed and announced by the Joint Plant Committee, a body constituted under the Iron & Steel Control Order, 1956, on which the main producers, including railways, are represented. The Committee is chaired by the Iron & Steel Controller, Calcutta. In order to determine the price, the Committee take into account (1) the cost of production of various categories of steel, (2) contribution towards the steel Development Fund, Freight Equalisation Fund, JPC cess and Engineering Goods Export Assistance Fund and (3) the open market price, what the market can bear and (4) the effect of development programmes and on the general price level.

The price of steel was revised in the last three years as follow :

1982-83—3 times

1983-84—2 times

1984-85—2 times.

Regarding the various suggestions which the hon. Member made, recently my senior colleague, Shri Sathe, convened a Round Table on steel, where the representatives of the private and public sector steel plants and various experts on steel participated and various proposals were made. They will be taken up by the Steel Advisory Council, which the hon. Minister has instituted.

SHRI SOMNATH RATH ; Is it a fact that many industrial associations, including the Engineering Export Promotion Council, have asked Government to reconsider the question and withdraw the hike in steel prices? If so, what are the arguments advanced by them and what is the Government going to do about it?

SHRI K. NATWAR SINGH : I have with me a list of 36 associations and organisations which have, if I may say so, protested against the price rise. The organisation mentioned by the hon. Member is not mentioned there. As soon as we receive their protest, we

shall examine it and see what we can do about it.

DR. KRUPASINDHU BHOI : The Hon. Minister has given a very ornamental reply to the House.

Sir, I would like to know the international price of the steel of different categories according to the BEC and what is the price prevailing here in our country now. Secondly, I would like to know whether the Hon. Minister is aware of the fact that during the Janata regime Shri Bijoyand Patnaik was the Minister here and the price hike at that time was more than 15 per cent because of which the country suffered a tentative loss. I would also like to know whether it is a fact that due to the fake argument of obsolescence in the technology new steel plants are coming up resulting in slippage of time in the Bhilai, Durgapur and Bokaro steel plants. Last time our MP in the last Lok Sabha, Shri Rajiv Gandhi, who is now the Prime Minister, had given so many suggestions to make use of the professional expertise to help steel production in different steel plants. Because of that there has been mushroom growth of CCL, MDMC etc. The best period for the steel plant was from 1972 to 1977. In the background that I have just now given, I would like to know categorically from the Hon-Minister what have been the slippages in different steel plants in our country and what has been the cost escalation that has been passed on to the consumer price.

MR. SPEAKER : Do not elaborate, kindly put supplementary.

DR KRUPASINDHU BHOI : My question is what are the time-bound programmes for the production in the new steel plants. I also want to know what is the cost escalation by which our cost of production in the saleable steel, rolling stock and other alloy steel plants has been doubled.

MR. SPEAKER : Would you like to reply to his rigmarole?

DR. KRUPASINDHU BHOI : Sir, I wanted to educate them.

MR. SPEAKER : This is not a class time, professor, this is question time.

SHRI K. NATWAR SINGH : Mr. Speaker, Sir, I am not quite sure whether the question he asked related to what we are discussing here.

DR. KRUPASINDHU BHOI : I asked what is the international price of different categories of steel and what is the price here and what are the bottlenecks.

SHRI K. NATWAR SINGH : In 1984, per tonne in rupees the price of steel in different countries was as follows :

USA — 7565 ; Japan—5,138 ; West Germany — 5,052 ; UK—5,188 ; France—74,664.

In India, if we take the gross price, it is 6,400 ; and if we deduct the various duties and levies, which I mentioned earlier, it is 5000.

So, the price in the India is nowhere near the double of the international price. It is not too far away from the international figures. I have estimated these figures for the second half of 1984.

U.S.A.	Rs. 7,625 per tonne
Japan	Rs. 4,951 per tonne (Nearly Rs. 5000/-)
West Germany	Rs. 4,800 per tonne
U.K.	Rs. 4,854 per tonne
France	Rs. 4,432 per tonne.

PROF. MADHU DANDAVATE : Is the hon. Minister aware of the fact that on the last occasion when the hike in the steel prices was announced, the decision was already leaked out before hand. As a result of that...

(Interruptions)

MR. SPEAKER : Make the question a pungent one if you want an answer. Don't indulge in dia tribe.

PROF. MADHU DANDAVATE : May I know from the hon. Minister whether he is aware of the fact that in the past when the hike in the steel prices was announced, getting an inkling of that decision in advance from certain quarters heavy purchases of steel were made causing heavy loss to the public exchequer and taking that experience into account, whether you have come across any instance this time of heavy purchases of steel on the eve of the declaration of hike in the prices ?

SHRI K. NATWAR SINGH : Sir, as far as I know, nothing has come to our knowledge. But if you have any facts with regard to this, pass them on to us. We will look into them.

PROF. MADHU DANDAVATE : Your predecessor had given a different answer in the last Lok Sabha.

SHRI K. NATWAR SINGH : I am hardly responsible for his answer.
(Interruptions)

SHRI JAGANNATH RAO : Sir, what are the components the cost of production of which will go into the price structure of saleable steel ? Has any attempt been made to reduce the cost of production of these components by full utilisation of capacity etc ? Has any serious attempt been made by the industry to reduce the price ? It is not good raising the price because international prices are going up.

SHRI K. NATWAR SINGH : Sir, The percentage increase in 1984-85 over 1983-84 in respect of the following items is :

Coking coal	... 18 per cent
Boiler coal	... 12 per cent
Power	... 10 per cent
Salary and Wages	... 10 per cent

Regarding what we are doing in regard to increasing our efficiency and

increasing our production, certain steps have been taken. If you like, I will elaborate this. The other thing is that if you compare the production of, for example, Bhilai and ISCO, I will tell you that Bhilai does not come up at all badly. To give you some idea, Bhilai is a 2.5 million tonnes plant and TISCO is a 2 million tonnes plant.

Cumulative profit from 1972-73 to 1983-84 (in crores of rupees) :

Bhilai	...	370 64
TISCO	...	331

Labour productivity (1982-83) in Ingot Tonne per man per year :

Bhilai	...	71
TISCO	...	64

Capacity utilisation (1982-83) ;

Bhilai	...	93.5%
TISCO	...	106.4%

Energy consumption (1983-84) in Kilo Kalories per tonne of ingot steel ;

Bhilai	...	10.40 million
TISCO	...	11.50 million

Coke rate (1982-83) :

Bhilai	...	823
TISCO	...	888

So, what we are doing is not bad but if you take the totality of the plants. Then of course, we come out badly and our production figures are not impressive. For example, Durgapur is not doing well, TISCO is not doing well and we are looking at it for modernisation and efficiency and as you know, Sir, the peculiar problems with which steel industry of India faces are not faced by other countries which have problems of excessive labour, problems of multiplicity of trade unions and some of the machinery that we have is outmoded and the investments required for modernising runs into thousands of crores, and we have a very severe limitation of resources.

Visit of High-Powered Japanese Economic Mission

*44. PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state ;

(a) whether a high-powered Japanese Economic Mission visited India in December, 1984 ;

(b) if so, the details of the agreements reached with the Japanese Mission ;

(c) whether any new spheres of collaboration were explored ; and

(d) if so, the details thereof ?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : (a) to (d) A high powered Japanese Economic Mission visited India in November-December, 1984 and held meetings with representative of Government of India, financial institution and various chambers of commerce etc. The visit was exploratory in nature, primarily aimed at assessing the possibilities for increased Indo-Japanese economic co-operation and studying the economic situation in India in this context. Since the Mission's purpose was to take a broad view of the situation, no agreements were either contemplated or signed.

PROF. RAMKRISHNA MORE : Sir, I would like to know from the hon. Minister, through you, whether the Japanese have complained about inadequate infrastructural facilities in india also about the Government of India's policy on foreign investment ?

SHRI VISWANATH PRATAP SINGH : No such complaint has come to us.

PROF. RAMKRISHNA MORE : Do the Government propose to further liberalise the foreign investment policy?

SHRI VISHWANATH PRATAP SINGH : We are following a liberalised policy compatible with our economic constraints.

SHRI ANANDA GAJAPATI RAJU POOSAPATI : Mr. Speaker, Sir I would like to know that in this exploratory mission, in this preliminary talk, is there any fruitful outcome that has happened, particularly with the Japanese team? And if so, we want further details from the hon. Minister.

SHRI VISHWANATH PRATAP SINGH : As I have mentioned, it is mainly exploratory in nature. They have also had a mind to assess the strength of our country's economy. According to our assessment, they went with a good impression. One concrete outcome of the visit is that the Japanese Auto-Parts Industry Association had sent 9-member delegation to India in February, 1985 and it went round the country and had talks with their counterparts.

Presentation of pay Commission's Report

*45 + **SHRI DHARM PAL SINGH MALIK :**

SHRI K KUNJAMBU :

Will the Minister of FINANCE be pleased to state :

(a) Whether the Central Government employees have been pressing for early presentation of Pay Commission's Report ;

(b) the reasons for delay in the submission of the Report ; and

(c) the time by which it will be presented ?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : (a) to (c) A statement is laid on the table of the House.

Statement

The Staff Side of the National Council (Joint Consultative Machinery)

had drawn the attention of the Government to the delay in the submission of the report of the Fourth Central Pay Commission and had requested for interim relief in this context.

2. According to the terms of reference of the Fourth Central Pay Commission, it is to enquire into the structure of emoluments, conditions of service, death cum-retirement benefits etc. of Central Government employees-industrial and non-industrial, personal of the Defence Services and employees of Union Territories and make its recommendations as soon as practicable. The number of employees covered under the terms of reference of the Pay Commission is about 5 million. Since the structure of emoluments and conditions of service of employees of various sectors of Government are to be determined by the Commission keeping in view their existing relativities and the future needs for about a decade, the Commission has to collect extensive data, analyse them and carefully arrive at its conclusions. It may not be possible at this stage to indicate the time by which the commission would submit its final report. The terms of reference of the Pay Commission have, however, been recently amended to enable the commission to consider the demand of the Staff Side for another instalment of interim relief pending submission of their final recommendations.

SHRI DHARAM PAL SINGH MALIK : First of all, I would like to submit that in the statement itself, the reason for the delay in submission of the report has not been given. Secondly, I would like to know from the hon. Minister, whether any time-frame was mentioned for the presentation of the report of the Pay Commission when the Pay Commission was appointed by the Government ?

Considering the delay in submitting the report, whether the Government will ask the Pay Commission to submit its interim report and sanction another interim relief to the Central Government employees on this basis ?

SHRI VISHWANATH PRATAP SINGH : Sir, no time-frame was given while the Commission was formed. But as the Member has said, the Government would be asking the Pay Commission to give a time-frame by which it would be submitting its report.

SHRI DHARAM PAL SINGH MALIK : It is not a fact that thousands of Central Government employees residing in Bahadurgarh, Sonapat and other peripheral towns of Haryana are getting C.C.A at Delhi rate whereas the Haryana Government employees residing in these towns are not getting C.C.A. at par with the Central Government employees? Will the Central Government propose to send guidelines to the State Government to remove these disparities?

SHRI VISHWANATH PRATAP SINGH : Sir, the main Question is on the pay Commission. But this was a very specific question regarding sonapat. I require a separate notice.

SHRI K. KUNJAMBU : Mr. Speaker, Sir, 5 million Central Government employees are eagerly awaiting for the Report of the Pay Commission. They are confident that our dynamic Prime Minister will do justice to them. Therefore, I would like to know from the hon. Minister whether a firm date would be given in regard to the payment of interim relief and the final submission of the report of the Pay Commission?

SHRI VISHWANATH PRATAP SINGH : I have already replied.

DR. DATTA SAMANT : Sir, there is a considerable delay in presentation of this Pay Commission report.

In his lengthy reply, the Minister has said that workers are more, departments are more etc. With these replies, we are not satisfied. Considering all this delay, whether the Minister will think of giving immediate interim relief to the Central Government employees and would he also fix the probable date

by which the final report should be submitted by the Commission?

SHRI VISHWANATH PRATAP SINGH : Sir, for the first time, the Government *sou motu* appointed this Pay Commission and gave interim relief also ranging from Rs. 50 to Rs. 100 per month.

Even in the terms of reference now to the Commission, an amendment has been made whereby the Commission can recommend interim relief. I have already mentioned that the Government would be writing to the commission as to whether it could give time-frame by which it will give the report.

SHRI AJOY BISWAS : The confederation of the Central Government Employees have demanded second interim relief for the delay in the submission of the Pay Commission's report. May I, therefore, know from the hon. Minister whether he will convene a meeting of the J.C.M. and decide the issue there?

SHRI VISHWANATH PRATAP SINGH : I cannot agree to this suggestion. But the representatives of the Union have met the Commission on 28.2.85. I think, that will take care of it.

MR. SPEAKER : Q.No.46. Shri Saifuddin Chowdhary.

SHRI AMAR ROYPRADHAN : Sir, I request that Q.No. 56 also may be taken up along with Q.No.46. It is of a similar nature.

MR. SPEAKER : I think, it can be done.

Are you ready with Q.No.56 also?

SHRI VISHWANATH PRATAP SINGH : yes, sir.

PROF. MADHU DANDAVATE : Merger is allowed if two-thirds come together.

MR. SPEAKER : That is why I am asking; I am ascertaining, as I have to decide it.

Reduction in Overdrafts drawn by States

*46. + SHRI SAIFUDDIN CHOWDHURY :

SHRI SATYAGOPAL MISRA :

Will the Minister of FINANCE be pleased to state :

(a) Whether Union Government are planning to reduce the overdrafts taken by the States ;

(b) steps the Union Government propose to take to get ride of this malady ; and

(c) whether Government are considering to adjust the overdrafts taken by the States with the proposed money to be accrued to the States on the recommendations of the Eighth Finance Commission ?

THE MINISTER OF FINANCE AND COMMERCIAL AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : (a) and (b) Government of India have decided that the States' overdrafts should not exceed the level reached as of 28th January, 1985. The States have been informed that in case their overdraft exceeds the levels as of 28th January, 1985 for seven continuous days, the RBI would stop payment on their Governments' account.

(c) : There is no such proposal under consideration of the Government of India.

Overdrafts drawn in States

*56. + SHRI AMAR ROYPRADHAN :

SHRI BALASAHEB VIKHEPATIL :

Will the Minister of FINANCE be pleased to state :

(a) the present position of the States' overdraft from the Reserve Bank of India ; and

(b) the steps Government propose to reduce it and the reaction of the State Governments thereto ?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : (a) A Statement showing the overdraft position as on 9.3.1985 is laid on the Table of the House.

(b) The Reserve Bank of India have been advised to stop payment of those States whose overdraft exceeds the level reached as of 28.1.1985 for seven continuous working days. Some States requested for permission to exceed the overdraft as on 28th January, 1985. It has not been possible for the Government of India to agree to this request.

Statement

Statement showing the overdraft position of the State Government as on 9.3 1985

	(Rs. in crores)
1. Andhra Pradesh	177.49
2. Assam	38.25
3. Bihar	0.78
4. Gujrat	63.25
5. Haryana	67.44
6. Karnataka	170.57
7. Kerala	222.55
8. Madya Pradesh	17.58
9. Nagaland	8.01
10. Orissa	46.87
11. Punjab	52.67
12. Uttar Pradesh	311.17
13. West Bengal	221.33

Total all States 1397.97*

*Due to rounding off individual items do not add up to total shown.

SHRI SAIFUDDIN CHOWDHURI : According to the latest figures available in regard to the overdrafts position, it comes out that overdraft has a political affiliation. The policy of fiscal relationship between the Centre and the States has to be revised. That is the basic thing. Now, the thing is that for 1984-85, there is the money recommended to the States by the Eighth Finance Commission which are overdraft-ridden. I want to know whether the Finance Minister is going to adjust that. Actually, the money already taken is in circulation. So, no substantial difference will be there. It will be only a gesture from the Central Government to the States. We require that very much. May I know whether he is going to consider this or not ?

SHRI VISHWANATH PRATAP SINGH : There was an interim recommendation of the Finance Commission. We did take care of it.

As regards further adjustment, it is not possible.

About overdrafts having political affiliations, certainly it is not that unless the hon. Member wants to make a political affiliation out of this.

As regards fiscal relationship between the Centre and the States, it is with the Sarkaria Commission. It is being examined.

SHRI SAIFUDDIN CHOWDHURI : About deficit financing by the Centre, they have advised the State Governments to have certain restrictions on getting overdrafts. But what an ideal adviser should be ? The story goes that when a child was brought to the Prophet to advise the child to give up sweets, the Prophet took time, 10 days, and he strove hard to give up sweets. After 10 days, when the child was brought before him, he told the child, "Now, you give up sweets."

You are having deficit financing which is similar to overdrafts taken by the States. Now you are advising the State Governments not to resort to

overdrafts. Before that will you yourself stop from resorting to deficit financing ?

SHRI VISHWANATH PRATAP SINGH : We all have to subject ourselves to financial discipline whether it is the States or the Centre. There is no basic difference of view on this. I will give the context in which we had to take this measure which is a little harsh.

In 1982-83 itself, we had given term loans to the States amounting to Rs. 1,743 crores.

Again in 1983-84, gave Rs 499 crores.

The Chief Ministers assured at that time that there would be no overdrafts.

Again, in 1983-84, we had overdraft of Rs. 531 crores, that is the adjusted overdraft.

The Chief Ministers again assured that there would be no further overdrafts.

I want to take the House into confidence because it is a major issue.

On 28-1-85, the overdraft of the States was Rs. 1,808 crores.
(Interruptions)

SHRI VISHWANATH PRATAP SINGH : I will give the split up of the States also-

On 2-2-85, it went up to Rs 1,917 crores.

In one day from 31-1-85 to 1-2-85, it went up by Rs. 34 crores.

The next day, from 1-2-85 to 2-2-85 it went up by Rs, 41 crores.

The financial system had to be saved. The brake had to be applied.

(Interruptions)

MR. SPEAKER : It differs from State to State.

(Interruptions)

SHRI PRIYA RANJAN DAS MUNSHI : There must be an enquiry from the Centre for verification of the fiscal policy which they are following.

(Interruption)

MR. SPEAKER : Just look at the Question paper. Don't shout. Read the Question paper.

(Interruptions)

PROF. MADHU DANDAVATE : Please declare that the word "West Bengal" is unparliamentary so that there is no trouble in the House.

SHRI SATYAGOPAL MISRA : The State Governments together have taken about Rs. 20,000 crores as overdrafts. The Central Government alone had more than Rs. 40,000 crores of deficit financing. Therefore, will the Central Government impose upon themselves economic self-discipline? The Central Government is arbitrary in asking the State Governments to reduce their overdrafts.

I ask the hon. Minister whether the Central Government have taken any decision to implement the recommendations of the Eighth Finance Commission in the second and the subsequent years.

SHRI VISHWANATH PRATAP SINGH : For the year, 1985-86, we are going to implement the Finance Commission's recommendations.

(Interruptions)

MR. SPEAKER : The Question Hour is over.

WRITTEN ANSWER TO QUESTION

[English]

Circulation of Soiled Notes and Scarcity of Small Denomination Notes

*47 **SHRI AMAL DATTA :** Will the **MINISTER OF FINANCE** be pleased to state :

(a) whether circulation of soiled notes in the country is increasing ;

(b) if so, the reasons therefor ;

(c) the steps Government propose to take to remedy the situation ;

(d) whether scarcity of one and two rupee notes is due to smaller number of such notes being issued by the Reserve Bank of India ;

(e) whether R.B.I., Calcutta has received a memorandum from All India R.B.I Employees Association suggesting solution to these problems ; and

(f) if so, the details thereof and Government's reaction thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY : (a) to (d) There have been reports of shortage of fresh currency notes, especially notes of small denominations, for circulation in the country. The Government have taken several steps to increase the production of fresh notes in the two Note Presses by introducing an 11-hour shift with incentive, expansion and modernisation by installing new and more efficient machinery and introducing full two shifts in the two Presses. As a long term measure it has also been decided to set up a new Bank Note Press in the country.

The Reserve Bank of India have issued, from time to time, instructions to their various issue centres to sort out the re-issuable currency and bank notes and to put them back into circulation with a view to over-coming the present shortage. While, therefore, it is possible that some soiled notes may have been put into circulation by the Reserve Bank of India's issue offices, these would be such as are capable of reissue. Therefore, it may be possible that the quantum of soiled notes as a percentage of total notes in circulation in the country might have gone up recently. As part of Government drive to increase the production of bank and currency notes the production of rupee-one and rupees-two notes and supplies therefrom to the Reserve Bank of India have been stopped up recently as indicated below :

(In million pieces)

	Production		Supplies to RBI	
	1983-84	1984-85	1983-84	1984-85
	(11 months only)		(11 months only)	
Re. 1/- notes	206.31	434.65	225.00	426.00
Rs. 2/- notes	936.17	1336.29	925.00	1325.00

Reserve Bank of India have like-wise stepped up substantially supplies of these denominations during the current year. As such, it is not true that smaller number of Re. 1/- and Rs. 2/- demonination notes are being issued by the Reserve Bank of India.

(e) and (f) : The All India Reserve Bank Employees Association has issued Press Note, a copy of which was submitted to the Manager, Reserve Bank of India, Calcutta. No specific solution has been offered by the Association except augmenting production and supply of fresh notes of small denominations. This aspect of the matter is already being taken care of.

Prenationalisation Liabilities of Sick Industries Towards Banks and Financial Institutions

*48. SHRI R. P. DAS : Will the Minister of FINANCE be pleased to state :

(a) whether Union Government's insistence on undertaking not only the post take-over liabilities but also the pre-take-over liabilities of banks and financial institutions by State Governments create serious impediments to the policy of gradual nationalisation of sick industries by State Governments ;

(b) if so, whether Government intend to review their recent decision on this matter ;

(c) if so, when ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) No, Sir.

(b) to (d) Do not arise.

Production and Export of Handloom Cloth

*49 SHRI AMARSINGH RATHAWA :

SHRI MOHANLAL PATEL :

Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the steps being taken to increase the production of handloom cloth in the country :

(b) the total quantity of cloth produced by handloom industry in the country during the years 1983 and 1984 ;

(c) the value of the handloom cloth exported during the said period; and

(d) the steps being taken to increase the export of handloom cloth during the year 1985 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) The policy of the Government is to create organisational infrestructures like cooperatives and the State Handloom Development Corporations to provide a package of incentives for increasing the production in the handloom sector. With this end in view, the weavers in the handloom sector are given financial assistance to enable them to become members of cooperative societies. In addition, assistance is provided towards managerial subsidy for better management of primary cooperative societies, loan and grant assistance for improvement and modernisation of looms in the cooperative sector, share capital assistance to State apex marketing cooperative societies and handloom corporations for increasing procurement from members and enlarging the marketing net-work, handloom janata cloth scheme for providing sustained employment to weavers and grant of special rebate on the sale

of handloom cloth to make it more competitive. Moreover all mills producing yarn are required to pack at least 50% of their marketable yarn in the form of hanks for supply to handloom sector. Financial assistance is also being given by Central and State Governments for setting up handloom weavers cooperative spinning mills to act as captive source for supply of hank yarn to the handloom sector.

(b) and (c) The figures of production and exports for 1984 are not yet available. However the production and exports for the financial years 1982-83 and 1983-84 are given below :

Production :	
1982-83	3253 million metres
1983-84 (Provisional)	3400 million metres
1984-85 (target)	3700 million metres.

The figures of production are derived from the civil deliveries of hank yarn by the mills.

Exports :

1982-83	Rs. 330.89 crores
1983-84 (Provisional)	Rs. 309.39 crores
1984-85 (target)	Rs. 408.00 crores

(d) In order to increase the export of handloom cloth, Vishwakarma exhibitions, Market Orientation Tours, Buyer-Seller Meets, Participation in International Fairs/Exhibitions etc., are being periodically sponsored by the Government. The programme for 1985-86 is being worked out.

Sanction of Rupees Thirty Crores to Tripura as Recommended by 8th Finance Commission

*50 SHRI AJOY BISWAS Will the Minister of FINANCE be pleased to state :

(a) whether the union Government are aware that due to non-implementation of the recommendation of 8th Finance Commission for the year

1984-85, the Tripura Government will not get Rs 30 crores as special assistance ; and

(b) considering the backwardness of Tripura, whether Government propose to Commission for 1984-85 ?

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHAWANATH PRATAP SINGH) : (a) The Government have not accepted the recommendations of Finance Commission contained in the final report for the year 1984-85. The question of non-implementation of that report for the year 1984-85 therefore does not arise.

(b) No Sir, However, in view of the backwardness of the State, Central assistance of Rs. 82.47 crores was allocated to the State in the current year for executing a Plan of Rs. 68 crores.

Exports to USA Affected by Rising Value of Dollars

*51 SHRIMATI KISHORI SINHA : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government consider that Indian exports to USA will be adversely affected by the rising value of dollar ; and

(b) if so, whether Government propose to take steps like giving more cash subsidies for other export items particularly hit by the steep rise in dollar value ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA) : (a) Appreciation of the US dollar would make Indian exports more competitive and should not adversely affect our exports to the U.S.A.

(b) Does not arise.

Coal Shortage in West Bengal

*52 SHRI SUDHIR ROY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are aware of the coal shortage in different parts of West Bengal ;

(b) if so, the details thereof; and

(c) the steps so far taken or proposed to be taken to remove the coal shortage.

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c) As far as supply of raw coal to the consumers in West Bengal is concerned, there is no shortage. Coal is being supplied to linked consumers in adequate quantities both by rail and by road. Consumers have also been permitted to draw by road, shortfall in their rail programmes, if they so desire. However due to some shortfall in production on account of early and heavy rains during 1984-85, there were difficulties in meeting the full requirements of soft coke and hard coke of consumers in West Bengal. Action was taken to step up production and despatches of soft coke and hard coke from July '84 onwards, and there has been a significant improvement in the supplies. As against 5,01,700 tonnes of soft coke supplied to West Bengal during April '83 to February '84, 6,11,014 tonnes have been supplied during the same period in 1984-85.

Export of Hand-Made Paintings from Bihar

*53. **SHRIMATI MADHURI SINGH :** Will the Minister of **COMMERCE AND SUPPLY** be pleased to state :

(a) whether Government are aware that the handicrafts from Bihar particularly hand-made paintings are very much in demand in foreign countries ;

(b) if so the names of the countries importing these paintings at present ;

(c) whether Government propose to explore new markets for the promotion of export of handicrafts ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :

(a) State-wise export statistics are

not available. However, as per latest data, exports of hand-made paintings from India are as under : —

	(In Rs. lakhs)
1980-81	51.24
1981-82	74.61
1982-83) (April-November)	31.19

(b) The major countries importing hand-made paintings from India are U.K., Netherlands, USA, USSR; Italy, France and west Germany.

(c), Yes, Sir.

(d) (i) Exhibitions of handicrafts are proposed to be organised in the USA and France as part of Festival of India.

(ii) India Promotion programme is being organised in West Germany in April-May 1985 during which live demonstration of handicrafts are being presented.

(iii) A selling outlet for hand-made carpets is being opened in Jeddah, Saudi Arabia.

(iv) Promotional programmes for handicrafts are being organised in the Middle East under which an exhibition has been held in Doha and another is proposed in Kuwait.

[Translation]

Racketeering in Rag Trade.

*54. **SHRI HARISH RAWAT :** Will the Minister of **COMMERCE AND SUPPLY** be pleased to state :

(a) Whether his attention has been drawn to the press reports relating to large scale racketeering in rag trade ; and

(b) if so, the steps being taken by his Ministry to check such racketeering?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :

(a) yes, Sir.

(b) The matter is under consideration of the Government. Import policy for 1985-86 is under formulation.

[English]

Distribution Policy of Salem Steel Plant.

*55 SHRI K. RAMAMURTHY : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the present distribution policy of Salem Steel Plant is weighed in favour of wholesalers in stainless steel sheets by engaging monopolists and by offering discounts up to 6 per cent for bulk purchases of 100 tonnes monthly and a further 1 per cent for purchases of 750 tonnes six monthly;

(b) whether wide publicity is not being given to the availability of seconds, since the patties, strips and odd size materials are being cornered by wholesale dealers ; and

(c) if so, what steps being taken by Salem Steel Plant to help the small scale units ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (c) : The distribution policy of Salem Steel Plant is not inequitable to any category of buyers. The slabs of current discounts available to all customers are as given below :

(I) Quantity discounts applicable based on monthly off-take.

Monthly Off-take Slab	Percentage Incentive
5 MT — 10 MT	1.0%
Above 10 MT — 20 MT	1.5%
Above 20 MT — 30 MT	2.5%
Above 30 MT — 50 MT	3.5%
Above 50 MT — 75 MT	4.0%
Above 75 MT — 100 MT	4.5%
Above 100 MT	5.0

(ii) Additional incentive for consistent off-take over six monthly period

Slab for 6 Monthly off-take	Percentage of bonus incentive payable on the total turnover of 6 months.
From 150 MT — 200 MT	0.25%
Above 200 MT — 400 MT	0.50%
Above 400 MT — 600 MT	0.75%
Above 600 MT — 750 MT	1.00%
Above 750 MT	1.25%

The quantity discount structure takes into consideration normal commercial practices of allowing higher discounts for greater off-take. Additional incentive is allowed without any discrimination to promote consistent off take.

(b) The stock lists of seconds are published on the Notice Boards of Branch Offices of SAIL's marketing organisation dealing in stainless steel and, if asked, made available to the customers. Seconds are sold against registration and, in case of demand exceeding the availability, generally distributed prorated to the offtake of primes. In addition to the seconds, the other arisings like commercial quality cuttings, are sold on "as is where is basis" from the plant through open tender.

Bauxite Mines in Madhya Pradesh

*57 KUMARI PUSHPA DEVI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) the steps taken for the proper exploitation of bauxite mines in the country ;

(b) the details of the places in Madhya Pradesh where bauxite mines are located ; and

(c) the approximate deposits of bauxite in Madhya Pradesh ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) to (c) The Government has taken several steps for the proper exploitation of bauxite deposits in the country.... These are :

(i) Formation of two companies, namely, Bharat Aluminium Company Limited and National Aluminium Company Limited in the public sector for exploitation of bauxite deposits. Bharat Aluminium Company Limited is exploiting the deposits in Bilaspur and Mandla districts of Madhya Pradesh. A new mine in Gandhamardan in Orissa is also being developed by this company. The National Aluminium Company Limited is currently engaged in development of the Panchpatmali bauxite deposit in Koraput district of Orissa for a production of 2.4 million tonnes of bauxite per annum, 0.8 million tonnes of alumina (of which about 0.375 million tonnes are earmarked for export) and 0.218 million tonnes of aluminium metal.

(ii) An export oriented bauxite mine in Andhra Pradesh is under consideration which Soviet assistance initially for export of 2.3 million tonnes per year of bauxite to the USSR.

(iii) Bauxite mines are also being exploited by major Aluminium Producers in Private Sector.

2. Bauxite mines in Madhya Pradesh are located in Bastar, Bilaspur, Jabalpur, Mandla, Rewa, Satna, Sidhi and Shahdol Districts. There are 46 working mines in Madhya Pradesh including 6 in the public sector.

3. The estimated reserves of bauxite in Madhya Pradesh are placed at 187.5 million tonnes constituting 7.5 per cent (approx.) of the total country's reserves of 2489 million tonnes.

Raids on Companies for Tax Evasion

*58. SHRI RAM BHAGAT PASWAN : Will the Minister of FINANCE be pleased to state :

(a) the particulars of companies whose premises have been raided during

1985 so far and the total amount of tax evasion estimated as a result thereof; and

(b) Whether Government proposes to realise first the whole amount of the tax evaded by those companies ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) The number of companies whose premises have been raided during 1985 (upto 28.2.85) and the total amount of tax evasion estimated are as follows on the basis of data readily available :

(1) Direct Taxes : 33 Companies and their associates were searched during this period. The amount of tax sought to have been evaded is under computation.

(2) Customs : The Number of companies searched is 30, excluding their associates. The amount of tax evaded is estimated at Rs. 5.20 crores in 4 cases. Remaining cases are under investigation with a view to quantifying the amount of duty evaded.

(3) Central Excise : 86 companies and their associates were raided involving duty evasion of Rs. 18.5 crores approximately.

(4) Enforcement Directorate : Searches were carried out in connection with suspected violation of Foreign Exchange Regulation Act but since these do not involve evasion for tax, the particulars are 'nil'.

(b) priority is given to the recovery of the whole amount to tax evaded.

West Bengal Government Proposal for Nationalisation of Shree Durga Cotton, Spinning and Weaving Mills Ltd.

*59. SHRI ANANDA PATHAK : Will the Minister of COMMERCE AND Supply be pleased to state :

(a) whether the Union Government have received any proposal from Government of West Bengal to nationalise Shree Durga Cotton, Spinning and

Weaving Mills Limited and tag it to the National Textile Corporation ; and

(b) if so, the reaction of Union Government to the proposal ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :

(a) The Government of West Bengal have indicated their inability to shoulder the responsibility of this losing mill and have asked the Government of India to do so instead :

(b) *Prima facie*, the Government of India is against nationalising mills which are not capable of becoming viable. Final decision on future disposition of this mill has not been taken.

Removal of Top Executives of Nationalised Banks

*60 **SHRI MOHD. MAHFOOJ ALI KHAN :**

SHRI SATYENDRA NARAYAN SINHA :

Will the Minister of FINANCE be pleased to state :

(a) whether some top executives of certain nationalised banks were recently removed by Government; and

(b) if so, the details thereof and reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY):(a) and (b) In exercise of powers vested in it in terms of subclause (1.A) of clause 8 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970, the Central Government terminated, on February 18, 1985, the term of office of Shri S.L. Baluja, Chairman and Managing Director, Punjab National Bank, Shri B.V. Sonaliker, Chairman and Managing Director, Central Bank of India and Shri S.S. Master, Executive Director, Bank of Baroda. They were paid salary and

admissible allowances for a period of three months in lieu of the prescribed period of notice. The terminations were in accordance with the provisions of the aforesaid Scheme applicable to their appointments.

Controlled Cloth

211. SHRI ANANTA PRASAD SETHI : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the details of controlled cloths (varieties) at present State-wise ;

(b) whether Government have given some concessions to the people living in remote rural areas, particularly the worker sections of the society;

(c) whether there has been any increase in the price of the controlled cloth during the last six months ; and

(d) if so, the extent thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :

(a) As per the existing controlled cloth scheme, four varieties viz. dhoti, saree, long cloth and polyester cotton blended shirting are being manufactured by NTC. Mills.

(b) Controlled cloth is produced to meet the cloth requirements of the weaker sections of the Society. With a view to enable them to purchase controlled cloth at reasonable prices, subsidy at the rates of Rs. 2.00 per sq. metre on dhoti/saree, Rs. 3.70 per metre on polyester cotton blended shirting and Rs. 1.50 per sq. metre on long cloth is being given by the Government. Further the controlled cloth is mainly distributed through Fair Price Shops and consumer co-operative Societies (the majority of which are located in the rural areas)

(c) No, Sir.

(d) Does not arise.

Import of Edible Oil

212. **SHRIMATI GEETA MUKHERJEE** : Will the Minister of **COMMERCE AND SUPPLY** be pleased to state :

(a) whether M/s Lipton India limited have been allowed to have the quota of imported edible oil cannalised through the State Trading Corporation of India, which belonged to Hindustan Lever Limited ; and

(b) if so, since when, the details thereof and the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA :

(a) and (b) M/s Lipton India Ltd. have acquired Ghaziabad and Trichi units of M/s Hindustan Lever Ltd. Consequently industrial licence pertaining to these two units were transferred to M/s Lipton India Ltd, under IDR Act. Allocation of imported oil, which was stopped, in May, 1984 to these two units, was subsequently released in November, 1984 on transfer of Industrial Licence in the name of M/s Lipton India Ltd.

Firms Defaulting in Depositing Income Tax Amount Deducted From Salaries of Their Employees

513. **SHRI RAMASHRAY PRASAD SINGH** : Will the Minister of **FINANCE** be pleased to state :

(a) the percentage of business firms failing to deposit in time income tax amount deducted from the salaries of their employees ; and

(b) if so, the number and particulars of businessmen in Delhi arrested in 1984-85 for default ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) There are cases of failure of business firms to deposit in the income tax amount deducted from the salaries of their employees but the exact information is not available and collection

of the same will involve considerable tim and labour,

(b) During the year 1984-85, 109 prosecutions have been launched in the courts in Delhi against three companies. These are as under :

- (i) M/s Hans Raj Gupta & Company Private Ltd. and its Directors/Principal Officers ;
- (ii) M/s Alphabetic Pvt. Ltd. and its Directors/Principal Officers ; and
- (iii) M/s Bharat Agro Aviation Services Pvt. Ltd. and its Directors/Principal Officers.

In case of M/s Hans Raj Gupta & Co. Pvt. Ltd., accused company and its five Directors/Principal Officers were admitted to released on furnishing bail bonds. In other cases, after taking cognizance of the complaints, the learned Court has summoned the accused companies and their Directors/Principal Officers to appear in Court on 27-4-1985 and 26-4-1985 which dates fall in the next financial year.

Comprehensive Legislation for Narcotic Drugs

214 **SHRI N. DENNIS** : Will the Minister of **FINANCE** be pleased to state :

(a) whether Government propose to frame comprehensive legislation to consolidate and strengthen the existing laws on narcotic drugs and provide deterrent punishment for drug trafficking ; and

(b) if so, the details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) A draft for a comprehensive legislation on narcotic drugs and psychotropic substances is at an advanced stage of finalisation. Besides consolidating, amending and strengthening the existing laws on narcotic drugs, this will seek to provide, *inter alia* for stricter control over psychotropic substances and for deterrent punishment for drug trafficking

Exchange of Soiled Notes by Commercial Banks

215. SHRI PURANCHANDRA MALIK : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware that the public are facing inconvenience due to refusal of the commercial banks to exchange soiled notes ;

(b) if so, whether Government are going to issue any instructions to all nationalised commercial banks to accept soiled notes from the public to ease their problems ;

(c) if so, the details thereof ; and

(d) the steps taken by Government so far in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) to (d) The Reserve Bank of India has been receiving stray complaints from the public regarding difficulties faced by them in getting their soiled/mutilated notes exchanged at some of the bank branches. In the light of such complaints the Reserve Bank has advised the Chief Executives of Public Sector Banks to improve the performance at their branches in this regard. The Reserve Bank has also advised the Chief Executives of all Public Sector Banks to ensure that their branches extend the facilities of exchange of soiled and certain categories of mutilated note to the public. For the information of the public the Reserve Bank has publicised the facility in major national/regional newspapers. The branches of these banks are also required to display at their premises a poster in bold letters offering to afford free facilities for exchange of soiled and certain categories of mutilated notes to the public.

Effect of Reduction in Value of Rupee on Salaried Persons

216. SHRI PIYUS TIRAKY :
SHRI CHITTA MAHATA :

Will the Minister of FINANCE be pleased to state :

(a) whether the value of rupee has considerably gone down recently and is on the progressive decline of its face value ; and

(b) if so, the steps proposed to be taken to compensate salaried persons and mitigate hardship to unemployed and people below poverty line ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) The purchasing power of the rupee measured as the reciprocal of the All India Consumer Price Index for industrial workers (base 1960×100), was 17.76 paise in January 1985. It went up to 17.92 paise in March, 1984 and then declined to 16.81 paise by November, 1984. However, the purchasing power of the rupee increased to 17.01 paise in December, 1984 and remained stable in January, 1985 (the latest available).

Government Compensates its employees for increase in the cost of living through revision in dearness allowance linked to changes in the Consumer Price Index for Industrial Workers. Revision in the minimum wages is also effected from time to time with the same objective. Government has also launched a number of specially designed schemes for enlargement of employment opportunities and alleviation of poverty. These include National Rural Employment Programme (NREP), Integrated Rural Development Programme (IRDP), Rural Landless Employment Guarantee Programme (RLEGP) and the scheme for providing self employment to the educated unemployed.

Scandal of Deposit Scheme in Bhilai

217. DR. T. KALPANA DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether attention of Government has been drawn to the news item captioned "Partners of Bhilai firm held" appeared in the Times of India, New Delhi dated 10 February, 1985 ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE
(SHRI JANARDHANA POOJARY) :

(a) Yes, Sir.

(b) According to press reports, Bhilai Trading Company (BTC), a partnership concern was accepting deposits from the public, ranging from Rs. 40/- upwards, for 75 days on the promise of supply of goods twice the value of the deposit. A very large number of persons were reported to have made deposits with the firm.

Prima facie, the Reserve Bank considered the activities of the company as violative of the provisions of Chapter III C of the Reserve Bank of India Act, 1934 which prohibits acceptance of deposits by individuals, firms and unincorporated associations of individuals from persons exceeding the stipulated number.

According to the available information, the State Government of Madhya Pradesh have initiated action and arrested three partners and an employee of the Company, sealed all the shops and seized the records.

Plan Introduced by Rourkela Steel Plant to Ensure Growth of Small Sector

218. SHRI LAKSHMAN MALLICK : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether any new plan has been introduced by the Rourkela Steel Plant to provide a steady flow of rate contracts to local units in the small sector; and

(b) if so, the details regarding the new areas alongwith the objective to ensure the growth of small units ?

THE MINISTER OF STATE IN
THE DEPARTMENT OF STEEL
(SHRI K. NATWAR SINGH) : (a) and (b) No new plan has been introduced by the Rourkela Steel Plant to provide a steady flow of rate contracts to local units in the small scale sector. However, they have a system of entering

into rate contract with local small scale industries for some of the items. Rate contracts for 4 items have already been awarded to the local small scale units. The Plant is currently in the process of identifying more items for which rate contracts can be operated with supplies for a period of one or two years, with a provision for extension by another one year. So far the Plant has identified 238 items for which rate contract can be operated only after suitable parameters with regard to escalation clause are jointly agreed upon between the Plant authorities and the units.

Production and Export of Cardamom

219. SHRI CHINTAMANI JENA : Will the Minister of COMMERCE AND SUPPLY be pleased to stated :

(a) the quantity of cardamom exported during the years 1982-83, 1983-84 and 1984-85 ;

(b) the names of the States which are producing cardamom and the quantity of cardamom purchased and exported by each State and agency through which the export is being made ; and

(c) the steps being taken to increase the production of cardamom in the country to meet the increasing demand of cardamom in foreign countries ?

THE MINISTER OF STATE IN
THE MINISTRY OF COMMERCE
AND SUPPLY (SHRI P. A. SANGMA):

(a) The export of Cardamom in terms of quantity is given below :

Year	Quantity
1982-83	1032 tonnes
1983-84	258 tonnes
1984-85	1960 tonnes (April, 84-Feb. 85)

(b) Kerala, Karnataka and Tamil Nadu are the three States producing small cardamom. Large Cardamom is being grown in Sikkim and some parts of the West Bengal. Cardamom is purchased and exported mainly by private exporters located in Kerala, Tamil Nadu, Karnataka and Maharashtra. However, Kerala State Cooperative Marketing Federation had purchased and exported 10 M.T. in 1982-83, 10 M.T. in 1983-84 and 46 M.T. in 1984-85 (April-Feb. 85). The said Federation had also purchased and supplied 88 M.T. of Cardamom to STC in 1983-84 which was exported by that Corporation in 1984-85. Besides, the National Agricultural Cooperative Marketing Federation had purchased and exported 20 tonnes of Cardamom in 1983-84 and 30 tonnes in 1984-85 (April-Feb. 1985).

(c) The Cardamom Board is implementing schemes like rehabilitation of drought affected plantations, replanting of old and uneconomic plantations, production of quality seedlings in departmental nurseries, improvement of irrigation facilities etc. to increase the production of Cardamom in the country.

Assistance by Banks for Setting up Business in Rural Areas

220 SHRI C. D. GAMIT : Will the Minister of FINANCE be pleased to state :

(a) the names of the banks which are giving financial assistance to the people living in rural areas for setting up business industry :

(b) the details regarding the amount invested in the State of Gujarat during the last five years ;

(c) whether some banks have also selected certain villages for giving loans according to their requirements ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) All the scheduled commercial banks

give financial assistance for setting up business/industry to people living in rural areas.

(b) Data relating to total advances made by all scheduled commercial banks to Small Scale Industries (SSI) units in Gujarat for five years are tabulated below :

Last Friday of December	No. of accounts	Balance Outstanding (Rs. in lakhs)
1978	27629	17848.11
1979	37029	22024.04
1980	46340	26593.10
1981	56292	39698.52
1982	71449	35767.76

(c) and (d) Under Village Adoption Scheme banks have adopted 141042 villages in the country as at the end of June, 1983. Of these 5506 villages were situated in Gujarat.

Palm Oil Plantations in Andamans

221. SHRI K. PRADHANI : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government have at any stage considered any plan for undertaking palm oil plantations in Andamans and elsewhere in the country to meet the country's ever-increasing demand of this oil and thus save foreign exchange ; and

(b) if so, the broad details thereof and if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Yes Sir,

(b) The Andaman & Nicobar Plantation and Forest Development Corporation, Port Blair, is implementing a 2400 hectare red oil palm plantation in Little Andamans. The total outlay of the project is Rs. 9.09 crores and so far 1300 hectares have been raised.

Similarly, after preliminary survey conducted in areas with suitable agro-climatic conditions, a project for red

oil palm cultivation has been taken up in Kerala. So far an area of 3705 hectares have been planted there.

Steps to Contain Economic Crime

222. SHRI MANIK REDDY : Will the Minister of FINANCE be pleased to state :

(a) whether Government are considering to set up a commission for economic crimes on the pattern obtaining in Sweden with a view to contain economic crimes ; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDANA POOJARY) :

(a) : No, Sir.

(b) : Does not arise.

Supreme Court Judgement Regarding section 80-J of Income Tax Act.

223 : SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state ;

(a) whether Government have since studied the financial implications of the recent Supreme Court Judgement regarding section 80-J of the Indian Income Tax Act, 1961 defining the basis for calculating the capital employed in an industrial undertaking ;

(b) if so, the steps being taken to recover the resultant tax from the corporate sector amounting to some hundreds of crores of rupees and whether any target date has been set in this behalf, if so, by what time; and

(d) the names of the companies from whom such arrears of tax amounting to Rupees 1 crore and above are outstanding particularly the appellant companies in this case ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARI) :

(a) and (b) All the Commissioners of Income-tax in the country have been asked to collect the tax insulting from

the judgement of Supreme Court regarding section 80-J by 31.3.1985 and make special efforts including getting any stay vacated

(c) The number of the appellant companies regarding whom the requisite information will have to be collected from the field formations is very large since this issue has been pending before judicial authorities for several years. In case the requisite information is desired about any particular company, that can be collected and made available to the Hon'ble Member.

In crease in Bank Frauds

224. SHRI G.VIJAY RAMA RAO : Will the Minister of FINANCE be pleased to state :

(a) whether the bank frauds are on the increase due to laxity in nationalised banks ;

(b) whether Government propose to bring out a status paper on various types of bank frauds, misappropriations, etc. by the bank staff and non-bank staff, both for nationalised banks and non-nationalised banks, during the last three years ; and

(c) the remedial steps Government propose to take to decrease, if not eliminate such frauds ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) : Figures of frauds do reflect an increasing trend, This has, however, to be viewed in the context of the vast growth and expansion of the banking system.

(b) : There is no such proposal:

(c) : Banks have been advised to strengthen their monitoring and control systems, improve their house-keeping and vigilance and award exemplary punishment to staff found guilty.

Working of Public Sector Enterprises

225. SHRI Y.S. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received Reports of the Economic Administration Reforms Commission and Dr. Arjun Sengupta Committee regarding improvements in the working of public sector enterprises ;

(b) whether Government have processed these Reports and have also taken into account the Report of an earlier Committee headed by Shri Mohd. (Fazal Committee) which had made certain recommendations on the working of public sector enterprises ; and

(c) if so, the concrete remedial measures Government propose to take to revamp the functioning of the public sector enterprises ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) Yes Sir.

(b) and (c) These Reports are receiving the attention of the Government.

Fera Companies

226. SHRI VILAS MUTTEMWAR: Will the Minister of FINANCE be pleased to state :

(a) the company-wise, year-wise details of the exports, imports remittance on account of dividend, royalty, lumpsum technical fee, interest, profit etc. (item-wise) during the last three years in respect of FERA companies, (the 40 foreign equity companies) subsidiary companies of foreign multinationals, branches of the foreign companies, the companies having 20 to 40 per cent foreign equity, as reported to Government by the Reserve Bank of India and the Directorate General of Commercial Intelligence of Ministry of Commerce :

(b) the net result of these foreign equity companies on the balance of trade and the balance of payment of the country ; and

(c) if the specific data is not available, the basis on which Government take industry-wise decision to allow or not to allow foreign investment ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) A list of FGA companies (i.e. the the companies having foreign equity of more 40%) and branches of foreign companies has been furnished in answer to Lok Sabha Unstarred Question No. 6794 dated the 6th April, 1984. The above mentioned list also included the names of the subsidiaries of foreign companies. As companies having upto 40% foreign equity are treated at par with wholly Indian owned companies, no separate list of companies having 20% to 40% foreign equity is being maintained. As required under the companies Act, the companies furnish information regarding exports/imports and remittances on account of dividend, royalty, lumpsum technical fees, interest, profit, etc. in their Annual Reports. The information regarding any particular company/companies can be obtained from the concerned Registrar of Companies.

(b) & (c) : Government's policy with regard to foreign investment continues to be selective. Applications for such investments are dealt with in accordance with the existing policy and guidelines. It may be added that the likely outgo of foreign exchange as well as the likely foreign exchange savings as a result of export earnings or import substitution are also taken in to account before approving proposals for foreign investments. The annual outgo of foreign exchange on account of profits, dividends, royalties, technical know-how fee etc. constitutes only a small percentage of our annual export earnings.

Regional Rural Banks in Andhra Pradesh

227. SHRI N.VENKATARATNAM: Will the Minister of FINANCE be pleased to state :

(a) the number of Regional Rural Banks (Gramin Banks) started by the Union Government in Andhra Pradesh in consultation with NABARD ;

(a) whether Government of Andhra Pradesh contribute their share of 15 per cent of total paid-up capital ;

(c) whether Union Government have issued necessary orders notifying the Banks about the location of headquarters and area of operation ; and

(d) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) At present, there are 14 Regional Rural Bank (Gramin Banks) in Andhra Pradesh which have been set up in terms of section 3(1) of the Regional Rural Banks Act 1976 (21 of 1976).

(b) In terms of section 6 (2) of the above mentioned Act, every State Govt. including the Government of Andhra Pradesh contributes 15% of the issued share capital of a Regional Rural Bank. In respect of the Regional Rural Banks set up in Andhra Pradesh so far, the State Government have subscribed their share in the equity of the regional rural banks.

(c) : Yes, Sir.

(d) Does not arise.

Loans Advanced by London branch of Syndicate Bank to M/S. Esal Group of Companies

228. **SHRI S.M. GURADDI :**

PROF. MADHU DANDAVATE

SHRI. Y.S. MAHAJAN

SHRI THAMPAN THOMAS

Will the Minister of FINANCE be pleased to state :

(a) whether the General Manager of the Syndicate Bank in London has resigned recently ;

(b) whether the resigned General Manager was in the London Office for the last ten years ;

(c) whether this London Branch of the syndicate Bank had advanced loans to Shri Rajendra Sethie of M/s. Esal Group of Companies which has recently been declared liquidated ;

(d) if so, the details thereof ; and

(e) whether the Banking Department of Government had made enquiries in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :
(a) and (b) : Deputy General Manager (and not a General Manager) of Syndicate Bank, who was posted to London as Branch Manager in 1976 and remained there ever since, has resigned from the Bank's service with effect from 31st October, 1984.

(c) According to information provided by the Syndicate Bank, it has not advanced any loans to Shri Rajendra Sethia or the Esal Group of Companies.

(d) and (e) Do not arise.

Busting of Multi-Crore Smuggling Racket in Bombay

229. **SHRI ANAND SINGH :**
Will the Minister of FINANCE be pleased to state :

(a) whether a multi-crore smuggling racket had been busted by the Marine and preventive Wing of Bombay Customs following seizure of sophisticated smuggled household goods and arrest of six persons in Bombay around January 24, 1985 ; and

(b) if so, the details of the findings including those about the modus operandi of the racket and persons involved and action so far taken in that regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Officers of the Marine and Preventive Wing of the Customs (Preventive) Collectorate, Bombay have detected a racket in misuse of Transfer Residence facility and clearance of unaccompanied baggage from Bombay Docks. As a result of the investigations conducted from 19.12.1984 upto 8th March, 1985, contraband goods valued at Rs. 1.24 crores have been seized in 34 cases 13 persons have also been arrested in this connection.

As the cases are still under investigation, it will not be expedient to disclose further details at this stage.

Rise in Prices of all Categories of iron and Steel Produced by intergrated Steel Plants

230. PROF. MADHU DANDA-VATE : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the prices of all categories of iron and steel produced by integrated steel plants have been raised recently ;

(b) whether this steep rise in prices has been decided by the Joint Plant Committee ;

(c) whether the interests of small and medium scale engineering units in the country were taken into consideration while increasing the rise in prices ;

(d) whether the industry has raised a protest against this steep rise ; and

(e) if so, the steps taken to meet the demand of the small and medium scale engineering units ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (K. NATWAR SINGH) : (a) and (b) : Yes, Sir. The Joint Plant Committee of the main producers raised the prices of iron and steel on an average by 15% effective from the midnight of February 20/21, 1985.

(c) The interests of the steel consumers and producers were taken into consideration.

(d) and (e) Some of the users protested against the price increase. It is expected that the impact of this price increase will only be about 0.4% on the wholesale price index. Reuquirements of the engineering industry will be met through domestic production and imports.

Interim Reliff and D.A .to Central Government Employees

231. SHRI NARAYAN CHOUBEY :

SHRI LAKSHMAN MALLICK :

Will the Minister of FINANCE be pleased to state ;

(a) whether Government propose to

give any interim relief to the employees before the Pay Commission submits its recommendations;

(b) whether Government have decided not to give any instalment of Dearness Allowance before the Pay Commission submits its recommendations ; and

(c) if so, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANRDHANA POOJARY) :

(a) The terms of reference of the Pay Commission have been recently amended to enable it to consider the demand of the Staff side for another instalment of interim relief pending submission of its final recommendations. Government will consider the recommendation of the Pay Commission in regard to interim relief as and when received.

(b) The Government have not taken any such decision.

(c) Does not arise in view of (b) above.

Deletion of items from list of Canalised items for Import and Export.

232. SHRI PRIYA RANJAN DAS MUNSHI : Will the Minister of COMMERCE and Supply be pleased to to state :

(a) whether his Ministry is planing to take out few items from canalised items for import and export ; and

(b) if so, the details of the items and the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :

(a) and (b) The next Import and Export Policy being formulated and is expected to be announced in April, 1985. It is not in the public interest to disclose the details at this stage.

News-Item Captioned - 'Big Fraud in Bank Uncovered'

233. SHRI SRIHARI RAO : Will the Minister of FINANCE be pleased to state :

(a) Whether his attension has been drawn to the news-item captioned 'Big

fraud in bank uncovered' appeared in 'The Times of India' of 12th February, 1985,

(b) if so, details thereof ;

(c) whether similar frauds in banks have been discovered in the past there years, and if so, details thereof and reasons for such frauds continuing ; and

(d) whether Government have any plans for introducing accountability in such operations, and if so, details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI) :
(a) : Yes Sir.

(b) The Reserve Bank of India has reported that one Shri Ramesh Chandra Saxena opened accounts in different names in January 1985 in seven banks in Nagpur. In February seven drafts of Central Bank of India for amounts ranging from Rs. 38,003 to Rs 48,200 were lodged in the accounts for collection. The aggregate amount of the drafts purported to have been issued on 28th January, 1985, by the Branches of Central Bank of India in Madhya Pradesh and Uttar Pradesh works out to about Rs. 3 lakhs.

When the collecting Banks in Nagpur lodged the drafts in clearing with Central Bank of India for payment, five branches of Central Bank of India paid the amounts of five drafts to the collecting Banks. However, one branch of Central Bank of India returned the draft for want of advice from the draft issuing branch. Another branch of Central Bank of India, namely, Dharampeth branch, noticed a difference in the specimen signaturo on record and returned the draft unpaid. When the culprit, posing himself as one Dr. M.M. Saxena, approached the Dharampeth Branch to enquire, inter-alia, about the fate of the draft returned by the Branch, he was handed over to the police and is under police custody. The Central Bank of India also alerted the banks collecting the drafts not to part with the money. The Bank, has filed FIRs with the police.

(c) Frauds by forgery and counterfeit instruments have taken place earlier also. The RBI has, however, reported that statistics of frauds by way of encashment of counterfeit drafts is not separately available with it. The modus operandi adopted has been changing from time to time and covers opening of accounts with false introduction, writing counterfeit drafts forms and forging of signatures of bank officers.

(d) The Reserve Bank of India has reported that it examines the cases of all frauds in banks and deficiencies revealed are brought to the notice of banks. The staff angle in all frauds is also looked into from the reports received from banks and action taken against the staff involved is followed up to ensure adequate punitive action against delinquent staff.

Panic among gulf Indians over tax Rules.

234. DR. KRUPASINDHU BHOI : Will the Minister of FINANCE be pleased to state :

(a) whether there is panic among Gulf Indians over tax rules ;

(b) if so, the facts thereof and the steps taken to place the picture before them in the right perspective ; and

(c) the likely effect of the explanation offered on the remittances made by Gulf Indians ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (a) and (b) : The Government have taken note of the reports during 13th Feb., 1985 to 15th February, 1985 published in various newspapers in India, Kuwait, Dubai, etc., that the concern about the liability to Estate Duty and the recent realisation that the deposits in Non Resident (External) Accounts are liable to Wealth-tax, had been resulting in withdrawal in a panicky manner, of the deposits made by non-resident Indians in these Accounts. These newspaper reports were also confirmed by the messages received by the Government from Indian Embassies situate in the Middle East and various other Institutions and persons.

From these reports it appeared that there was misapprehension in the Gulf countries regarding the taxability of their remittances in Non-Resident (External) Accounts to Wealth-tax, the Government immediately issued a Press release that monies to the credit in such accounts was exempt from Wealth-tax in India not only during the stay of the Account holder outside India but also for a period of seven successive Assessment Years on the return of an Indian citizen or a person of Indian origin, hitherto ordinarily residing in a foreign country, with the intention of permanently residing in India. The clarification issued by the Government was published on 20th February, 1985 in Hindustan Times, Indian Express, Times of India, financial Express, Economic Times, etc. The Government have also issued a Public Circular to this effect which would be binding on all Wealth-tax Officers in India. The clarification has also been forwarded to some Indian Embassies situate in the Middle East and all the 5 overseas offices of the Indian Investment Centre, i.e., at London, New York, Frankfurt, Tokyo and Abu Dhabi on 21st February, 1985. The office in Abu Dhabi as well as the Ambassador of India, Kuwait have been requested to give wide publicity to the factual legal position among the non-resident Indians bankers and others.

The steps are also being taken to send teams consisting of representatives from the Indian Investment Centre and Central Board of Direct Taxes to Gulf countries for addressing meetings of non-resident Indians with a view to remove misconceptions in their minds about Indian Tax Laws.

(c) The Government are hopeful that the clarifications issued and further steps being taken would dispel the misapprehensions in the minds of non-resident Indian investors.

High grade Coal being brunt at utits of CCL

235. SHRI THAPAN THOMAS : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether over 40 lakhs tonnes of high grade coal meant for bulk consumers and thermal power plants and the Railways is being brunt at the stock-yards of Dakra,

Dewarkhand, Bachra, Sirka, Reliagar and Rajrapna units of Central Coalfields Limited ;

(b) the total quantity of coal turned into ashes in these collieries ;

(c) the reasons for having such huge stock at the coalileds ; and

(d) the steps being taken to remove these stocks for the use of bulk consumers ?

THE MINISTER OF STEEL MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) Out of total coal stock of about 32 lakh tonnes at Religora, Karanpura Dewarkhand, Dakara, Bachra, Sirka and Rajrappa, only about 4 lakh tonnes is affected by spontaneous heating.

(c) Build up of stocks is due to production out-stripping despatches in power grade coal and delay in completion of construction of new washery in Rajrappa for coking coal.

(d) The following steps are being taken to bring down the stock holdings:

(i) Offers to the Railways for allotment of wagons have been increased to the maximum extent ;

(ii) Efforts are being made to maximise the despatches by road from the road linked collieries ;

(iii) Construction of washery by Mining and Allied Machinery Corporation is being expedited ; and

(iv) Central Coalfields Limited has pegged down production in CCL to 38.5 M. tonnes during 1985-86 to bring down stock holdings.

Effect on Coal India Limited's output due to wagon shortage.

236. SHRI BASUDEB ACHARIA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government are aware that the wagon shortage may hit the Coal India Limited's output ;

(b) if so, the details thereof ;

(c) the steps taken to sort out and solve the problem ;

(d) whether any discussion took place between the Railways and his Ministry so that the problems could be solved easily ; and

(e) if so, the details thereof ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE): (a) and (b): The output of coal is likely to be affected due to less despatches as the ground stock of coal will amount to a level of over 27 million tonnes by the end of March, 1985 from 21.55 Million tonnes at the beginning of the current financial year. Production in collieries where the stocks are unduly high and offtake less, will have to be pegged.

(c) to (e): The matter regarding increase in despatches is being constantly pursued with the Railways. Discussions are also being held regularly for resolving the problems and to maximise despatches both by rail as well as other means of transport. Inter-ministerial discussions both at the level of the Ministers for Railways and Coal and at the level of senior officers have been held recently to solve the problem.

Smuggling of Coffee

237. **SHRI V.S. VIJAYARAGHAVAN:** Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware of the large scale smuggling of coffee taking place in the Wayanad area of Kerala resulting in huge loss of tax to the public exchequer ;

(b) if so, whether any enquiry has been conducted into this smuggling ; and

(c) the preventive steps being taken?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY): (a) The question perhaps pertains to the

removal of coffee without observing central excise formalities. There are reports to this effect.

(b) and (c) Central excise preventive units have been alerted and special preventive squads have been formed to check removal of coffee without observing Central excise formalities.

Working of Bharat Gold Mines Limited.

238. **SHRI MOOLCHAND DAGA:** Will the Minister of STEEL, MINES and COAL be pleased to state :

(a) the names of the gold fields in the country which have been located for rich gold deposits by the Geological Survey of India during the last five years ;

(b) the highest and lowest gram gold percentage per tonne of ore in the country and the international percentage for the same ; and

(c) the reasons for the continuous loss in the working of Bharat Gold Mines Limited for the last so many years and the steps taken to improve the working to increase its profit ?

THE MINISTER OF STEEL, MINES and COAL (SHRI VASANT SATHE) (a) No rich gold deposit have been located by Geological Survey of India during the last 5 years in the country. However, based on the GSI's investigations, extensions of the Kolar goldfields have been located in Andhra Pradesh and Karnataka which cannot, however, be said to be rich in gold content.

(b) The range of variation of gold content per tonne of ore in India is between 5 grams per tonne being the highest and 3 grams per tonne being the lowest. Internationally, the highest gold content per tonne is 13 grams per tonne and the lowest is 0.3 grams per tonne, according to information available from Geological Survey of India.

(c) (i) The continuing losses in the Bharat Gold Mines Limited are due primarily to the following factors : -

(1) Fall in the grade of ore, over the years to very low grades.

- (2) Rock bursts.
- (3) High staff costs.
- (4) Low recovery rate.
- (5) Power interruptions.

(ii) The steps being taken to improve the working of the BGML are four-fold, namely (1) Technological improvements upon the existing methods of gold exploration, mining and metallurgy, (2) Development of alternative sources of gold ore, (3) Diversification in the fields of scheelite production, tungsten carbide tipped drill rods manufacture, shaft sinking and mine construction etc., and (4) Stream-lining of the Organization and the Management of the Company.

Production and profit earned by Eastern Coalfields

239. SHRI CHITTA MAHATA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Eastern Coalfields Limited - a subsidiary of Coal India Limited, is continuously earning profit ;

(b) if so, the details thereof ;

(c) if not, the amount of losses being suffered every year and the reasons therefor ; and

(d) the production of this Company for the last three years and the steps taken for increasing the production ?

THE MINISTER OF STEEL, MINES AND COAL : (SHRI VASANT SATHE) : (a) No, Sir,

(b) Does not arise.

(c) During the last three years 1981-82, 1982-83 and 1983-84 E.C.L suffered losses of Rs. 87.85 crores, Rs. 97.21 crs. (Before adjustment of contribution from Coal Price Regulation Account) and Rs 127.88 crs. respectively. Main reasons for losses were the difficult geo-mining conditions under which they operate and the continued problems of inadequate and erratic power supply, law and order, absen-

teeism, delay in opening new projects to obstruction of local youths etc. The third National Coal Wage Agreement, which was given effect to from 1.1.1983 caused an additional financial burden of about Rs. 40 crores during 1983-84 to ECL. This increased wage cost was not covered by increases prices which became effective only from 8.1.1984.

(d) The production achieved during the last 3 years by ECL is given below:-

(Figures in million tonnes)

1981-82	1982-83	1983-84
23.55	22.68	22.87

The various measures being adopted to increase production and improve productivity in ECL include massive investment in new mines, fuller utilisation of mining capacity already created, more efficient use and better maintenance of equipments, stricter control of inventory and economy in the use of stores, better use of manpower by controlling absenteeism and enforcing discipline and identification of surplus works and their re-deployment after suitable training, better availability of scarce inputs like explosives, timber, etc., reduction of pit-head stocks by faster movement and more systematic distribution, expeditious and timely completion of new projects and improvement in law and order situation. For easy ushering in of new technology, collaborations are sought with expert countries which include supply of initial sets of equipment and training of the Indian Engineers and workers both within the country and abroad.

Reforms in Public Sector Undertakings

240. SHRI B. V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether any initiative has been taken so far in regard to the reforms in public sector undertaking as suggested by the Prime Minister ;

(b) whether according to the latest estimates by the Central Statistical Organisation, the actual decline in the

savings in the public sector in 1983-84 have come as a shock both to the Planning Commission as well as to his Ministry ;

(c) if so, the rate of decline of the savings in public sector undertakings in 1983-84 ;

(d) the time by which the steps are likely to be taken for this reformation ;

(e) whether net domestic savings of the public sector in 1983-84 had declined to Rs. 3900 crores from 4929 crores in 1982-83 ; and

(f) the other steps that are being taken to improve their performance ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) to (f) According to "quick" estimates of the Central Statistical Organisation, the net domestic saving of the public sector declined by about 21% from Rs. 4929 crores in 1982-83 to Rs. 3900 crores in 1983-84. In National Accounts, savings of the public sector include the savings of the Government Administration and also of the public sector enterprises. It may be noted that according to Reserve Bank of India the overall saving performance of the public sector in 1983-84 may not show a decline if the surpluses generated in the oil sector were fully taken into account.

The Government had constituted a Committee to review policy for public enterprises under the Chairmanship of Dr. Arjun Sengupta. The report of the Committee has been submitted to the Government and is under consideration.

Dry Port (Free Port) Opened in Delhi to Encourage Export

241. **SHRI KAMAL NATH :** Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether a Dry Port (free port) has been opened in Delhi to encourage exports ; and

(b) if so, the details and salient features thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) An inland container depot (ICD) commenced functioning in Delhi on 13th March 1984. A container freight station (CFS) has also been functioning at Patparganj in Delhi since 4th February, 1985.

(b) The facilities offered at the ICD and the CFS include, amongst others :

(i) Customs examination of import/export cargo moving in containers on a through bill of lading.

(ii) Facilities for handling and storage of cargo moving in containers.

(iii) Transport of containers by rail to the port of Bombay and onwards to the destinations by sea.

(iv) Payment of duty drawback to the exporters after the cargo is 'entered' with the Customs for export.

Long-Term Strategy for Higher Productivity and Lower Cost of Cultivation of Cardamom

242. **PROF. P. J. KURIEN :** Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government appreciate the need for evolving a long-term strategy for attaining higher productivity and lower cost of cultivation in respect of cardamom ; and

(b) if so, the steps being taken in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Yes, Sir.

(b) The Cardamom Board has been implementing various schemes for attaining higher productivity at low cost through long and short term programmes, such as rehabilitation of

drought devastated plantations, re-planting of old, diseased and un-economic plantations propagation of high-yielding materials and developing infrastructure for water resources, production of quality seedling etc. Pest and disease control programmes have also been introduced. It is proposed to further intensify these efforts during the VII Plan period.

Shortage of Coal Production

243. SHRI G. G. SWELL : Will the Minister of STEEL AND COAL be pleased to state ;

(a) whether there is a serious shortage of coal production ;

(b) if so, the extent of the shortfall; and

(c) whether to meet the national requirements, he is considering the use of sophisticated machinery such as the walking dragline ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) No Sir.

(b) Does not arise.

(c) Use of Walking Dragline is in vogue for the past several years in opencast mines of Coal India Ltd. where the working conditions indicate that draglines should be used.

Autonomous Body for Kandla Free Trade Zones

245. SHRI R. P. GAEKWAD : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government are aware that Export Promotion Zones have not made any substantial and effective contribution in achieving the objectives fixed at the time of constitution of the Zones ;

(b) whether the Kaul Committee had in its report, recommended for setting up an autonomous body for the Kandla Free Trade Zones; and

(c) whether necessary legislation in this regard is being brought forward and if so, when ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA): (a) The Export Processing Zones at Kandla and Santacruz have been registering good results, Encouraged by their performance, four more Zones are being set up in the country.

(b) Yes, Sir.

(c) Action has been initiated to formulate necessary provisions in this regard.

Cases Against Private Firms by Income Authorities

246. SHRI ANANTA PRASAD SETHI : Will the Minister of FINANCE be pleased to state :

(a) whether any criminal cases have been initiated against some private companies by Income Tax authorities during 1983-84 and 1984-85 for not depositing income tax of more than Rs. 90,000 deducted at source within the stipulated period with the Union Government ; and

(b) if so, the details in this regard ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) The cases where some private companies have not deposited Income Tax of more than Rs. 90,000/- deducted at source within one year, within the stipulated period with the Union Government are as under :

	Assessment Year	Amount of TDS Rs.
M/s. R. Tulsidas & Co., Bombay	1977-78	1,36,672
	1978-79	2,59,171
	1979-80	2,69,790
	1980-81	3,55,636
M/s. Hind Shipping Agencies, Bombay	1977-78	94,976
	1978-79	1,29,778

The latest position is being ascertained from the field authorities.

Black Marketing of Maruti Cars and Station Wagons

247 **SHRIMATI GEETA MUKHERJEE** : Will the Minister of FINANCE be pleased to state :

(a) whether complaints of sizeable black marketing of Maruti cars and station wagons have been received by Government ;

(b) whether some firms openly advertised in newspapers for sale of Maruti cars and station wagons from their show-room ; and

(c) if so, the steps taken by Government to prevent the black marketing of Maruti cars and station wagons ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) to (c) The Government is aware of the reported black marketing in the sale of Maruti cars and vans. The matter is being probed and appropriate action will be taken wherever necessary.

Closed Textile Mills in Gujarat

248. **SHRI MOHANLAL PATEL**

SHRI AMARSINH RATHAWA :

SHRI R. P. GAEKWAD :

Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the number of textile mills which have been closed down in Gujarat State ;

(b) since when they are under closure ;

(c) whether the Gujarat Government has approached the Union Government for the nationalisation of these mills ;

(d) if so, the action taken by the Union Government in this respect ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA) :

(a) As per available information 20

cotton textile mills in Gujarat were closed as on 31 January, 1985.

(b) A statement showing the names of these mills and the dates of closure is at Annexure,

(c) State Government of Gujarat have sent a proposal for nationalisation of some of the closed mills in Gujarat.

(d) The Government have not yet taken any decision.

Statement

S. No.	Name of the Mill	Date of Closure
1		2
1.	The Fine Knitting Co. Ltd. Ahmedabad. (only spinning department closed)	10. 7.70
2.	Gujarat Spinning Mills, Ahmedabad.	6.4.84
3.	Kailash Mills Pvt. Ltd., Umbergaon.	31.1 83
4.	Sri Mandvi Spg. Mills, Mandvi, Kutch	2.9.83
5.	Sree Mahuva Spg. Mills Co. Ltd., Mahuva.	1,11-84
6.	Manekchowk & Ahmedabad Mfg. Co. Ltd., Ahmedabad.	14.12.76
7.	Bhalakia Mills Co. Ltd., Ahmedabad.	12.3,82
8.	Marsden Spg. & Mfg. Co Ltd, Ahmedabad.	19 10.52
9.	Monogram Mills Co. Ltd., Ahmedabad.	19.10 82
10.	Silver Cotton Mills Ltd., Ahmedabad.	14.6.84
11.	Tarun Commercial Mills Ltd., Ahmedabad	7.3.84
12.	Ahmedabad Cotton Mfg. Co. Ltd., No. 1 (Bagicha Mill), Ahmedabad.	1.6.84
13.	Ahmedabad Cotton Mfg. Co. Ltd. No. 2, Himabhai Mfg. No. 2, Ahmedabad.	1.6.84

1	2
14. Sarangpur Cotton Mills Ltd. No. 2, Ahmedabad.	14.4.84
15. Abhay Mills Ltd., Ahmedabad.	1.4.84
16. New Swadeshi Mills of Ahmedabad Ltd., Ahmedabad.	18.6.84
17. Manjushri Textiles, Ahmedabad.	18.6.84
18. Maharana Mills Pvt. Ltd., Porbandar.	13.2.83
19. Navjyot Mills Ltd., Kadi.	18.12.83
20. Sae Vrajesh Textile Mills Pvt. Ltd., Petled.	5.5.84

**Amount Provided by State Bank of India
Under Integrated Rural Development
Programme in Orissa**

249. SHRIMATI JAYANTI PAT-
NAIK : Will the Ministers of FINANCE
be pleased to state :

(a) whether State Bank of India has
been assisting the State Governments in
implementing Integrated Rural Deve-
lopment Programmes;

(b) if so, the amount provided so
far by State Bank of India in Orissa
for extending assistance to the benefi-
ciaries under Integrated Rural Develop-
ment Programme in that State (year-
wise); and

(c) the details thereof ?

THE MINISTER OF STATE IN
THE MINISTRY OF FINANCE (SHRI
JANARDHANA POOJARY) : (a) Yes,
Sir.

(b) and (c) The amounts disbursed
by the State Bank of India under the
Integrated Rural Development Pro-
gramme in Orissa since 1980-81 have
been as under :—

Year	Amount (Rs. in lakhs)
1980-81	205.22
1981-82	289.12
1982-83	553.49
1983-84	669.18
1984.85	296.18
(Till December, 1984)	(Provisional)

Export of Alumina

250. SHRIMATI JAYANTI
PATNAIK : Will the Minister of
COMMERCE AND SUPPLY be pleased
to state :

(a) whether Government have a
proposal to export alumina;

(b) if so, when and the country to
which it is proposed to be exported;

(c) the countries which have shown
interest in buying alumina from India;
and

(d) the steps taken by Government
in this regard ?

THE MINISTER OF STATE IN THE
MINISTRY OF COMMERCE AND
SUPPLY (SHRI P. A. SANGMA) : (a)
Yes, Sir.

(b) to (d) National Aluminium
Company Ltd., a Government of India
enterprise will be in a position to export
alumina from 1987 onwards. Sustained
efforts are being made in order to find
prospective buyers. Contacts have been
established with various smelters as
well as reputed international traders.
Offers received by National Aluminium
Company Ltd., are under examination.
In addition, efforts are being made to
export alumina by advertisements in
international trade journals and main-
taining contacts with Embassies spread.

Export of Manganese from Orissa

251. SHRIMATI JAYANTI PAT-
NAIK : Will the Minister of COM-
MERCE AND SUPPLY be pleased to
state :

(a) whether Government have a
proposal to export manganese procured
from Orissa;

(b) if so, the names of countries to
which Government proposes to export
manganese;

(c) the total tonnage of manganese
procured from Orissa proposed to be
exported and the cost thereof; and

(d) the time by which the manganese
export will begin ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Yes, Sir.

(b) Export is to be made from Paradeep Port to countries in Western Europe in 1985.

(c) So far MMTC has contracted to export 30,000 tonnes valued at approximately Rs. 132 lakhs from Orissa.

(d) One shipment of more than 16,000 tonnes has already been effected in January, 1985.

Employees Working in Bokaro Steel Plant

252. SHRI PIYUSH FIRAKY : Will the Minister of STEEL, MINES AND COAL be pleased to state ;

(a) the total number of employees of Bokaro Steel Plant, gradewise;

(b) the number of percentage of employees belonging to Scheduled Castes, Scheduled Tribes and physically handicapped and displaced persons, grade-wise; and

(c) the total number of employees suspended and terminated from job since 1975, category-wise, year-wise and the number of Scheduled Castes and Scheduled Tribes among them ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH): (a) Total number of regular employees of Bokaro Steel Plant as on 1.1.1985 is 51,046.

(b) The group-wise number of employees belonging to Scheduled Castes, Scheduled Tribes and Physically Handicapped and Displaced Persons and as percentage of total employees are given in the following table :

(As on 1.1.1985)

Group	Total No. of employees	Scheduled Castes		Scheduled Tribes		Physically Handicapped		Displaced persons	
		No.	%age	No.	%age	No.	%age	No.	%age
A.	4,068	62	1.52	60	1.47	4	0.10	1	0.02
B.	3,069	68	2.22	81	2.64	Nil		115	3.75
C. (Excl. Sweepers)	42,832	5,344	12.48	5,142	12.01	152	0.35	14,378	32.75
D. (Sweepers only)	1,077	933	86.63	128	11.88	2	0.19		
Total	51,046	6,407	12.55	5,411	10.60	158	0.31	14,494	28.39

(c) Information is being gathered and will be laid on the Table of the House.

Relief to Pensioners from Payment of Income Tax on their Pension

253. SHRI LAKSHMAN MALLICK : Will the Minister of FINANCE be pleased to state :

(a) whether Government are aware

that there are two categories of retiring Government/Semi-Government employees—(i) those who get a lump sum from their Contributory Provident Fund which accumulate during their service period or their monthly contribution after adding to it similar amount as Government's contribution and (ii) those who are granted monthly pension;

(b) if so, whether Income-tax is not charged from the first category employees though many of them get the amount in six figures, whereas Income tax is charged on the monthly pension paid to the second category; and

(c) whether Government are considering a proposal to exempt all the pensioners from payment of Income-tax on their pension amount ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government employees are by and large covered by the Provident Fund Scheme set up by the Central Government and accordingly, any payment from a provident fund is exempt under section 10(11) of the Income-tax Act, 1961. However, in the case of Government/Semi-Government employees who are covered by the Contributory Provident Fund Schemes, the accumulated balance due and becoming payable to an employee participating in such scheme is exempt under section 10(12) of the Income-tax Act, 1961, provided the employee participates in a recognised provident fund fulfills the requirements of Rule 8 of Part 'A' of IV Schedule. As regards taxability of monthly pension paid to the retired Government employee is concerned, the same forms part of salary income and is liable to tax under Section 17 of the Income-tax Act, 1961.

(c) Proposals relating to tax exemption, etc., are considered annually as a part of the Budgetary exercises.

Amendment of Terms of Reference of Fourth Central Pay Commission

254 SHRI LAKSHMAN MALLIK:

SHRI G. VIJAYARAMA RAO:

Will the Minister of FINANCE be pleased to state ;

(a) whether Union Government have decided to amend the terms of reference of the Fourth Central Pay Commission; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) The Government have since amended the terms of reference of the Fourth Central Pay Commission. A copy of Resolution No. 5(56)-E.III/83 dated the 16th February, 1985 issued in this regard is laid on the table of the House. (Placed in Library See No. LT-4. 3/85).

Export of Iron Ore

255 SHRI CHINTAMANI JENA : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the total quantity of iron ore exported during the year 1983 and 1984 and the amount of foreign exchange earned thereby;

(b) the names of countries importing iron-ore from India;

(c) whether any agreement has been signed for export of iron-ore during the year 1985; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Iron Ore exports (excluding concentrates) during the last two years have been as under ;

Year	Qty. (Million Tonnes)	Value (Rs. In Crores)
1983*	20.71	387.89
1984*	24.21	425.00

*Provisional

(b) Name of the countries which are importing iron ore from India are as under :

Japan, South Korea, Rumania, Czechoslovakia, Hungary, German Democratic Republic, Bulgaria, Italy, Iraq, Malayasia, North Korea,

Pakistan, Turkey, China, Saudi Arabia, Taiwan and United Arab Emirates.

(c) Yes, Sir,

(d) Agreements have been signed with Steel Mills of Japan for export of about 21 Million Tonnes of Iron Ore during 1985-86. Discussions with other major buyers for export of Iron Ore during 1985-86 are in progress.

Import of Newsprint

256 SHRI CHINTAMANI JENA : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the price if imported standard newsprint has been increased;

(b) if so, how much and the reasons therefore ;

(c) the quantity of newsprint imported during the year 1984 to meet the demand of newsprint in the country;

(d) the quantity likely to be imported during 1985 and the names of countries from whom the import is being made;

(e) the amount involved for the import of newsprint yearly; and

(f) the steps being taken to increase the production of newsprint within the country to meet the demand ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) The sale price of imported newsprint for January-March 1985 (excluding customs duty) has been increased.

(b) The increase is Rs, 180/- PMT (excluding customs duty). As compared to the previous quarter, however, element of customs duty was reduced from Rs. 825/- PMT to Rs. 550/- PMT.

Increase in price was on account of higher import cost due mainly to the adverse fluctuations in the Rupee-Dollar

exchange rate and increase in freight on shipments from USSR from January, 1985.

(c) 219224 Mt newsprint was imported during 1984.

(d) The overall import plan for 1985-86 has not been finalised.

(e) The CIF cost of newsprint imported during 1984 is approximately Rs. 123 crores.

(f) The indigenous production of newsprint has been increasing from year to year. Further, additional capacity has been licensed/approved to the extent of 5,0,3000 tonnes, which is at various stages of implementation-

Offer by Indian Businessmen in Hongkong for Investment in Andamans

258 SHRI K. PRADHANI : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether some Indians businessmen in Hong Kong have offered/invest in India and suggested a free port in Andamans; and

(b) if so, Government's reacting thereto and the measures which Government propose in take in this direction ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Some interest has been shown by some of the Non-Resident Indians for investment in Andamans.

(b) No decision has been taken in this regard.

Impact of Dollar Rise on Indian Export

259 SHRI K. PRADHANI : Will the Minister of FINANCE be pleased to state :

(a) whether his attention has been drawn to the news item captioned "Rise of dollar may hit India hard" appeared in the 'Statesmen', New Delhi on 2nd March, 1985;

(b) if so, whether Government have examined the repercussion of the dollar's rise in the world's exchange markets in relation to Indian rupee, which has resulted in its unprecedented depreciation and its impact on India's economy and foreign trade; and

(c) the steps Government propose to take to meet the situation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) and (c) The impact of the depreciation of the Indian rupee against the U.S. dollar on India's foreign trade depends on many factors, such as the price responsiveness of demand for India's exports to the U.S. and of India's imports from the U.S., the price-responsiveness of the supply of India's exports to the U.S., the relative depreciation in the currencies of India's competitors in the U.S. market, and the relative rates of inflation in India and her competitors with respect to the U.S. As a result, it is not feasible to assess the exact overall effect of fluctuations in the rupee/dollar exchange rate on India's economy and trade.

In a regime of floating exchange rates for major international currencies, movements in the exchange rate of the rupee with respect to other foreign currencies are unavoidable and no specific action is called for at present.

Revision of Guidelines for Approval by Joint Ventures Abroad

260 **SHRI K. PRADHANI :** Will the Minister of **COMMERCE AND SUPPLY** be pleased to state :

(a) whether in view of the poor performance of some of the Indian joint ventures abroad Government propose to revise the guidelines for joint ventures and provide for a penalty clause to curb non-performance by Indian joint ventures and, prevent the high rate of mortality;

(b) if so, the broad outlines of the guidelines; and

(c) whether he will lay on the Table a statement showing the particulars of such joint ventures abroad; the names of the countries and the Indian participants, their nature of business; total Indian investment in terms of liquidity; machinery and equipment and technical know-how etc. information available with the Ministry?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) : (a) to (c) The Government have not yet taken a view in the matter.

Involvement of Calcutta Branches of Bank of Baroda in 6 crore Fraud Case

261 **SHRI SANAT KUMAR MANDAL :** Will the Minister of **FINANCE** be pleased to state :

(a) the details of the Rs. 6 crore fraud case involving the three Calcutta Branches of the Bank of Baroda;

(b) whether there exist any guidelines issued either by his Ministry or the R.B.I. in the matter of making such huge advances loans; if so, the details thereof; and

(c) whether any investigation has been ordered into this case and responsibility fixed for the fraud and the nature of action taken to make good the loss of public money?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) Shri R.K. Jain, S.K. Poddar and J.P. Poddar, in collusion among themselves and in connivance with some officials of Bank of Baroda at its different branches in Calcutta, managed to obtain large credit facilities, indulged in fraudulent transactions and siphoned off large sums initially through cheque purchase facilities in the nature of kite flying and group transactions and subsequently through letters of credit facilities granted to them. The three branches of the bank at Calcutta had also co-accepted the bills to facilitate their discounting through other banks in Calcutta. In addition, overdrafts in

current accounts of the borrowers were also granted and irregularities in them have been observed. In accordance with the provisions contained in the relevant statutes, further information in relation to the individual constituents if the banks cannot be disclosed.

(b) Reserve Bank of India has been issuing guidelines to banks from time to time. Besides, large advances, beyond a certain cut off point (presently Rs. 4 crores), in some cases require prior authorisation of Reserve Bank of India under Credit Authorisation Scheme. On 15th November, 1983 and 26th November, 1983 the Reserve Bank of India had issued specific instructions to banks in regard to allowing drawals against cheques in clearing and opening of letters of credit, issue of guarantees, co-acceptance of bills etc. Further instruction with regard to co-acceptance of bills have again been issued on 12th February 1985. The banks have also been advised regarding control, monitoring of advances and responsibility, on 8th April, 1983 and 8th December, 1984.

(c) The Reserve Bank of India has carried out a scrutiny of books and accounts of the branches of Bank of Baroda at Calcutta and its Central Office at Bombay and also of branches of other banks which had discounted bills co-accepted by Bank of Baroda. The Central Bureau of Investigation has also registered cases and their investigations are in progress. In the meantime the bank has suspended certain officials involved in the fraud and the departmental enquiries are proposed to be conducted in consultation with the CBI.

Detection of Excise Evasion Cases

262 SHRI SANAT KUMAR MANDAL : Will the Minister of FINANCE be pleased to state :

(a) whether his Ministry has launched an offensive against excise evasion, if so, its outcome and the amount involved in each case where it exceeds Rs. 1 crore;

(b) whether his Ministry is also having a fresh look at the operations of revenue intelligence agencies and examining some of the old cases of excise evasion to ascertain whether there was any deliberate attempt on the part of the officials to favour any parties; and

(c) if so, the outcome of this investigation and necessary action taken to recover the evaded duty and against the officials concerned ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) Yes, Sir, Drive against evasion of excise duty has recently been accelerated. During the first two months of 1985, about 1103 cases involving estimated evasion of excise duty of Rs. 2734.00 lakh (approx.) have been detected. There are a few cases in which estimated evasion of duty is more than rupees 1 crore.

(b) No, Sir.

(c) Question does not arise.

Raids Conducted by Directorate of Anti-Evasion (Excise)

263. SHRI RAMASHRAY PRASAD SINCH : Will the Minister of FINANCE be pleased to state :

(a) whether the Directorate of Anti-Evasion (Excise) has conducted a series of raids in godowns and other business premises of manufacturers of different items in some of the major cities in the country during the last two-three months; and

(b) if so, the details of such raids conducted in each city and the goods and other documents seized ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) Yes, Sir. In the drive against the evasion of excise duty, the Directorate of Anti-Evasion (Central Excise) has conducted searches of about 400 premises of manufacturers of excisable goods and their dealers during 1985.

The commodities involved are computers, office machines, cotton fabrics, glass sheets, car body builders, coated fabrics, copper and copper alloys (pipes and tubes). The total amount of excise duty sought to be evaded is about Rs. 16.75 crores (approx.)

Tea Industry Suffering Due to Low Price at International Level

264. SHRI VIJAY KUMAR YADAV : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the tea industry is suffering due to international manipulators who price Indian tea at the same level as inferior tea produced by other countries;

(b) if so, the details thereof; and

(c) whether Government have taken any measures to break this foreign strangle-hold with a view to see that Indian tea fetches a reasonable price ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Pure Indian teas fetch higher prices in the International market as compared to teas from other countries. Unit f.o.b. export price for India, Srilanka and Kenya, during the past three years is as follows :

(US Dollar per kg)

	1981	1982	1983
India	2.08	1.98	2.45
Sri-Lanka	1.79	1.68	2.22
Kenya	1.79	1.81	1.84

(b) and (c) Do not arise.

Stagnation in the Indian Economic Service

265. SHRI VILAS MUTTEMWAR: Will the Minister of FINANCE be pleased to state :

(a) whether four hundred young economists recruited by the UPSC through All India Competitive Examination are stagnating for the last ten to

fifteen years in the Indian Economic Service; and

(b) if so, the steps Government propose to take to improve the prospects of officers of this service ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) and (b) No Sir. However, with a view to improving the prospects of the service, a cadre review is being undertaken by Government.

Loan Given Under Various Schemes by Branches of Nationalised Banks in Jahanabad, Gaya District

266. SHRI RAMASHRAY PRASAD SINGH : Will the Minister of FINANCE be pleased to state :

(a) the total number of the branches of nationalised banks in the Jahanabad sub-division of Gaya district in Bihar;

(b) the amount of loans given so far under agriculture irrigation and self-employment schemes by these branches;

(c) whether interest is charged even on the exempted amount of loan sanctioned for irrigation purposes (tube wells) by the banks; and

(d) if so, the justification therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) According to available information, as at the end of December, 1984 there were 137 branches of commercial banks operating in Gaya District of Bihar. Of these 64 branches were those of Public Sector Banks.

(b) Data reporting system does not yield purpose-wise and scheme-wise information for each Sub-Division of the country in the manner desired. Targets and achievements of all banks in Gaya District under Action Plan, 1983 and corresponding targets for 1984 are given below :

(Rs. lakhs)

	AAP-1983		AAP-1984	
	Targets	Achievements	Targets	Achievements
1. Agri-cultures	605.35	261.55	544.35	
2. Industries	155.88	65.37	115.74	
3- Services	168.77	289.10	168.77	
Total	930.00	615.98	828.86	

So far as Self-Employment Scheme is concerned, the total amount sanctioned for Gaya District in 1983-84 was Rs. 98.49 lakhs. Against this the amount disbursed was Rs. 22.54 lakhs. For 1984-85 till November, 1984, the amount sanctioned and disbursed is Rs. 127.87 lakhs and Rs. 121.84 lakhs respectively.

(c) and (d) It is presumed that the Honourable Member is referring to the interest on subsidy amount available for minor irrigation schemes under programmes like Integrated Rural Development Programme (IRDP). Under the revised arrangements, District Rural Development Agencies (DRDAs) maintain subsidy accounts with banks and the subsidy paid to the beneficiaries is directly debited to these accounts. Therefore, there is no question of charging any interest on subsidy. However, in some earlier cases where the total amount was disbursed by the bank pending receipt of subsidy, the beneficiaries may have been required to pay interest on the subsidy amount till such time as the amount is made available by the concerned DRDA.

Export of Iron During Seventh five Year Plan

267. **SHRIMATI JAYANTI PATNAIK**: Will the Minister of COMMERCE AND SUPPLY be pleased to state:

(a) the various agencies of Government which have been channelising the export of iron ore;

(b) whether Government have any proposal to increase the export of iron ore during the Seventh Five Year Plan;

(c) if so, the export target set in terms of quantity for the above plan period; and

(d) the steps proposed to be taken to increase the export of iron ore during the Seventh Plan?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA): (a) Export of iron ore is canalised through Minerals & Metals Trading Corporation of India Ltd., except that iron ore of Goan origin is allowed to be exported directly by Goan shippers to Japan, South Korea, Taiwan and West Europe only. Export of iron ore pellets and co-operatives is canalised through Kudremukh Iron-ore Company Ltd.

(b) Yes, Sir.

(c) and (d) The export target for iron ore and proposed to be taken to increase the export during the Seventh Five Year Plan are currently under consideration of the Government.

High Priority Status to Textile Industry

268. **PROF. RAMKRISHNA MORE**: Will the Minister of COMMERCE AND SUPPLY be pleased to state:

(a) whether All India Manufacturers Organisation has urged Government to give high priority status to the textile industry;

(b) if so, the details thereof; and

(c) Government's reaction thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA): (a) to (c) The All India Manufacturers organisation submitted a memorandum to the Export Committee on Textile Industry in its meeting on the 4th March, 1985 at Delhi. The Export

Committee will take into consideration the memorandum alongwith other suggestions received, while preparing its report.

Financial Cooperation Protocol Signed Between the Governments of India and Italy

269. PROF. RAMKRISHNA MORE : Will be Minister of FINANCE be pleased is state :

(a) whether a financial cooperation protocol has been signed with Italy; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) ;

(a) and (b) An agreement between the Government of India and the Government of Italy was concluded on 25th January, 1985. This is an enabling agreement under which the Government of Italy would be willing to authorise buyer's and/or suppliers' credits to Indian importers upto an amount of US \$ 400 million. The credits will finance upto 85% of the cost of goods and services of Italian origin, will carry interest at consensus rate and will be

repayable in half-yearly instalments ranging between 10 and 20. Actual loan agreements will, however, be concluded separately between lending institutions and Indian importers, with guarantee by the Government of India or a Government owned Indian institution or bank.

Seizure of Smuggled Goods

270 PROF. RAMKRISHNA MORE : Will the Minister of FINANCE be pleased to state :

(a) whether huge smuggled goods have been seized during the last three months;

(b) if so, the details thereof; and

(c) the further steps being taken to curb the smugglers activities ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) ;

(a) and (b) The total value of contraband goods seized under the Customs Act, 1962, during the months of December, 1984, January and February, 1985 are furnished below, indicating also the major commodities seized :

(Value Rs. in crores)

Month	Gold	Watches	Synthetic fabrics	Indian Foreign currency	Other	Total
December, 1984	2.31	0.25	2.17	0.60	6.67	12.00
January, 1985	1.00	0.05	1.17	0.43	3.56	6.21
February, 1985	11.60	0.38	0.14	0.42	2.12	14.66

(Figures are provisional)

(c) The drive against smugglers has been intensified. The Customs field formations have been instructed to remain vigilant against smuggling activities. The preventive and intelligence machinery of the Customs Department has been reinforced in terms of manpower and equipment. In addition,

appropriate anti-smuggling measures are taken in close co-ordination with the concerned Central and State Government authorities. The matter is also kept under constant review for appropriate action. However, it will not be expedient to disclose as to what further specific steps are being taken by the

Government to curb smuggling activities.

Seizure of Heroin at Delhi Airport

271. SHRI DHARAM PAL SINGH MALIK : Will the Minister of FINANCE be pleased to state :

(a) whether three kgs. of heroin of the finest quality was seized at the Delhi Airport on 15 February, 1985 two passengers who arrived from Bangkok;

(b) if so, the value thereof; and

(c) the action taken by Government against those passengers ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) On 15.2.85, Air Customs Officers attached to the Palam Airport, Delhi recovered and seized three kgs. of heroin from two passengers who arrived from Bangkok. As for value of the heroin seized, the illicit market price of narcotic drugs varies widely depending on various factors like purity, place of sale, local demand and supply position, etc. There being no authentic price for such clandestine transactions, no precise value can be furnished.

(c) Both the passengers were arrested. In view of the international ramifications of the case, the arrested persons alongwith the case property were handed over to Central Bureau of Investigation, who have registered regular cases against them under section 13 of the Dangerous Drugs Act, 1930.

Black Money

273. SHRI SAIFUDDIN CHOWDHARY :

SHRI AMAL DATTA :

SHRI AJOY BISWAS :

SHRI SATYAGOPAL MISRA :

PROF. SAIF-UD-DIN SOZ :

SHRIMATI GEETA MUKHERJEE :

SHRI HANNAN MOLLAH :

SHRI CHITTA MAHATA :

SHRI ANIL BASU :

Will the Minister of FINANCE be pleased to state :

(a) the amount of black money in the country to date ;

(b) the reasons for the accumulation of black money and ;

(c) the measures Government propose to take to eradicate black money ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) :

(a) to (c) Government do not have any reliable estimate of black money. It has entrusted a study on black money to the National Institute of Public Finance and Policy, New Delhi. The Institute has not yet submitted its report. Legislative measures to eradicate black money are constantly under study and Government's action on it gets reflected in the legislation introduction in Parliament.

Suggestion to Boost Textile Industry

274. SHRI AMARSINH RATHAWA :

SHRI CHINTAMANI JENA :

Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether a body has been set up by the All India Manufacturers' Association to boost textile output in the country ;

(b) whether any representative from Government side has also been included therein ;

(c) whether the body has given any suggestion in this regard to Government; and

(d) if so, Government's reaction thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA): (a) It has been intimated by All India Manufacturers Organisation that they have set up a Special Council for textiles.

(b) No, Sir.

(c) and (d) The All India Manufacturers' Organisation submitted a

memorandum to the Expert Committee on textile Industry in its meeting on the 4th March, 1985. The Expert Committee will take into consideration the the memorandum alongwith other suggestions received, while preparing its report.

Development of Rubber Plantation in North Eastern Region.

275. SHRI AJOY BISWAS : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether there is any proposal to develop rubber plantation in the North Eastern Region ;

(b) if so, the details of the said proposal ;

(c) the progress of far made in this regard ;

(d) whether Government are considering to set up rubber industries in that region having plenty of rubber ;

(e) if so, the details thereof ; and

(f) the steps taken by Government for extending other possible help so that rubber-based industries could come up there ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Yes, Sir.

(b) A project has been approved by the Government in 1984 for (i) strengthening the existing Regional Offices at Agartala and Guahati and opening of a new Regional Office at Silchar and a zonal office at Guauhati (ii) setting up of a Research Complex with 4 Stations one each in Maghalaya, Tripura, Assam and Mizoram (iii) setting up of a 1000 hectares Nucleus Rubber Estate and Training Centre in Tripura and (iv) strengthening of information and communication services. The project envisages expansion of rubber cultivation to 24,000 hectares in the Region during the period 1984-85 to 1989-90. Total outlay of the project for the above period is Rs. 6.18 crores.

(c) Steps have been taken to strengthen existing Regional offices and opening the new Regional and Zonal Offices. Recruitment of staff is in progress and some of them are already in position. Formalities for acquisition of land for establishment of Research Stations, Experimental farms, Nucleus rubber estates and training centre in Tripura have almost been completed. Nurseries have been established for the Research Centres in Tripura, Meghalaya and Assam. An officer of the status of Joint Rubber Production Commissioner has already assumed charge for implementation of the Scheme.

(d) No, Sir. However, entrepreneurs are free to set up the industries in the private sector.

(e) and (f) Do not arise.

Committee on Black Money

276. SHRI AJOY BISWAS :
SHRI AJIT KUMAR SAHA :

Will the Minister of FINANCE be pleased to state :

(a) whether Dr. Raja Chelliah Committee on black money has submitted its report ; and

(b) if so, what are recommendations of the Committee ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) :

(a) No, Sir.

(b) Question does not arise.

Jute Industry facing crisis due to Shortage of Raw Jute

277. SHRI AJOY BISWAS :
SHRI ANAND PATHAK :
SHRI HANNAN MOLLAH :

Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government are aware that the jute industry is facing severe crisis this year due to shortage of raw jute ;

(b) whether the jute mill owners intend to wage cut to overcome the crisis ; and

(c) the steps, the Union Government propose to take in this respect to save the jute industry ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) As a result of four successive short jute crops beginning from 1981-82 (July-June) there is shortage of raw jute in the market.

(b) The Indian Jute Mills Association has submitted a proposal suggesting production control.

(c) The Government have regulated the stock holdings of jute mills under the jute (Licensing and Control) Order, 1961 to bring about more equitable distribution of raw jute. The Government have also arranged import of raw jute from abroad.

[Translation]

Reorganisation of Existing Tax Structure

278. SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state :

(a) whether there is a proposal to reorganise the existing tax structure ;

(b) if so, whether any high-powered committee would be set up for necessary advice for the purpose ; and

(c) if so, the time by which this work is likely to be completed ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) The process of reorganisation and rationalisation of the tax structure is a continuing one. Various measures in this regard have been introduced through the Annual Finance Bills in the past ; and a few such measures have been taken through specific acts like Taxation Laws Amendment Act, 1984.

(b) and (c) Does not arise.

Opening of Branches of Nationalised Banks in Districts of Almora and Pithoragarh

279 SHRI HARISH RAWAT : Will the Minister of FINANCE be pleased to state ;

(a) the number and names of branches opened by the State Bank of India during 1984-85 in the districts of Almora and Pithoragarh in Uttar Pradesh and the number of branches proposed to be opened there in the near future indicating the locations thereof ; and

(b) the reasons for opening less number of branches in the above districts during this year by this bank and also by other banks and the action proposed to be taken to open more branches in future ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) During the period April to December 1984, the State Bank of India has not opened any branches in Almora and Pithoragarh Districts. The bank is, however, holding licences for opening branches at the following centres :—

District	Centre
Almora	Daulaghat
Pithoragarh	Nakote
	Pankhoo
	Pokhari.

It has been advised to utilise the pending licences before 31.3.1985.

(b) During the current branch licensing policy period April 1982 to March 1985, the districts Almora and Pithoragarh required only 8 and 4 additional bank offices respectively. The number of bank offices opened between April 1982 and December 1984 was 20 in Almora District and 5 in Pithoragarh District.

Further expansion of branches in these districts would be considered

under the next branch expansion policy period.

[English]

Restructuring of Public Sector Banks

280. SHRI K. RAMAMURTHY : Will the Minister of FINANCE be pleased to state :

(a) whether the 1970 Banking Commission, 1976 Manubhai Shah Commission and the 1978 James Raj Commission have unanimously rejected the concept that the principle of competition would be sacrificed if the public sector banks are restructured to form a single monolithic corporation on the pattern of LIC ;

(b) if so, the steps being taken to restructure the 28 public sector banks which account for over 90 per cent of banking operations in the country ;

(c) whether the State Governments are showing their clear preference for commercial banks in rural areas despite the Reserve Bank of India's branch expansion policy under which the further expansion into rural areas is to be restricted to regional banks ; and

(d) if so, the details of the steps being taken to extend banking in the rural areas ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDAHNA POOJARY) :

(a) and (b) : While the Banking Commission under the Chairmanship of Shri Manubhai Shah did not submit any report, neither the Banking Commission of 1970 nor the James Raj Committee had recommended restructuring of public sector banks into a monolithic single organisation. However, various aspects of the operations of the public sector banks, including that of the appropriateness of their structure, are kept by the Government under continual review with a view to bringing about an improvement in their functioning.

(c) and (d) : The branch licensing policy of Reserve Bank of India for the period ending March, 1985 envisaged

providing a bank office for every 17,000 population in rural/semi-urban areas. In the districts covered/proposed to be covered by Regional Rural Banks, preference has been given to the Regional Rural Banks in opening branches in rural areas. It is not correct that State Governments have been preference to commercial banks for opening bank offices at rural centres.

West Bengal State's Share as Recommended by Eighth Finance Commission Question

281 : SHRI AMAR ROY-PRADHAN
SHRI ANAND PATHAK
SHRI HANNAN MOLLAH

Will the Minister of FINANCE be pleased to state ;

(a) whether a Left front MPs delegation had met the Prime Minister regarding West Bengal State's share of Rs. 300 crores of additional fund as recommended by the Eighth Finance Commission and

(b) if so, the details in this regard and decision taken so far in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDAHNA POOJARY) :
(a) : Yes, Sir.

(b) In a memorandum dated 30th January, 1985 addressed to the Prime Minister, a delegation of MPs from West Bengal asked for the implementation of the final recommendations of the Eighth Finance Commission from 1984-85. They have stated that as a result of Government's decision to implement the final report of the Commission from 1985-86 (instead of 1984-85), the West Bengal Government suffered a loss of Rs. 300 crores.

The memorandum was examined but it was not considered necessary to review the earlier decision of the Government in this regard.

Coal Stock at Pit-Heads.

282. KUMARI PUSHPA DEVI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the stock of coal has been mounting at the pit-heads;

(b) if so, the reasons for increase in the accumulation of coal stocks ; and

(c) the steps taken to reduce the pith-head stock ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Yes, Sir. The coal stock with Coal India Limited which was 21.55 million tonnes at the beginning of the current financial year, has mounted to 25.4 million tonnes at the end of February, 1985.

(b) and (c) The main reasons for increase in the accumulation of coal stocks is inadequate despatches. Efforts for liquidation of these coal stocks are continuing. It is, however, largely dependant on the transport capacity actually made available. The matter for increased wagons supply is being consuantly pursued with the Railways. Discussions are also being held regularly for resolving the problems. Besides, efforts are also being made to maximise the despatches by road. Additional quotes, over and above the ceilings fixed by Railways for wagons, have been given to the State and Centrally sponsored authorities to issue recommendations on account of their industrials consumers for movement by road from specified collieries. In the coalfields, arrangements for transportation of coal from pit-heads to rail-heads are being made wherever necessary to facilliate prompt coal loading. Consumers who have pending rail programme have been given option to get those converted into road movement. Coal is also being

made available at consuming points in different States through Coal India Limited's stockyards as well as by arranging ex-wagon deliveries.

Amount Spent by State Bank of India Towards Donation of Funds to Educational Institutions etc.

283. KUMARI PUSHPA DEVI : Will the Minister of FINANCE be pleased to state :

(a) whether State Bank of India has been donating funds to educational institutions, social organisations and State Governments for distributing relief, etc;

(b) if so, the amount spent by State Bank of India towards such donations in 1982-83, 1983-84 and 1984-85; and

(c) the names of the educational institutions and social organisations which have been given donations by State Bank of India in those years with details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir. The requests from State Governments for distibuting relief are considered by State Bank of India by contributing donations to the Prime Minister's National Relief Fund, indicating the specific purpose thereon.

(b) and (c) Donations made by State Bank of India to various educational institutions and social organisation and to the Prime Minister's National Relief Fund during 1982, 1983 and 1984 are indicated below :

1982

(Rs. in lakhs)

Age Care India	0.02
Armed Forces Flag Day Fund	1.00
PM's National Relief Fund	118.00

1983

Armed Forces Flag Day Fund	1.00
PM's National Relief Fund	142.00

1984

Navjeevan Circle Trust, Bombay	0.02
The Sporting Union Club, Bombay	0.05
The Spastics Society of Eastern India, Calcutta	1.00
Fund created to provide succour to the fire victims in Madras City	1.10
Naval Welfare Fund Trust, Bombay	0.05
Armed Forces Flag Day Fund	1.00
PM's National Relief Fund	51.00

Writing Off All the Overdrafts by State Governments

284. SHRI ANANDA PATHAK : Will the Minister of FINANCE be pleased to state;

(a) whether the Chief Minister of West Bengal has suggested to Union Government to write off all the overdrafts drawn by different State Government; and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) No, Sir.

(b) Does not arise.

Involvement of a Senior Official of CIL in Sale of Coal in Black Market by a Delhi Firm

285. SHRI MOHD. MAHFOOJ ALI KHAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether it is a fact that senior official of Coal India Limited has been

recently found involved in coal scandal for allowing a Delhi firm to get coal from Raniganj-Kumarghola coalfields for distribution to the industries and that the coal was sold in black market; and

(b) if so, the details thereof stating the action taken by Government in the matter ?

THE MINISTER OF STEEL MINES AND COAL (SHRI VASANT SATHE) : (a) and (b) The information is being collected and will be laid on the Table of the House.

Scrutiny Undertaken by Income-Tax Authorities in Respect of Sale of Maruti Cars in Black Market

286. SHRI MOHD. MAHFOOJ ALI KHAN : Will the Minister of FINANCE be pleased to state :

(a) whether the Income Tax authorities had recently undertaken a detailed scrutiny of the Maruti cars sold in black market;

(b) if so, the result thereof; and

(c) the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) Yes, Sir.

(b) and (c) Enquiry is still continuing. Appropriate action will be taken wherever necessary.

Country-Wide Raids to Unearth Black Money

287. **SHRI MOHD. MAHFOOJ ALI KHAN :** Will the Minister of FINANCE be pleased to state :

(a) whether Government have recently conducted large scale raids in different parts of the country to unearth black money; and

(b) if so, the details thereof stating the results achieved and the action taken by Government in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) ;

(a) and (b) During the months of January and February, 1985, Income-tax Department conducted 1,133 searches resulting in seizure of prima facie unaccounted assets valued at Rs. 6.61 crores approximately.

Having regard to large number of cases, it is not practicable to give details of all the cases. However, if the Hon'ble Member desires to have information about a particular case/search, the same can be furnished.

All possible measures to check circulation and prevent further proliferation of black money including administrative, legislative and institutional are being taken from time to time under the Direct Taxes Acts.

Setting up of A Steel Plant in Karnataka

288. **SHRI S. M. GURADDI :** Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether Government of Karnataka have represented to the Union

Government to expedite the setting up of a steel plant in that State;

(b) if so, the stage at which the proposal stands at present; and

(c) the time by which the proposed steel plant is likely to be set up ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) :

(a) No communication has been received from the Government of Karnataka in the recent past to expedite the setting up of a steel plant in that State.

(b) and (c) Government's decision to set up a steel plant in Vijayanagar in the State of Karnataka remains unaltered. A Detailed Project Report for the first phase has been received. The likely date of setting up of the plant will depend upon the investment decision on the Project Report.

Loan Advanced by Central Bank of India London Branch to Esal Group of Trading House

289. **SHRI SATYENDRA NARAYAN SINHA :** Will the Minister of FINANCE be pleased to state :

(a) whether Central Bank of India and some other nationalised banks had advanced loan to Esal group of trading houses through their London branch;

(b) whether these sums have not been repaid or are in the danger of not being repaid; and

(c) if so, the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) to (c) Reserve Bank of India has reported that the business group of ESALs has received substantial financial assistance from 3 Indian banks, namely, Punjab National Bank, Central Bank of India and Union Bank of India as well as from four foreign banks in London for their business. The main company in this group viz. ESAL (Commodities) Ltd. was engaged in commodity trading, exporting mostly to Nigeria and Sudan.

According to the assessment made and furnished to the Reserve Bank of India by the 3 banks, major portion of the advances to the Group is covered by bill receivable claims/securities/guarantees. There have, however, been irregularities in lending to the group companies. Some officials of the London branches of the 3 Indian banks had granted advanced in excess of the sanctioned limits and without obtaining the approval of Head Office. Collusion among their officers and the company with a view to defraud the banks is also suspected. These banks and the Reserve Bank of India are seized of the position and necessary action is being taken. In November, 1984 the main borrowing company viz. ESAL (Commodities) Ltd. has been put into compulsory liquidation by a court in London and its Managing Director has been declared bankrupt. In the circumstances, the concerned banks would be required to enforce the securities available to them for realisation of dues and file their claims wherever necessary with the liquidators.

Multi Crore Cement Scandal

290. SHRI ANAND SINGH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether a multicrore rupees cement scandal involving cheating of State Trading Corporation by black-marketing of imported cement came to light in February this year, as reported in the "Times of India" of 10th February, 1985.

(b) if so, the details thereof; and

(c) the action taken to bring all concerned to book ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA) : (a) to (c) The STC allotted to St. Antony's Guild, Madras about 25,000 MT of cement on High Seas Sale basis for construction of 300 houses in Madhavaram, Madras meant for repatriates from Burma and other places. The allegation is that Fr. Ignotius, Director of St. Antony's

Guild and 13 others, diverted the cement for selling in the black market in various places in Kerala. A regular case viz. RC No. 2/85-CIU(E).II dated 1.2.1985 u/s 420, 120-B, r/w Sec. 34 IPC and Section 5 of the Imports and Exports (C) Act, 1947 has been registered by the Central Bureau of Investigation.

New Textile Policy to Re-Vamp Sick Mills

291. SHRI ANAND SINGH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Government have evolved a new textile policy to re-vamp sick mills, increase production and provide additional employment avenues;

(b) if so, the details thereof; and

(c) the steps so far taken in that direction, case in such a policy has not yet been evolved ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA): (a) to (c) A new Textile Policy is under formulation. An expert committee is examining various aspects and issues involved. A meeting of the Central Advisory Council on Textile Industry was held on the 9th March, 1985, to elicit views and suggestions regarding the Textile Policy.

Demand for Appointment of A Committee by NRI Investors

292. SHRI ANAND SINGH : Will the Minister of FINANCE be pleased to state :

(a) whether prominent non-resident Indians have recently addressed a communication to Government suggesting constitution of a high powered committee to look into the problems of NRI investors;

(b) if so, the specific problems mentioned by them; and

(c) the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) In a memorandum given to the then Finance Minister in October, 1984, a Group of non-resident Indians from United Arab Emirates (UAE) had, inter alia suggested certain changes in the procedural framework and appointment of a high powered committee to look into the problems faced by the non-resident Indians. They had also suggested for relaxation of the 5% ceiling for NRI holdings under the Portfolio Investment Scheme and also sought additional tax concessions.

(c) Reserve Bank of India is already in the process of setting up a committee to review the existing procedures followed by it and the commercial banks in connection with various facilities under the NRI schemes so as to further simplify these procedures. The policies for encouraging investments by non-resident Indians have been reviewed by Government from time to time, and the Government does not consider it necessary at present to constitute a high powered committee to go into this matter.

Huge Losses Suffered by SAIL and its Constituent Steel Plants

293. SHRI Y. S. MAHAJAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Steel Authority of India Limited and its constituent steel plants have suffered huge losses during 1982-83 and 1983-84;

(b) whether Government have analysed the causes of such losses, if so, the details thereof;

(c) whether the losses are due to defective production, planning, cost-structure, pricing policies, accumulation of stock, marketing strategies, high level of inventories, power supply and inefficiency and corruption; and

(d) the concrete remedial steps Government have taken or propose to take to remove these bottlenecks so that the steel sector where the public sector

investment is the largest is brought out of the red and generate some surpluses ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (c) It is correct that SAIL incurred losses in 1982-83 and 1983-84 of Rs. 105.76 crores and Rs. 214.50 crores respectively, this loss is likely to be brought down very substantially in 1984-85. The main reason for the losses has been that the price increases allowed to the steel plants during the past few years did not fully compensate the producers for the escalations in the costs of inputs.

Other reasons for losses have been high inventory of steel in 1982-83, the constraints of coking coal, power supply, obsolete technology and ageing of plants requiring higher maintenance—all these factors also affected the financial performance of the steel plants.

(d) Efforts are being made to ensure adequate inputs and of the right quality, better maintenance, increase in capacity utilisation and attainment of improved technological norms. Efforts are also being made to contain expenditure, reduce inventories and to adopt cost reduction measures.

Losses Suffered by Coal India Limited and its Subsidiaries.

294. SHRI Y.S. MAHAJAN : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the Coal India Ltd. and its constituent units viz. Bharat Coking Coal Ltd., Central Coalfields Ltd., and Eastern Coalfields Ltd., have suffered heavy losses during the years 1982-83 and 1983-84 ;

(b) whether Government have analysed the causes of such losses ;

(c) if so, the details thereof ; and

(d) the concrete measures Government have taken or propose to take to bring these public enterprises out of the red ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) Losses Suffered/profit

earned by Coal India Limited and its subsidiaries during 1982-83 and 1983-84 are given below :

Name of the Company	(-)=Loss (+)=Profit (Rs. in crores) Losses suffered/profit earned during	
	1982-83*	1983-84**
Eastern Coalfields Limited	(-) 97.21	(-) 127.88
Bharat Boking Coal Limited	(-) 44.85	(-) 191.89
Central Coalfields Limited	(+) 114.39	(+) 60.49
Western Coalfields Limited	(+) 66.61	(+) 12.12
Central Mine Planning and Design Institute Limited	(+) 0.50	(+) 1.15
North Eastern Coalfields (CIL)	(-) 1.99	(+) 3.33
Total	(+) 37.45	(-) 242.68

*Before contribution to /from Coal Price Regulation Account.

**After adjustment of the contribution to/from the Coal Price Regulation Account.

(b) and (c) The main reasons for incurring losses particularly by Eastern Coalfields Ltd., and Bharat Coking Coal Limited are that they have to operate under difficult geo-mining conditions and the continued problems of inadequate and erratic power supply, law and order, absenteeism, etc. The third National Coal Wage Agreement, which was given effect to from 1-1-1983 caused an additional financial burden of about Rs. 40 crores each during 1983-84 to the above two companies. This increased wage cost was not covered by increases in prices which became effective only from 8th January, 1984. In BCCL, losses in 1983-84 were further aggravated by a drop in production, compared to the previous year mainly due to increased absenteeism, power shortage, delays in implementation of projects, etc.

(d) All efforts are being made to increase production and productivity in the coal companies with a view to providing them with a sound financial base as well as to make them fully poised to meet the growing demands of coal in the years to come. The various

measures being adopted to increase production and improve productivity in coal companies include massive investment in new mines, fuller utilisation of mining capacity already created, more efficient use and better maintenance of equipments, stricter control of inventory and economy in the use of stores, better use of man-power by controlling absenteeism and enforcing discipline and identification of surplus workers and their re-deployment after suitable training, better availability of inputs like explosives, timber, etc., reduction of pit-head stocks by faster movement and more systematic distribution, expeditious and timely completion of new projects and improvement in the law order situation and control over mafia activities in Bihar-Bengal coalfields.

Losses Suffered by Public Sector Enterprises

295. SHRI Y.S. MAHAJAN : Will the Minister of FINANCE be pleased to state :

(a) whether Government have come across cases where certain public sector enterprises have suffered losses due to inefficiency and corruption ;

(b) whether Government have identified such enterprises and the reasons contributory to losses ;

(c) if so, the action proposed to be taken in the matter including against individual officers ; and

(d) the steps taken or proposed to be taken to ensure the suitability of the senior executives manning the public enterprises ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) No, Sir. Loss making enterprises incur losses due to various reasons such as unremunerative prices, outdated technology, power constraints, marketing constraints etc.

(b) to (d) As far as corruption in public enterprises is concerned, every undertaking is having a vigilance set up and rules and regulations are prescribed to deal with such cases. As and when cases of corruption come to light necessary action is taken against the persons concerned.

The Chief Executive and Functional Directors of all the public enterprises are appointed on the basis of recommendations of the Public Enterprises Selection Board, which takes into account various factors such as experience, professional expertise, qualification, etc.

Upgradation of Kharagpur City in West Bengal

296. SHRI NARAYAN CHOUBY : Will the Minister of FINANCE be pleased to state :

(a) whether Government have received repeated representations to declare Kharagpur in West Bengal as a B-2 city ; and

(b) whether Government propose to consider the case of Kharagpur afresh keeping in view that real cost of consumer price index at Kharagpur is in no way less than that at Asansol which has been declared as a B-2 city ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) Yes, Sir.

(b) On the recommendation of the Third Pay Commission, the question of payment of Compensatory (City) Allowance in abnormally expensive places which, on the basis of population criteria, did not qualify for the same, was considered by the Government in consultation with the Staff Side of National Council (Joint Consultative Machinery), and fourteen cities, including Asansol, were adjudged abnormally expensive for the purposes of payment of CCA to the Central Government employees posted there at the rates admissible in B-2 classes cities. Since the Fourth Central Pay Commission is looking into all these aspects, Government feel that there is no need to consider individual cases at this stage.

Decline in Export of Gem and Jewellery

297. SHRI MOHANLAL PATEL : Will the Minister of COMMERCE AND SUPPLY be pleased to state ;

(a) the amount of the gem and jewellery exported during the year 1983 and 1984 ;

(a) whether there is decline in the export of gem and jewellery ;

(c) if so, the reasons therefor ;

(d) whether the Gem and Jewellery Export Promotion Council of India has urged Government to change their gold policy ; and

(e) if so, the details of their demands and the action taken thereon ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGAMA) : (a) Exports of gem and jewellery during 1984 are estimated at Rs. 1,312 crores against Rs. 1,291 crores in 1983.

(b) No, Sir,

(c) Does not arise.

(d) and (e) Suggestions made by the Gem & Jewellery Export Promotion

Council for promoting exports of gold jewellery on the basis of replenishment of gold used in the jewellery exported from the country have been brought into effect.

Joint Ventures with Vietnam in Paper, Textiles and Jute

298. Dr. KRUPASINDHU BHOI : Will the Minister OF COMMERCE AND SUPPLY be pleased to state :

(a) whether India has offered to help Vietnam in setting up composite projects in jute from the plantation stage to the processing stage ;

(b) whether the possibility of joint ventures in paper and textiles industries was also considered ;

(c) if so, the results thereof ;

(d) the other fields in which Vietnam has sought India's co-operation and the reaction of Government thereto; and

(e) the results achieved in this direction so far or progress made, up-to-date ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA): (a) and (e) : Possibilities of cooperation between India and Vietnam in various areas including jute, paper and textiles industries are under examination with a view to enable further consideration.

Involvement of Heads of Various Nationalised Banks in Fraudulent Deals

299. SHRIMATI GEETA MUKHERJEE :

SHRI G. G. SWELL :

Will the Minister of FINANCE be pleased to state :

(a) whether heads of Central Bank of India, Punjab National Bank and Bank of Baroda have been dismissed on account of their banks getting involved in fraudulent deals ;

(b) if so, the particulars and nature of fraudulent deals ;

(c) whether the Reserve Bank of India reviewed such deals and has issued new guidelines in this regard ;

(d) if so, the details thereof ;

(e) whether Government are aware that some other nationalised banks also involved in such deals ;

(f) if so, whether any steps are being taken to check functioning and major deals of such bank ; and

(g) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) The terms of office of S/Shri S.L. Baluja and B.V. Sonalker, Chairmen and Managing Directors of Punjab National Bank and Central Bank of India respectively and that of Shri S.S. Master, Executive Director, Bank of Baroda, were terminated by the Central Government on February 18, 1985 in exercise of powers vested in it by virtue of sub clause (1A) of clause 8 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970. The terminations were in accordance with the provisions of the aforesaid Scheme applicable to their appointments.

(c) to (g) In the context of irregular lending and non-review of large advances and non-reporting of irregularities in advances to chief executives of banks in time, the Reserve Bank had advised the chief executives of the banks in December, 1984 to evolve an effective and efficient information system so as to enable the top executives of the banks to keep themselves posted with all the developments in regard to major advances in the banks. They have also been advised to discuss, during the course of their tours, large advances with controlling officers and issue instructions for handling of such accounts.

Income tax on Additional D.A. to Central Government Employees

301. SHRI V.S. VIJAYARAGHAVAN : Will the Minister of FINANCE be pleased to state :

(a) the total amount spent by Government on additional dearness allowance to its employees during 1984 ;

(b) how much of this amount has been received back by way of income-tax realisations ;

(c) whether any demand has been made that the dearness allowance given to the Government employees should not be taxed ; and

(d) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) The total amount spent by Govt. on additional dearness allowance during financial year 1984-85 on account of instalments sanctioned during the year was approximately Rs. 641.67 crores.

(b) For purposes of deduction of tax at source, the additional I.A. is not treated as a separate item but forms part of the income under the head 'Salaries'.

(c) and (d) Dearness Allowance is not exempt from income-tax under the provisions of the Income-tax act.

Abroad

19 General fairs

19 Commodity fairs

4 Indian Exhibitions

Abroad

14 General fairs

10 Commodity fairs

2 Indian Exhibitions

(b) The expenditure/income for the year 1983-84 and during April-December,

Exhibitions/Fairs Organised by Trade Fair Authority of India.

302. SHRI MOOL CHAND DAGA : Will the Minister of COMMERCE AND SUPPLY be pleased to lay a statement showing :

(a) the number of exhibitions/fairs held in the country and abroad by the Trade Fair Authority of India, New Delhi, during 1983-84 and upto December, 1984, figures separately in each case ;

(b) the total expenditure incurred by Trade Fair Authority of India for the above (i) within the country (ii) abroad and the total income from them separately ; and

(c) the yearly budget of the Authority for 1982-83, 1983-84 and 1984-85 ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) The number of exhibitions/fairs held in the country and abroad by Trade Fair Authority of India during 1983-84 and upto December, 1984 is as follows :

1983-84

In India

5 National Commodity fairs

1 International fair.

April-December, 1984

In India

3 National Commodity fairs

1 International fair

1984 is as follows :—

(Rs. in lakhs)

Abroad

Exp. Income

In India		Abroad	
Exp.	Income	Exp.	Income
1983-84	275.71	274.25	398.99
April-December			
1984			
(Provi-	264.50	264.30	984.55
sional			128.04
			325.19

(c) The yearly budget of the Authority for the years 1982-83, 1983-84 and 1984-85

is as follows :—

Expenditure		(Rs. in lakhs)
		Receipts
1982-83	1474.64	1555.46
1983-84	1720.84	1581.70
1984-85	1395.06	1572.17

Increase in Prices of Steel

303. SHRI MOOL CNAND DAGA : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether despite the prices of steel having been increased frequently over the past two and a half years period, the public sector steel plants have consistently suffered increasing losses ;

(b) if so, since when this condition is continuing and the reasons therefor ;

(c) the steps taken by Government to improve the production for earning profits and the results thereof ;

(d) whether Government have undertaken any study of the working to Tata Iron and Steel Company Ltd. to compare the same with public Sector Steel Plants which are undergoing losses and less production consistently ; and

(e) if so, the findings thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) : The price increases allowed to the public sector steel plants during the the past few years did not fully compensate the producers for the escalations in the costs of inputs.

SAIL started incurring losses from 1982-83, while IISCO has been incurring losses since a number of years. Other reasons for losses have been the constraints of coking coal, power supply, obsolete technology and ageing of plants requiring higher maintenance.

(c) Efforts are being made to ensure adequate inputs and of the right quality, better maintenance, increase in

capacity utilisation and attainment of improved technological norms. Efforts are also being made to contain expenditure, reduce inventories and to adopt cost reduction measures.

(d) No Sir.

(e) Does not arise.

Loans Taken by Industrialists from Nationalised Banks

304. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether a number of industrialists had taken loans from the Central Bank of India, Punjab National Bank and Bank of Baroda on large scale and have not repaid the same for a long period ;

(b) whether it has been brought to the notice of Government that these banks have indiscriminately granted loans to the various industrialists and great manipulation was done in sanctioning these loans ;

(c) if so, the total number of industrialists involved and the action Government have taken or propose to take in this regard ; and

(d) the time by which the loan sanctioned by these banks will be recovered from them ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) There are cases in all banks including the banks mentioned in part (a) of the question, where loans advanced to various units have become overdue for a variety of reasons. There are also cases of irregular/fraudulent

advances. In all such cases, the banks consider various alternatives and adopt the most suitable course of action keeping in view the merits of individual cases. The options before the banks include nursing of the units, enforcing of securities, recall of the advances or or launching of prosecution in cases of fraudulent deals. Suitable action is also taken against officials of the banks who may be involved in the fraudulent deals after necessary enquiry. In accordance with the provisions of the statutes governing the nationalised banks and the practice and usages prevalent among them, information relating to individual constituents of the bank cannot be disclosed.

Meeting held to Discuss Matters Pertaining to Planning, Production, Transportation and Distribution of Coal Resources During Seventh Five Year Plan.

305. SHRI B.V. DESAI : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether a meeting of the representatives from a number of organisations including steel, coal industries, railways, trade unions and State Governments was held on the 13th February, 1985 to discuss matters pertaining to planning, production, transportation and distribution of coal resources during the Seventh Five Year Plan ;

(b) if so, the outcome of the discussions held ;

(c) whether the working group on the coal advisory body had a number of meetings and discussions with the various organisations to improve the coal production and also distribution policy ;

(d) the agreed proposals that have emerged out of these discussions ; and

(e) the steps proposed to be taken in this regard ?

THE MINISTER OF STEEL, MINES AND COAL (SHRI VASANT SATHE) : (a) and (b). Yes, Sir. The meeting of the Coal Advisory Council, comprising of representatives from

various organisations connected with the coal sector, was held on 15.2.85 (and not on 13.2.1985 as mentioned in the question). A number of suggestions regarding production, distribution, transportation, quality of coal, safety and health of the coal miners were made by the members attending the meeting. The proceedings of the meeting have been circulated to the members concerned inviting their comments thereon. Further action will be taken after receipt of views of the members.

(c) to (e). No working group on Coal Advisory Body is functioning and as such the question of its meeting and discussions with various organisations to improve production and distribution does not arise.

Recovery of Loan Owed to Three Indian Banks By A Business Empire in UK.

306. SHRI B.V. DESAI :

SHRI SANAT KUMAR
MANDAL :

SHRI BALASAHEB VIKHE
PATIL :

Will the Minister of FINANCE be pleased to state :

(a) whether the recovery of over 200 million owed to the Indian banks, Punjab National Bank, Central Bank and Union Bank by a business empire in U.K. whose business has collapsed in that country, is doubtful ;

(b) if so, the total amounts drawn from these banks ;

(c) the total amount of loan recovered so far and the amount still due ;

(d) whether Union Government dismissed heads of the three banks on the 17th Febuary, 1985 ; and

(e) if so, the other steps Government propose to take to improve the working of these banks and also all other nationalised banks ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE. (SHRI JANARDHANA POOJARY) : (a) to (c) Reserve Bank of India has

reported that the business group of ESALS had received substantial financial assistance from 3 Indian banks, namely, Punjab National Bank, Central Bank of India and Union Bank of India as well as from four foreign banks in London for their business. The main company in this group viz, ESAL (Commodities) Ltd. was engaged in commodity trading, exporting mostly to Nigeria and Sudan. According to the assessment made and furnished to the Reserve Bank of India by the 3 banks, major portion of the advances to the Group is covered by bill receivable claims/securities/guarantees. There have, however, been irregularities in lending to the group companies. Some officials of the London branches of the 3 Indian banks had granted advances in excess of the sanctioned limits and without obtaining the approval of Head Office Collusion among their officers and the company with a view to defraud the banks is also suspected. These banks and the Reserve Bank of India are seized of the position and necessary action is being taken. In November, 1984 the main borrowing company viz. ESAL (Commodities) Ltd. has been put into compulsory liquidation by a court in London and its Managing Director has been declared bankrupt. In the circumstances the concerned banks would be required to enforce the securities available to them for realisation of dues and file their claims wherever necessary with the liquidators.

(d) In exercise of powers vested in it in terms of sub-clause (IA) of clause 8 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970, the Central Government terminated, on February 18, 1985, the term of office of Shri S.L. Baluja, Chairman and Managing Director, Punjab National Bank, Shri B.V. Sonalkey, Chairman and Managing Director, Central Bank of India and Shri S.S. Master, Executive Director, Bank of Baroda. They were paid salary and admissible allowances for a period of three months in lieu of the prescribed period of notice. The terminations were in accordance with the provisions of the

aforesaid Scheme applicable to their appointments.

(e) The Reserve Bank of India exercises supervision/control over the working of the banks. Following the detection of certain instances of irregularities/deficiencies in the working of the London branches of PNB, Central Bank of India, and Union Bank of India the Reserve Bank of India has issued detailed guidelines/instructions for their rectification/removal. Under the new reporting system called PALOO (Position of Assets and Liabilities of Overseas Offices), the overseas branches of Indian Banks are required to submit to RBI quarterly statements which cover important aspects of the working of their overseas branches. Central Bank of India had entrusted "Systems Audit" of its London Branch to a firm of Chartered Accountants and Management Consultants for bringing about improvements in its working. The RBI is advising PNB and Union Bank of India for arranging similar "Systems Audit" by one of the reputed firms of Chartered Accountants in London. The RBI has also taken several other measures for bringing about improvements in the working of the Indian Banks' branches abroad.

Suspension of Overdrafts Facilities by States

307. SHRI B.V. DESAI : Will the Minister of FINANCE be pleased to state :

(a) whether the Union Government have decided that the overdraft facility to States will be suspended if they continue with the present trend of borrowing;

(b) if so, whether the States which have either exceeded or are on the verge of exceeding the reasonable limit of overdrafts have been informed of the said decision ;

(c) the name of States falling under the second category ;

(d) whether States have been asked to apply a check on their borrowings by collecting more taxes ; and

(e) if so, the other steps Government propose to take to check this increasing overdraft by States ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (c) Government of India advised all the States that bank with the Reserve Bank of India to limit their overdraft to the level reached by them as of 28th January, 1985. They were also informed that in case the States' overdraft exceeds the level as on 28.1.1985 and continues for 7 working days, the Reserve Bank of India would stop payments on their Government's account.

(d) and (e) The State Governments have been advised to reorder their budgets and ensure that they do not exceed the overdraft level reached by them as on 28th January, 1985.

Industrial Fair by Trade Fair Authority of India.

308. SHRI KAMAL NATH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the Trade Fair Authority of India organised an Industrial Fair this year ;

(b) if so, the countries which participated therein; and

(c) the value of export orders received as a result of the fair ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) The Trade Fair Authority of India organised the India International Trade Fair 1984 during November, 14-27, 1984.

(b) A statement is attached.

(c) The export contracts actually signed during the fair amounted to Rs. 1745 million.

Statement

List of Countries which Participated in India International Trade Fair, 1984

1. Austria
2. Afghanistan

3. Australia
4. Algeria
5. Bulgaria
6. Brazil
7. Bangladesh
8. Bhutan
9. China
10. Cuba
11. Czechoslovakia
12. F.R.G.
13. France
14. G.D.R.
15. Italy—Italian Institute
—Milan Fair Authority
16. Kampuchea
17. Laos
18. Netherlands
19. Nepal
20. Poland
21. P.L.O.
22. Romania
23. South Korea
24. Sri Lanka
25. Sweden
26. Turkey
27. U.S.S.R.
28. Vietnam
29. Yugoslavia
30. Hungary
31. U.K.
32. Finland
33. Canada

Total Acreage Under Cardamon Cultivation

309. PROF. P.J. KURIEN : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the total acreage under cardamom cultivation at present;

(b) whether there has been any increase in the area under cardamom cultivation during the last ten years and if so, how much ;

(c) whether there is any long term plan to expand area under cultivation ; and

(d) if so, the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.S. SANGMA):

(a) The total estimated area under cardamom cultivation in the country is 93,947 hectares.

(b) to (d) No substantial increase or decrease in area under Cardamom cultivation has taken place during the last 10 years because of the rigorous agro-climatic conditions necessary for such cultivation. However, cardamom Board is planning a scheme to start new planting of cardamom in potential areas during VII Plan period to cover 2500 hectares.

Loss Suffered Due to Drought by Cardamom Growers in Kerala

310. PROF. P. J. KURIEN : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) the total area of cardamom which came under the impact of drought in Kerala in 1982-84;

(b) whether any study has been conducted to assess the loss suffered by the cardamom growers in Kerala;

(c) if so, the details thereof; and

(d) the details of financial assistance given by Union Government to help the growers ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. S. SANGMA) : (a) The total area under cardamom cultivation in Kerala is estimated around 56,376 hectares, out of which about 9000 hectares had come

under the impact of severe drought in 1982-84.

(b) and (c) Yes, Sir. A sub-committee was constituted by the Cardamom Board to assess the loss occurred to cardamom plantations and according to its study, about 35 to 40 percent of cardamom areas were affected by the drought.

(d) Government has approved the following Schemes, of the Cardamom Board to assist the drought affected growers :

(1) Replanting Loan-cum-Subsidy Scheme :

Under this Scheme an area of 15,000 hectares (7500 hectares for small growers and 7500 hectares for large growers) will be covered in 3 years. Small growers owning upto 8 hectares are being paid cash subsidy of Rs. 2500/- per hectare in three annual instalments of Rs. 1000/-, Rs. 800/- and Rs. 700/-. Loan component is Rs. 7750/- per hectare to be arranged from financial institution on which 3% interest subsidy is being granted. The large growers are entitled to a cash subsidy of Rs. 1500/- per hectare in three annual instalments of Rs. 1000/-, Rs. 300/- and Rs. 200/-. Loan component is Rs. 8750/- per hectare.

The target to be covered under this scheme in Kerala is 3000 hectares for each year 1984-85, 1985-86 and 1986-87.

(2) Production of Seedlings in Polythene bags in Certified Nurseries:

50% cost of seed material and polythene bags are subsidised under this scheme.

(3) Opening of more certified Nurseries :

This scheme is being implemented from 1983-84 onwards. Total financial outlay involved is Rs. 25.5 lakhs for 3 years. 25% of the cost of production

of seedlings, not exceeding paisa 50/- per seedling is subsidised.

Measures to Improve the Exports from India

311. SHRI PIYUSH TIRAKY : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether a sharp decline has been found in the exports from India;

(b) if so, the details of the Indian export since 1980, year-wise;

(c) the measures being taken to improve India's exports;

(d) whether Government have permitted imports on a large scale soon after taking IMF loan;

(e) whether Government are considering steps to improve the quality of the Indian goods for exports; and

(f) if so, the details of the steps proposed to be taken ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P. A. SANGMA) : (a) No, Sir. There has been a continuous increase in the value of exports.

(b) Does not arise.

(c) Import and export policy measures are being continuously evolved for increasing India's exports. These include measures for increasing and diversifying the production, making our exports more competitive, finding new markets for our products and processing commodities for higher value realisation. Different instruments of policy available to Government are being utilised for this purpose and adjusted when necessary.

(d) No, Sir.

(e) and (f) The Schemes of Compulsory Quality Control & Pre-shipment Inspection on export products are kept under constant review. Revision with respect to updating the standards of exports products is also undertaken keeping in view the competition from

the foreign countries as well as improvement in the technology. The quality complaints received from the foreign buyers are expeditiously examined by the Regional Sub-Committee on Quality Complaints set up at Delhi, Bombay, Calcutta, Cochin and Madras under the Chairmanship of Joint Chief Controller of Imports & Exports. Through these Committees the grievances of the buyers and as well of the Indian exporters are redressed to amicably settle the dispute. Based upon the information available from these quality complaints, further improvements in the system of inspection, if required, are also carried out.

Through an amendment to the Export (Quality Control & Inspection) Act, the penalties on the erring exporters who try to obtain the Certificate of Inspection fraudulently have been enhanced and the powers have also been given to enter, inspect and search the premises and seize such commodities which are found to be sub-standard. Provisions of departmental adjudication, appeal and revision have also been made in this Amendment. The power have also been given to amend, suspend or cancel the certificate of inspection of export consignment if the material on subsequent inspection by the Agency after issuing the certificate is found to be sub-standard or deteriorated in quality.

Scheme to Help Farmers of North-Eastern Region for Export of Their Non-Perishable Agricultural Products

312. SHRI G. G. SWELL ; Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether he is aware that the hill areas of the North-Eastern Region have an abundance of non-perishable exportable agricultural products such as ginger, turmeric, black pepper, peepul, bird's eye chillies;

(b) whether Government have formulated any scheme to help the farmers of these areas in exporting their products; and

(c) whether in view of the historical isolation of the areas, Government

propose to consider special incentives for such exports ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) to (c) It is the policy of Government to accord special emphasis to the development of exports of agricultural products which about in the North Eastern Region. In order to provide export outlets, efforts are being undertaken in cooperation with the North Eastern Region Agricultural Marketing Corporation (NERAMAC), the Spices Export Promotion Council and the State Governments. Some special incentives on freight rates already exist. Periodic reviews of the adequacy of the existing institutional and infrastructural facilities and incentives and the need to augment them are undertaken.

Meeting to Discuss the Move Towards Decanalising Steel

314. **SHRI R. ANNANAMBI :** Will the Minister of STEEL, MINES COAL be pleased to state :

(a) whether the Steel Executives Federation of India (SEFI) has requested Government to call for a meeting of the consumer's representatives, manufacturers and the Federation to discuss the move towards decanalising steel; and

(b) if so, the details thereof ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) and (b) Yes, Sir. The Steel Executives Federation of India have suggested that a decision to decanalise import of steel should be taken after discussions with steel consumers, manufacturers and the Federation. The Federation suggests that a constructive approach would be to remove the bottlenecks and deficiencies from the existing system rather than completely do away with the system of canalised imports of steel. The Federation feels that a decision taken in early 1981 to decanalise a large number of steel items had led to a glut in the market and producers carried large stocks because the system of OGL

imports leaves loopholes under which non.OGL imports can take place.

Government are seized of the problem and after consideration of the various suggestions received, the policy for steel imports for 1985-86 will be announced by the Ministry of Commerce.

Representation from Council for Leather Exports for Value-Added Products

315. **SHRI R. ANNANAMBI :** Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the Council for Leather Exports has represented to Government that the export of value-added products must be encouraged by giving a higher Cash Compensatory Support for these keeping in view their actual cost of production and various taxes attracted by the inputs and other relevant factors; and

(b) if so, the reaction of Government thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) and (b) The Council for Leather Exports, Madras has submitted data for fixation of the rates of Cash Compensatory Support on exports of finished leather products. Government has not yet taken a view in the matter.

Measures to Save Jute Industry in West Bengal

316. **SHRI SANAT KUMAR MANDAL :** Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether the jute industry in West Bengal is in shambles due to large-scale closure and lay-off; if so, the reasons therefor;

(b) whether some of the trade unions have pressed the Union Government to enforce section 10 of the Jute (Control and Licensing) Order of 1961 empowering Government to seize all the jute stocks lying with individual

mills and arrange for an equitable redistribution of raw jute to all the working mills;

(c) whether these unions have also represented against the 5-day week; and

(d) if so, the steps which Government propose to take to save the State's jute sector from the impending disaster and lakhs of people being rendered unemployed ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) At present, 12 jute mills in West Bengal are closed (excluding 3 permanently closed mills) out of which 9 mills have closed down from the beginning of 1985. While the ostensible reason for such closure of mills is industrial dispute, financial stringency of the mills and shortage as well as high price of raw jute, as a result of four short jute crops, may also be contributory factors.

(b) and (c) In a tripartite meeting held under the Chairmanship of the Labour Minister, Government of West Bengal, on 26.2.85 trade union representatives stressed the need for undertaking dehoarding drive for raw jute. The representatives of the trade unions have also opposed to proposal of Indian Jute Mills Association for introduction of 5-day week in jute industry for conserving raw jute.

(d) To ensure equitable distribution of raw jute among the jute mills and to help the weaker mills, the raw jute stock holdings of mills have been regulated under the Jute Control Order. The Government has also allowed import of raw jute to improve the availability of the raw material.

Increase in Price of Special Bearer Bonds as a Result of Income Tax Raids

317. **SHRI K. PRADHANI :**

KUMARI PUSHPA DEVI :

Will the Minister of **FINANCE** be pleased to state :

(a) whether the Income-tax Department recently conducted tax raid in the country to unearth black money ;

(b) if so, the outcome of these raids and the approximate black money detected and action taken in cases involving concealment of more than Rs. 50 lakhs ;

(c) whether in the wake of these raids, there had been a considerable flow of unaccounted money into share markets, gold prices have ruled high and raid fears enable businessmen to convert all extra cash into gold and the price of special bearer bonds scaled an all-time high of Rs. 17,000 following a marked rise in demand ; and

(d) if so, the preventive measures Government propose to take in the matter ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :

(a) and (b) During the months of January and February, 1985, Income-tax Department conducted 1,133 searches resulting in seizure of prima-facie unaccounted assets valued at Rs. 6.61 crores approximately. The seized documents are under scrutiny for taking appropriate action under various Direct Taxes Acts.

(c) It is not true that because of raids there has been considerable flow of unaccounted money into the stock market. The prices of shares have risen mainly due to Government pronouncements regarding liberalisation of Industrial policy to further help growth and productivity and expectations of a savings-cum-investment oriented budget. The prices of standard gold have risen mainly due to heavy seizures of smuggled gold, soaring prices of the dollar and seasonal spurt in internal demand for gold. There are no official transactions in bearer bonds.

(d) All possible measures to check circulation and prevent further proliferation of black money including administrative, legislative and institutional are being taken from time to time.

Raids Conducted During Last Six Months

318. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state the number of raids conducted during the last six months against (i) firms, (ii) film actors/actresses and (iii) industrialists indicating their particulars along with undisclosed assets found and the progress of each case ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARY) : During the period 1.9.1984 to 28.2.1985, Income-tax Department conducted 2091 searches resulting in seizure of prime-facie unaccounted assets valued at Rs. 12.42 crores approximately.

Having regard to large number of cases, it is not practicable to give details of all the cases. However, if the Hon'ble Member desires to have information about a particular case/search, the same can be furnished.

Value of Assets Seized

319. SHRI BALASAHEB VIKHE PATIL : Will the Minister of FINANCE be pleased to state :

(a) the total value of assests seized during the last three years from all accounts ;

(b) whether some part of these assets have been returned to their owners ;

(c) if so, their quantum and reasons therefor ; and

(d) the manner in which Govern-ment is utilizing of propose to utilize these assets ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : (a) to (d) Income-tax : Value of assets seized in Income-tax searches during the last three financial years is as under :—

Financial year	Value of assets seized (Rs. in crores)
1981-82	30.66
1982-83	27.96
1983-84	27.99

Where any money, bullion, jewellery or other valuable article or thing seized, the I.T.O is required to pass an order estimating the undisclosed income and tax thereon in a summary manner within 120 days of the seizure. The assets seized which are in excess of the tax determined are returned to the assee. The value of assets thus returned was as under during the last three financial years :—

Financial year	Value of assets returned (Rs. in crores)
1981-82	16.28
1982-83	2.41
1983-84	13.29

The cash seized is deposited in personal deposit account of the C.I.T. and other assets are kept in safe custody either at strong room maintained by the Income Tax Department or in Safe Deposit Vaults of the banks.

Central Excise : Goods are seized whenever they are liable for confiscation under the Central Excise Law. The information about seizures of goods during the last three years is not readily available. After seizure, the goods are provisionally released on execution of bond and furnishing of security if the partly so desires and thereafter the case is adjudicated. Where on adjudication, the goods are not confiscated, they are released to the person from whom the seizure was made. If the partly does not opt to redeem the goods on payment of fine in lieu of confiscation, the confiscated goods are disposed of through auction.

Enforcement Directorate (Foreign Exchange Regulation Act) :

The Directorate of Enforcement seizes only Indian currency and foreign currency as a result of the raids conducted. Information about total value of Indian/foreign currency seized during the last three years is as under :—

	Indian currency	Foreign currency equivalent Rupees)
1982	Rs. 90.48 lakhs	Rs. 45.47 lakhs
1983	Rs. 86.54 lakhs	Rs. 47.23 lakhs
1984	Rs. 127.67 lakhs	Rs. 61.93 lakhs

As a result of investigations and/or adjudication, where the seized amount are not found involved in any offence under Foreign Exchange Regulation Act or are not ordered to be confiscated, the are returned to the persons from whom they are seized. The quantum of Indian currency/foreign currency returned to their owners is not readily available.

Wherever the Adjudicating authority has ordered confiscation the currency in question is immediately credited to Central Government account through Reserve Bank/State Bank of India.

Information about value of assets seized and released in customs cases is not readily available.

Visit of Chinese Trade Delegation on Economic and Technical Co-operation

320. SHRIMATI MADHURI SINGH : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether recently Chinese trade delegation arrived in the capital and had a discussion with FICCI on expansion of Sino-India trade, economic and technical co-operation in a number of areas ; and

(b) if so, the details in this regard and agreements reached ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) : (a) and (b) An 8 member delegation from the China Council for Promotion of International Trade (CCPIT) visited India from 1st to 10th March, 1985 on the invitation of the Federation of Indian Chamber of Commerce and Industry (FICCI). Items of export interest to India and China and the potential areas for sharing technologies

between the two countries were identified and the possibilities of industrial collaboration and joint ventures between the two countries were considered. FICCI and CCPIT also signed an Agreement on Cooperation for promotion of international trade.

Ship-Breaking Yard at Alang

321. SHRI R.P. GAEKWAD : Will the Minister of STEEL, MINES AND COAL be pleased to state :

(a) whether the ship-breaking yard at Alang, near Bhavnagar an industrially backward region of Saurashtra, has been passing through severe crises ;

(b) whether Government are aware that the yard can today accommodate 60 ships at a time which means a capacity to break 180 to 200 ships per annum ;

(c) whether Government have allotted only 60 ships during 1984-85 which implies a capacity utilisation of 30 per cent only ; and

(d) whether, in view of (b) and (c) above, Government will ensure sufficient allotment of scrapped ships to the yard so that atleast 75 per cent of its capacity is utilised during the financial year ?

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH) : (a) to (d) In 1984-85, the ship-breaking units in Alang have so far been allotted 2.07 lakh LTD out of a total allocation of 3.33 lakh LDT in the country. The import of ships for scrap is decided after taking into consideration the availability of rerollable scrap and rerollables from other sources, and the availability and demand for bars and rods which are the end products of scrap from ship-breaking.

Bifurcation of the Posts of Chairman and Managing Director in National Textile Corporation

322. SHRI R.P. GAEKWAD : Will the Minister of COMMERCE AND SUPPLY be pleased to state :

(a) whether Indian National Trade Union Congress has made a demand for

bifurcation of the posts of Chairman and the Managing Director of the National Textile Corporation and appointment of a non-official for the post of Chairman instead for Government official ; and

(d) if so, Government's reaction thereto ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

(a) Yes, Sir.

(b) There are separate posts of Chairman and Managing Director in the NTC holding company. It is not proposed to change the existing pattern of full time Chairman-cum-Managing Directors in the subsidiary corporations of the National Textile Corporation at present.

(Interruptions)

SHRI P. KILANDAIVELU (Gobichettipalayam) : Sir, is there any concrete proposal from the Government of India to settle the issue of Tamils in Sri Lanka ?

Mr. SPEAKER : We have already decided to discuss it. We are going to have a full discussion on that.

SHRI AMAL DATTA : (Diamond Harbour) : There should be a discussion on the overdraft issue.

Mr. SPEAKER : Who has blocked your way to put it in writing ?

SHRI VISHWANATH PRATAP SINGH : Yes, we can have a discussion.

[Translation]

MR. SPEAKER : There can be a discussion on this issue if you give a notice.

[English]

SHRI AMAL DATTA : Sir, here is a new item about a bogus....

MR. SPEAKER : Nothing doing, You give me something in writing ; I will enquire into it. You have to give it

to me in writing. There are so many things that come in the papers...

SHRI AMAL DATTA : According to this news paper report...

MR. SPEAKER : Nothing goes on record.

(Interruptions)**

MR. SPEAKER : Papers to be laid on the Table.

Mr. Vishwanath Pratap Singh.

12.00 hrs.

PAPERS LAID ON THE TABLE
[English]

Economic Survey and Annual Report on the working of Industrial and Commercial undertakings of the Government of India

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : I beg to lay on the Table—

- (1) A copy of the 'Economic Survey', 1984-85 (Hindi and English versions). [Placed in Library See No. LT—446/85]
- (2) A copy of the Annual Report (Hindi and English versions) on the working of Industrial and Commercial undertakings of the Central Government (Public Enterprises Survey) for the year 1983-84 (Volumes I to III). [Placed in Library See LT—No. 447/85]

Aluminium Corporation of India Ltd. (Acquisition and Transfer of Aluminium undertaking) Intimation regarding Mortgage, charge, Lien or other Interest in any property) Rules, 1985

THE MINISTER OF STEEL MINES AND COAL (SHRI VASANT SATHE) : I beg to lay on the Table a copy of the Aluminium Corporation of India Limited (Acquisition and Transfer of Aluminium Undertaking) (Intimation regarding Mortgage, Charge, Lien or

other Interest in any property) Rules, 1985 (Hindi and English versions) published in Notification No. S. O. 154(E) in Gazette of India dated the 21st February, 1985 under sub-section (3) of section 30 of the Aluminium Corporation of India Limited (Acquisition and Transfer of Aluminium Undertaking) Act, 1984. [Placed in Library. See LT—No. 448/85]

Notification under Finance Act, 1979 and Notifications under Central Excise and Salt Act, 1944 Notifications under Income Tax Act, 1961 Notification under State Duty, Act, 1953, Notifications under customs Act, 1962 Notifications under Central Excise Rules 1944 and Report of the Comptroller and Auditor General of India for the year 1983—Under India Insurance Company

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :
I beg to lay on the Table—

- (1) A copy of Notification No. G.R.S. 48(E) (Hindi and English versions) published in Gazette of India dated the 28th January, 1985 together with an explanatory memorandum regarding exemption to Heads of States, Heads of Government and the delegates from Tanzania, Greece, Sweden, Mexico and Argentina for Six-Nation Summit on Nuclear Disarmament held in New Delhi on the 28th January, 1985 from the payment of foreign travel tax, under section 41 of the Finance Act, 1979. [Placed in Library See LT No.—449/85]
- (2) A copy each of the following Notifications (Hindi and English versions) under sub-section (2) of section 38 of the Central Excise and Salt Act, 1944 :—

- (i) The Central Excise (Second Amendment) Rules, 1985, published in Notification No. G.S.R. 63(E)

in Gazette of India dated the 1st February, 1985 together with an explanatory note.

- (ii) The Central Excise (Third Amendment) Rules, 1985 published in Notification No. G.S.R. 118(E) in Gazette of India dated the 28th February, 1985. [Placed in Library See LT—No. 450/85]

- (3) A copy each of the following Notifications (Hindi and English versions) under section 296 of the Income-tax Act, 1961 :—

- (i) The Income-tax (Amendment) Rules, 1985 published in Notification No. S. O. 65(E) in Gazette of India dated the 31st January, 1985.

- (ii) The Income-tax (Second Amendment) Rules, 1985 published in Notification S. O. 91(E) in Gazette of India dated the 4th February, 1985. [Placed in Library. See LT—No. 451/85]

- (4) A copy of Notification No. G.S.R. 83 (Hindi and English versions) published in Gazette of India dated the 26th January, 1985 regarding exemption to property forming part of a trust wholly for promoting science and technology in India and donations to the Prime Minister's Relief Fund from levy of estate duty, under sub-section [Placed in Library. See LT No.—452/85]

- (5) A copy each of the following Notifications (Hindi and English versions) under section 159 of the Customs Act, 1962 :—

- (i) The Customs (Appeals) Amendment Rules, 1985 published in Notification No. G.S.R. 54(E) in

Gazette of India dated the 30th January, 1985 together with an explanatory memorandum.

- (ii) G.S.R. 61(E) published in Gazette of India dated the 1st February, 1985 together with an explanatory memorandum regarding exemption to sugar when imported into India from basic customs duty in excess of 35 per cent *ad valorem* and from the whole of the additional duty of customs leviable thereon.
- (iii) G.S.R. 62(E) published in Gazette of India dated the 1st February, 1985 together with an explanatory memorandum regarding exemption to natural law rubber when imported into India from the basic customs duty in excess of 20 per cent *ad valorem* and from the whole of the additional duty of customs leviable thereon.
- (iv) G.S.R. 71(E) published in Gazette of India dated the 1st February, 1985 together with an explanatory memorandum making certain amendment to Notification No. 118-Customs dated the 19th June, 1980 so as to extend the concessional rate of basic customs duty of 25 per cent *ad valorem* and complete exemption from additional duty in respect of a few more specified capital goods for the electronics industry.
- (v) G.S.R. 85(E) published in Gazette of India dated the 18th February, 1985 together with an explanatory memorandum regarding exemption to polyester filament yarn above 759 deniers when imported into India, from the additional duty of customs in

excess of the amount calculated at the rate of Rupees 18.75 per kilogram.

- (vi) G.S.R. 86(E) published in Gazette of India dated the 16th February, 1985 making certain amendment to Notification No. 49-Customs dated the 1st March, 1978.
 - (vii) G.S.R. 87(E) published in Gazette of India dated the 16th February, 1985 making certain amendment to Notification No. 49-Customs dated the 1st March, 1984.
 - (viii) G.S.R. 88(E) published in Gazette of India dated 16th February, 1985 making certain amendment to Notification No. 232-Customs dated the 18th August, 1983.
 - (xi) G.S.R. 90(E) published in Gazette of India dated the 16th February, 1985 together with an explanatory memorandum regarding revised rate of exchange for conversion of Russian Rouble into Indian currency or *vice versa*.
 - (x) G.S.R. 98(E) published in Gazette of India dated the 21st February, 1985 together with an explanatory memorandum regarding revised rates of exchange for conversion of Australian Dollars into Indian currency or *vice versa*.
[Placed in Library See No. LT—453/85]
- (6) A copy each of the following Notifications (Hindi and English versions) issued under the Central Excise Rules, 1944 :—

- (i) G.S.R. 82(E) published in Gazette of India dated the 16th February, 1985 together with an explanatory memorandum seeking to invoke the provisions of section 11C of the Central Excises and Salt Act, 1944 in regard to the payment of duties of excise on bare copper wires finer than 14 S.W.G. during the period commencing on the 7th April, 1979 and ending with the 10th June, 1979.
- (ii) G.S.R. 83(E) published in Gazette of India dated the 16th February, 1985 together with an explanatory memorandum making certain amendment to Notification No. 19/83-CE dated the 1st March, 1983.
- (iii) G.S.R. 84(E) published in Gazette of India dated the 16th February, 1985 together with an explanatory memorandum making certain amendment to Notification No. 51/83-CE dated the 1st March, 1983.
- (iv) G.S.R. 106(E) published in Gazette of India dated the 28th February, 1985 together with an explanatory memorandum making certain amendment to Notification Nos. 42/84-CE, 48/84-CE, 45/84-CE, 49/84-CE all dated the 1st March, 1984.
- (v) G.S.R. 122(E) published in Gazette of India dated the 28th February, 1985 together with an explanatory memorandum regarding exemption to master positive exposed negative, films, dupes and rush prints from the whole of the duty of excise leviable thereon.

(vi) G.S.R. 123(E) published in Gazette of India dated the 28th February, 1985 together with an explanatory memorandum extending the validity of Notification No. 177/83-CE dated the 1st July, 1983 upto 28th February, 1986. [Placed in Library. See No. LT—454/84]

- (7) A copy of the Report (Hindi and English versions) of the Comptroller and Auditor General of India for the year 1983-Union Government (Commercial)-Part VI-United India Insurance Company Limited, under article 151(1) of the Constitution. [Placed in Library, See No. LT—454A/85]

Review and Annual Report of the IISCO Ujjain Rise and Foundry Company Ltd. for the year 1983-84, Review and Annual Report of the Manganese ore (India) Ltd. Nagpur for the year 1983-84 and Annual Report and Review of the Municipal Development Board for the year 1983-84

THE MINISTER OF STATE IN THE DEPARTMENT OF STEEL (SHRI K. NATWAR SINGH): I beg to lay on the Table—

(1) A copy each of the following papers (Hindi and English versions) under sub-section (1) of section 619A of the Companies Act, 1956 :—

- (a) (i) Review by the Government on the working of the IISCO Ujjain Pipe and Foundry Company Limited, Calcutta for the year, 1983-84.

(ii) Annual Report of the IISCO Ujjain Pipe and Foundry Company Limited, Calcutta, for the year 1983-84 along

with Audited Accounts and the comments of the Comptroller and Auditor General thereon.

[Placed in Library. See No. LT—455/85]

(b) (i) Review by the Government on the working of the Manganese Ore (India) Limited, Nagpur for the year 1983-84.

(ii) Annual Report of the Manganese Ore (India) Limited, Nagpur, for the year 1983-84 along with Audited Accounts and the comments of the Comptroller and Auditor General thereon
[Placed in Library. See No. LT—456/85]

(2) (i) A copy of the Annual Report (Hindi and English versions) of the Minerals Development Board, New Delhi, for the year 1983-84 along with Audited Accounts.

(ii) A copy of the Review (Hindi and English versions) by the Government on the working of the Mineral Development Board, New Delhi, for the year 1983-84.
[Placed in Library. See No. LT—457/85]

Annual Report and Review on the Working of the Plastic and Linoleums export Production Council, Bombay, 1983-84

THE MINISTRY OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA): I beg to lay on the Table—

(1) A copy of the Annual Report (Hindi and English versions) of the Plastics and Linoleums Export Promotion Council,

Bombay, for the year 1983-84 along with Audited Accounts.

(2) A copy of the Review (Hindi and English versions) by the Government on the working of the Plastics and Linoleums Export Promotion Council, Bombay, for the year 1983-84.
[Placed in Library see LT No. 458/85]

BUSINESS OF THE HOUSES

[English]

12.02 hrs.

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI H.K.L. BHAGAT): With your permissions, Sir I rise to announce that Government Business in this House during the week commencing Monday, the 18th March, 1985, will consist of :

1. General discussion on the Railway Budget for 1985-86.
2. Discussion on the Resolutions regarding constitution of the Railway Convention Committee—1985.
3. Discussion and voting on :
 - (a) Demands for Grants (Railways for 1985-86.
 - (b) Supplementary Demand for Grants (Railways) for 1984-45.
4. General discussion on the General Budget for 1985-86.
(Interruptions)**

MR. SPEAKER : Please sit down. Why you are taking the time of the House ? Nothing goes on record—this rigmarole.

Shrimati Geeta Mukherjee.

(Interruptions)**

MR. SPEAKER : Nothing goes on record. Shrimati Geeta Mukherjee.

**Not recorded

(Interruptions)

MR. SPEAKER : What is all this going on ? Please sit down,

Mrs Geeta Mukherjee.

SHRIMATI GEETA MUKHERJEE (Panskura) : I want to include the following 2 issues in the next week's business.

1. The agricultural prices for the primary producers have crashed as is evident from the case of potato, mustard seed and cotton. These are being sold by primary producers at an unremunerative price. The ordinary consumers are not getting any benefit and it is the traders who are flourishing. The necessity of protecting the smaller primary producers of agricultural commodities by guaranteeing remunerative prices is beyond question. Effective steps for that need to be discussed urgently.

2. Lock-outs, lay-offs, etc. in industrial resulting in large scale distress of workers has become a menacing phenomena as shown in jute, textile and some other industries. Of late, a significant addition to this in West Bengal has been made by Birlas in declaring partial lock-out in their textile factory, the Keshoram Cotton Mill at Garden Reach, Calcutta. The Government need to intervene so that this is opened.

SHRI VADDE SOBHANEDREESWARA RAO (Vijayawada) : I would like to suggest the following item for inclusion in the next week's business.

Tobacco sales started recently in Andhra Pradesh. Open auction platform system is introduced for the first time in Andhra Pradesh. The tobacco companies as well as traders appear to have colluded as a result of which farmers are offered low prices which are not acceptable to them. While the

minimum export price paid to the traders is on the high side, the minimum support price payable to farmers is very low, the difference being more than Rs. 600. The farmer is, therefore, not willing to part with his tobacco to the Board.

Hence there is urgent need for the Tobacco Board or the State Trading Corporation to purchase tobacco from farmers paying higher remunerative prices for different grades of tobacco and save lakhs of tobacco growers from financial crisis.

SHRI BASUDEB ACHARIA (Bankura) : I hereby request you to include the following item in the next week's agenda :—

In the face of the increasing threat of nuclear war, the ensuing Geneva talks to defuse the nuclear arms reduction and prevention of the star wars assumes tremendous significance. The six nations conference recently held in Delhi has already given a call for reduction of nuclear arms. This call should now be made loud and clear through the people's participation. The role of USA in increasing the arms supply to the neighbouring countries and worsening the external security environment for the country coupled with its attempts to destabilise the country with the help of divisive forces in Punjab, Assam, Tripura and the entire northeast poses a threat to national security.

SHRI S.M. BHATTAM (Visakhapatnam) Sir, I would like the following to be discussed next week :

“The setting up of Alumina/Aluminium project in Andhra Pradesh.”

The existence of bauxite deposits on the East Coast particularly in Visakhapatnam, East Godavari and Srikakulam districts came to light in 1970. The Geological Survey of India, State Department of Mines and Geology and Mineral Exploration Corporation established the existence of about 700 million tonnes of bauxite are in Andhra Pradesh which roughly constitutes 30 per cent of the deposits in the country.

The Government of India commissioned Ms. Bharat Aluminium Company Ltd. (BALCO), a Central Government Public Sector Undertaking, to undertake the study of feasibility of setting up Alumina/Aluminium plants based on the bauxite deposits on the East Coast.

Soviet experts along with a team from BALCO visited Krishnadevipeta and surrounding areas in Visakhapatnam district in A.P.

They later submitted the feasibility report for the project in 1980.

The estimated capital cost at first quarter 1980 price level for 6 lakh tonnes plant is Rs. 426 crores and for 8 lakh tonnes plant is Rs. 498.4 crores. The feasibility report has been examined by the Appraisal agencies of the Government of India.

I, therefore, demand that aluminium project be set up in Andhra Pradesh.

PROF. MADHU DANDAVATE (Rajapur) : Sir, I would like to suggest the following items for inclusion in next week's business :

1. The Minister for Finance should make a statement on the fraudulent deal involving granting of huge loans from three nationalised banks to a London-based firm and the statement should be discussed in the House.
2. The Prime Minister had made a public allegation against some Opposition parties that they were collaborating with the extremists in Punjab. The Prime Minister should make a statement in the House on this subject and opportunity should be given to the House to discuss the statement.

SHRI UTTAM RATHOD (Hingoli) : Sir, I want to make the following submissions :

1. Most of the States are facing drinking water difficulties in the rural and urban areas due to scanty rains during September, 1984. Maharashtra State is

worst affected. It is beyond the financial resources of any State government to supply drinking water facilities to its people and the cattle population, unless the Central Government helps these States with adequate funds and equipments like rigs and blasting machines are given to the States to overcome this difficulty.

2. The prices of raw cotton should be linked with the finished goods. There has been a constant demand with regard to this which has been accepted by the Agriculture Ministry but refused by the Commerce Ministry. The Government should make a statement on this showing the reasons why this cannot be done.

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : Sir, during the Budget Session, members have ample opportunity to ventilate their grievances during the general discussion on Railways and General Budgets. Demands for Grants and the Finance Bill. However, as per past practice, these will in due course be considered by the Business Advisory Committee.

BUSINESS ADVISORY COMMITTEE

Second Report

[English]

THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD) : I beg to make :

“That this House do agree with the Second Report of the Business Advisory Committee presented to the House on the 14th March 1985.”

MR. SPEAKER : The question is :

“That this House do agree with the Second Report of the

Business Advisory Committee presented to the House on the 14th March 1985.”

The motion was adopted.

ELECTIONS TO COMMITTEES

(i) Coffee Board

[English]

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A.SANGMA) :

I beg to move the following :

“That in pursuance of sub-section (2) (b) of Section 4 of the Coffee Act, 1942 read with rule 4 (1) of the Coffee Rules, 1955, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Coffee Board, subject to the other provisions of the said Act and the Rules made thereunder.”

MR. SPEAKER : The question is :

“That in pursuance of sub-section (2) (b) of Section 4 of the Coffee Act, 1942, read with rule 4(1) of the Coffee Rules, 1955, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Coffee Board, subject to the other provisions of the said Act and the Rules made thereunder.”

The motion was adopted.

(ii) Rubber Board

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

Sir, I beg to move :

“That in pursuance of sub-section (3) (e) of Section 4 of the Rubber Act, 1947 read with rule 4(1) of the Rubber Rules, 1955, the members of this House do proceed to elect, in

such manner as the Speaker may direct, two members from among themselves to serve as members of the Rubber Board subject to the other provisions of the said Act and the Rules made thereunder.”

MR. SPEAKER : The question is :

“That in pursuance of sub-section (3) (e) of Section 4 of the Rubber Act, 1947 read with rule 4(1) of Rubber Rules, 1955 the members of this House do proceed to elect, in such manner as the Speaker may direct, to members from among themselves to serve as members of the Rubber Board, subject to the other provisions of the said Act and the Rules made thereunder.”

The motion was adopted.

(iii) Tobacco Board

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA):

I beg to move :

“That in pursuance of sub-section (4) (b) of Section 4 of the Tobacco Board Act, 1975, read with rules 3 and 4 of the Tobacco Board Rules, 1976, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to serve as members of the Tobacco Board, subject to the other provisions of the said Act and the Rules made thereunder.”

MR. SPEAKER : The question is :

“That in pursuance of sub-section (4) (b) of Section 4 of the Tobacco Board Act, 1975, read with rules 3 and 4 of the Tobacco Board Rules, 1976, the members.....”

PROF N.G. RANGA (Guntur) :
Sir, before you put it to vote, I have a

few remarks to make. For a long time we have been asking for an amendment of this Act, so that the quantum of representation given to the growers could be suitably increased. Things are now at such a stage that it is only the non-producers' section which are almost overwhelmingly represented on this Board, with the result that the Board has not been able to function as satisfactorily and as effectively as it should, so far as the growers are concerned, amendment of this Act is long overdue. The quantum of representation to the growers should be increased twice as much as it is today.

Therefore, Sir, I would like my hon. friend to take this into consideration and see that at an early stage an amending Bill is brought forward to see that the quantum of representation given to the growers is increased suitably. Thank you.

SHRI SUDINI JAIPAL REDDY :
We want the hon Minister to react on the point raised by Prof. N.G. RANGA.

MR. SPEAKER : You react favourably to it ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND SUPPLY (SHRI P.A. SANGMA) :
We will look into it, Sir.

PROF. MADHU DANDAVATE :
Has he agreed to be a reactionary :

MR. SPEAKER : Now the question is :

“That is pursuance of sub-section (4) (b) of Section 4 of the Tobacco Board Act, 1975, read with rules 3 and 4 of the Tobacco Board Rules, 1976, the members of this House do proceed to elect, in such manner as the Speaker may direct, two members from among themselves to served as members of the Tobacco Board, subject to the other provisions of the said Act and the Rules made thereunder.”

The motion was adopted.

12.17 hrs.

DISCUSSION ON REPORT OF THE NATIONAL TRANSPORT POLICY COMMITTEE - contd.

[English]

MR. SPEAKER : The House will now take up further discussion on the Report of the National Transport Policy Committee, laid on the Table of the House on 12th August, 1980.

Shri Erasu Ayyapu Reddy was on his legs. He may continue.

12 18 hrs

[MR. DEPUTY SPEAKER *in the Chair*]

SHRI ERASU AYYAPU REDDY (Kurnool) : Mr. Deputy Speaker, Sir, yesterday I was speaking about the the need for the improvement of the rural transport system.

Sir, it was stated by the Committee that there were about 15 million bullock carts and they are serving rural transport. The Committee has also stated that four lakh villages are not connected by Fair Weather Roads. Therefore, in order to improve transport facilities, it is necessary to have sufficient Rural Link Roads.

Unfortunately, the provision of Rural Link Roads has been thoroughly neglected. The Union Government and the State Governments are not at all concerned with the laying of these Rural Link Roads. This task, if I may say so, is mostly left to local bodies, namely, the Samitis and Zilla Parishads, that is, the Block Development Institutions. The net result is this. Today we are not having sufficient Rural Link Roads. Even during the last five years, Rural Link Roads have not come into existence at all.

Sir, it is rather very unfortunate that today there are many villages in India where the villagers have necessarily to sell their produce during the Months of March, April and May. Otherwise they are prevented from selling their produce because as soon as the monsoon sets in,

[Shri Erasu Ayyapu Seddy]

the village is cut off and communication to the village becomes difficult. It is known to all that such villages exist in all parts of the country and in every State. I hope that in the Seventh Five-Plan necessary provision will be made for Rural Link Roads as a measure of Rural Reconstruction. I hope that necessary attention will be bestowed on this aspect. We have to devise some separate type of motor vehicles for facilitating the transport of passengers and goods in all our rural areas.

Then, with regard to the bullock-cart itself, it has to undergo a drastic change. Of course, there have been a number of research centres. But there is a great need to have a research centre with regard to the bullock-cart. No concrete proposal has come up with regard to bullock-cart. Now, changing this bullock-cart is essential in order to make the vehicle light as well as make the vehicle which has pneumatic type. All that I can say is that if urban India is to go into the Twenty-first century, the most unfortunate part would be that about three lakh villages would come into the Twentieth century. The total loss on account of lack of rural link roads and proper communication and transport facilities in the villages on the agricultural sector would be enormous. Unfortunately, nobody seems to have studied this aspect of the problem.

Then, Sir, with regard to the road transport, during the last five years, there has been an enormous increase in the number of vehicles plying on the roads. The density position of these vehicles which have been registered on account of the growth of economic activity in various fields is quite phenomenal. But, unfortunately, there has not been a corresponding increase in quality and quantity of the National highways and the State highways or the rural roads. The breadth and length of these roads have not at all increased. The net result is that more and more number of vehicles are plying and the frequency is greater. The net result is that today the road accidents have become quite common. In fact,

no day passes without a road accident being reported. Even in today's paper in 'The Indian Express' we have got a news item in this regard. This has happened in the city of Delhi and they say that four persons were killed including a 2 1/2 Year-old girl in road accidents in different parts of the city in the past 24 hours. Now, more people are dying on the roads of our national highways and the State highways than in our hospitals. The net result is that road transport has become more risky. The air transport, road transport and the railway transport are in a very unfortunate situation. But nobody seems to be worried as to why so many road accidents are happening and what ways and means have to be devised for the purpose of avoiding these road accidents. Now, the enormity of the road accidents is very much felt and it has become the subject matter of the discussion.

On the 'Holi' day, I had the occasion to watch a 'kavi sammelan' from Lucknow Doordarshan. In fact, one of the humorous skits, that was put out on that day was about a passenger who died in a railway accident was immediately sent to 'Naraklok'. There he was telling the Yama Dharma Raja that he was able to travel through the river 'Vaitherani'. The skit was quite excellent to watch and Yama Dharma Raja was looking physically at 'Chitrugupta' and Chitrugupta replied that he was a Third Class passenger from Hindustan. That was one of the humorous skits shown in the 'kavi sammelan' on Lucknow Doordarshan on 7th of March, that is, on the 'Holi' day.

'MR. DEPUTY-SPEAKER: There is no Third Class in the Railways now.

AN HON. MEMBER: That is now equated to Second Class. That is upgraded.

SHRI ERASU AYYAPU REDDY: The urban transport especially in top cities has become so congested that the time that it used to take from one point to the other has almost doubled or tripled. As a matter of fact, traffic jams have now become quite common.

Unfortunately, the municipal laws or the other laws have been revised for strict enforcement, so that there are no traffic jams and accidents in urban areas.

The taxation policy in respect of motor vehicles has to be revised from a national point of view. Various States are having varying types of taxation. In fact, motor vehicle taxation is one of the rich resources for the States. May be, it is an item which occupies third or fourth position so far as State resources are concerned. But on account of the varying types of taxation on motor vehicles, there are a number of difficulties. In order to resolve these and have a uniform code of taxation, the Centre must devise a procedural system by which there is a correlation between the taxation policies of the various States.

The Committee has mentioned in its report about the various methods of transport and it is essential that there should be an expert Standing Committee at the Central level so that they can allocate and regulate different types of transport for various types of passengers. Unfortunately, transport in India for a Common man has become very costly compared to other countries. In fact, if we judge the civilization of a country or a State, transport system is one of the indices and methods by which the civilisation or the standard of living of a State is judged. We cannot compare ourselves with Japan, USSR or USA in the matter of transport. In the western countries, the transport is cheap and efficient. As I said, it is necessary to have an expert body at the Central level. The Committee itself has recommended aerial ropeway transport especially for the purpose of facilitation transport in hilly areas. India has to go in some day or the other for ropeway transport. There is no other escape, because land has become very costly; it has become very precious. There has been great resistance to land acquisition for laying of roads and railway lines. Therefore, a suitable method has to be devised by which at least bulk of goods can be transported by aerial ropeways, and the heavy vehi-

cular, lorry traffic can be reduced. The Committee has found that it is economically viable also especially in hilly areas. If the distance by road in a hilly area is 10 kms, the distance, as the crow flies, will be only 1 km. It is, therefore, essential that the recommendations of the Committee for going in for ropeway transport should be examined and a department opened for that.

Further, they have also said about the pipeline transport for industrial goods. That also has to be considered, so that industrial goods and raw material can be transported through pipeline. By that, many of the transport bottlenecks can be avoided.

On the whole, the report of the National Transport Policy Committee has to be implemented and there must be a Standing Committee for looking into this matter.

I thank you for giving me this opportunity. In conclusion, I would say, as the air hostesses say :

[Translation]

“Wish you happy journey”

[Translation]

SHRI MOOL CHAND DAGA (Pali)
Mr. Deputy Speaker, Sir, road accidents are taking place daily which result in loss of human lines. I am not speaking only about Rajasthan. I want to place before you some extracts from the Statement given by Shri Ansari in the House in regard to road accidents in whole of the country. It read as followg :-

[English]

“A total of 2,395 were killed and 11,229 injured in 11,286 road accidents in Delhi during the years 1983 and 1984, the Minister of State for Transport and Shipping, Mr. Z.R. Ansari informed the Rajya Sabha today.”

[Translation]

This is the speech made by you in the House. I want to place some extracts taken from the speech made by Shri

[Shri Mool Chand Daga]

Ansari in this House in 1983 wherein it has been mentioned.

[English]

“Road traffic in India kills about 25,000 persons annually. This was stated by Mr. Z.R. Ansari, Union Minister of State for Shipping and Transport, while inaugurating the 108th Council Meeting of the Indian Roads Congress here on Sunday. Describing road accidents as a scourge of modern civilisation, he told the delegates “let nobody accuse you of making roads death-traps.”

[Translation]

You have made both these an Statements in Parliament according to which an average three persons are killed daily in road accidents. There are all types of vehicles in Delhi. When a person is killed in a road accident, the plight of his relatives can be imagined. This should not be taken lightly. The lacunae has been that the government does not pay due attention to this problem. The government should pay due attention to the transport policy.

Besides, I want to bring the latest report of the Estimates Committee to your notice in which it has been stated that the Planning Commission does not provide funds without which it is not possible for the Ministry to provide either roads or make any alternative arrangements. In the 59th report, 1983-84, of the Estimates Committee it has been stated that —

[English]

“The Committee are informed that the Ministry of Shipping and Transport had identified 322 by-passes which were required to be constructed in the country to enable smoother flow of fast moving traffic on the National Highways in view of acute congestion in urban areas. The Committee would like the Ministry to

undertake an economic cost benefit analysis. But that has not been done.” Secondly,

“The Committee find that as against the assessed need for the construction of about 400 road overbridges on the National Highways at the beginning of the Sixth Plan period, only 60 road overbridges were included in the Sixth Five Year Plan and only 9 road overbridges have been sanctioned during the first three years of the Plan.”

[Translation]

So, Mr. Ansari, when you place demands for 400 overbridges and the Planning Commission does not provide funds for it, then work on very few projects is started; overbridges are not constructed and roads are not widened. Then you bring out a report in which you say that this policy has been chalked out. This policy is useless if it is implemented fully or funds are provided by the Planning Commission for it. Such reports should be put in the shelves if it is not possible to implement them in the absence of funds. The same thing has been said in the report of the Estimates Committee that the Planning Commission has not provided funds for it, what can we do. Against demand for funds for 400 overbridges it has been admitted by you that only 6 overbridges have been completed. Even in this situation you propose to enact a new legislation and talk of removing encroachments. So far as Uttar Pradesh is concerned, the number of encroachments on roads is more than Rajasthan. It should be more in U.P. because Uttar Pradesh is a big State.

You had to make amendment to the National Highways Act to remove those encroachments. But after 1956 no amendments have been made in the said Act.

SHRI GIRDHARI LAL VYAS (Bhilwara): you should speak about Pali road in which you are interested.

SHRI MOOL CHAND DAGA : It is not a question of Pali road. I am think-

ing of saving people from death. Today, newly married people become victims of accidents and their widows are left weeping. I thank Prof. Madhu Dandavate for drawing attention to an important subject that 25 thousand persons become victims of road accidents. How many people become victims of accidents daily is an important question which you have taken lightly. This is a serious matter. You are not amending the Act. Does it involve any expenditure? It was proposed to make an amendment to the Act in 1954 but what are the reasons for not bringing forward an amendment?

[English]

In this connection, it is stated here :

“The Committee are informed that the National Highways Act 1956 would not serve the purpose and a separate legislation for dealing with these problems is necessary.”

[Translation]

You say that you have written to the States and they have not sent replies. Only some States have sent replies and the rest have not even replied. Such is the way of working and you are talking of safety.

The foremost thing is that daylight hold-ups take place on the roads. It is generally seen that a number of policemen are present on the roads but they demand tax. They are committing open robbery. The motorists have to pass through great ordeal. An eye is constantly kept on all the persons passing through the roads.

Regarding octroi I want to know when it will be abolished? The former Prime Minister had recommended :-

[English]

“Octroi has been described as a ‘regressive levy’ by the Prime Minister while addressing the Chief Minister’s Conference on 16 September 1980; She further stressed the need for its abolition on a time-bound programme.”

This was the statement made by the ex-Prime Minister; and how far has it been implemented? It is further stated here :

“In your address at that conference, you had accepted that ‘in the case of octroi, the only rational step in this direction would be its abolition’ and had desired that the Chief Ministers should ‘look at this problem in proper perspective and take a decision here and now for abolition of octroi from a firm deadline, say 1st April 1981.’.....

[Translation]

The former Prime Minister had decided that by 1981 octroi should be abolished.

[English]

This was stated before the meeting of the Chief Ministers. What has happened? It is also stated here :

“...‘and this time we shall not take it as a joke.’ We would urge that you may pursue this issue with the States. The levy not only affects the smooth flow of road transport but also costs the operators heavily in terms of loss of vehicle hours due to their detention and wastage of costly and precious fuel.”

[Translation]

The year 1981 was fixed as deadline for abolishing octroi but nothing has been done till date.

It is necessary to make amendment in the Motor Vehicles Act, 1939.

It is said that the policemen present on the roads demand money. I can tell you its solution which appeared in the ‘Hindustan Times’ issue of 10th September 1984. The policemen present on the roads demand money. Today it is difficult to ply vehicles. Would you please tell us whether there is no money available with your department. And

[Shri Mool Chand Daga]
road tax evasion amounting to Rs. 50 crore has been mentioned therein.

[English]

There is a news item in *The Hindustan Times* dated 10.9.1984.

The heading is : "Robbery on the roads." It reads as follows :

"Nothing can be more scandalous than the reports of massive road tax evasion amounting to Rs. 50 crore."

Then it further reads as follows :

"It is an open fact that employees of the State Transport Department have been indulging in all kinds of malpractices and issuing forged licences. It is also a fact that corruption is rampant in the State Transport Directorate."

[Translation]

Today who will dare say that road transport is functioning well.

Mr. Deputy Speaker, Sir, I do not know whether your roadways transport is running on profit or loss. No one is earning profit. It is incurring losses to the tune of crores of rupees.

[English]

I have not read the whole paragraph. It reads as follows :

"It is an open fact that employees of the State Transport Department have been indulging in all kinds of malpractices and issuing forged licences. It is also a fact that corruption is rampant in the State Transport Directorate. It is also widely known that defective vehicles are being issued roadworthiness certificates for a consideration. The complaints of harassment are well known to those who have to deal with the department. In brief, the State Transport Department in the Capital

stinks with corruption, inefficiency and serious financial lapses. In brief, it is in a virtual mess. One wonders why the government has not so far exposed those responsible."

[Translation]

If the Transport policy is formulated by such a Department, nothing will be done satisfactorily. Yesterday, you were saying that alongwith the efficient running of roadways we will have to look into the running of uneconomic trains also which are incurring a loss of Rs. 49 crores.

[English]

This decision was taken in 1973, but it has not been implemented. It is discontinued. It is not being done.

[Translation]

It has been stated that the Department of Transport is vigilant. In what way it is vigilant when there is no coordination. Mr Ansari will say that our Transport Department is earning money but railways are not giving assistance. Which of his department is functioning efficiently? He has stated that the transport is running in loss. Uneconomic railway lines should be closed but nothing is being done in this regard. The Report is before you. I am reading out from it to show how work is being done. Only God knows how it will be done.

[English]

I am quoting from page 97 of the Explanatory Memorandum on the Railway Budget (1984-85). It reads as follows :

"On the recommendations of the Administrative Reforms Commission and the Railway Convention Committee, 23 uneconomic branch lines were identified as fit for closure and the matter was taken up with the State Governments :"

[Translation]

I feel that a good transport policy can be formulated for the country

wherein maintenance of roads and construction of roads in villages can be provided. This Report on transport policy is alright, you may consider it but in the present age, transport should be given high priority. Planning Commission should provide more funds, corruption should be weeded out and the Motor Vehicles Act and the National Highways Act should be amended. If you take these steps, only then you will be able to implement it, otherwise you will have to suffer losses to the tune of crores of rupees and you will earn a bad name also. I would request Shri Dandavate to think of getting another report prepared as there has been no implementation of this report since 1980.

*SHRI R. ANNA NAMBI (Pollachi) : Hon. Mr. Deputy Speaker, Sir, on 12th August, 1980 the National Transport Committee submitted its report. After nearly 4-1/2 years this Report has been taken up for discussion in this House. On behalf of All India Anna D M.F. to which I have the honour to belong. I welcome this and wish to say a few words.

Sir, it is really regrettable that the Government has not formulated a national transport policy, which is the basis for the success of industrial and economic policies. The very fact that the report of the National Transport Committee has been taken up for discussion so belatedly goes to prove the absence of a national transport policy. But I am sure that the Central Government headed by our dynamic Prime Minister Shri Rajiv Gandhi will make up for this delay and ensure successful implementation of a national transport policy as and when it is formulated. Sir, we have completed Six Five Year Plans and the Seventh Five Year Plan is on the anvil. I suggest that the first year of the Seventh Five Year Plan must begin with a pragmatic national transport policy. This discussion now augurs well for such a beneficial consequence.

*The speech was originally delivered in Tamil.

National Highways, Coastal Shipping, Inland Water Transport Air Transport and Railway Transport are the principal components of a transport policy. Undoubtedly, national highways and railways have made significant progress during the past three and half decades and more after Independence. At the very outset I have to refer to the lop-sided development of Railways and National Highways in the country. During the past ten years no national highway has been constructed in Tamil Nadu, the Government of which has been endeavouring to implement the transportation programme through roads effectively and efficiently. The Transport Corporations of Tamil Nadu are known for effective and profitable functioning. Yet, the Centre has not paid attention to construct the East-Coast National Highway, which is strategically important for the country as a whole. This road will also open up backward areas in the country for economic development.

Here it is necessary to refer to the requirement of massive money for the development of Air Transport and Coastal Shipping. Similarly for the development of Railways we do want substantial sums. But for national highways we do not need so much money. I take this opportunity to demand that the Centre should allocate money to Tamil Nadu for national highways, particularly when the Government of Tamil Nadu have got excellent record of maintaining State Highways. This must be looked into by the Hon. Minister of Transport.

I would take this opportunity to refer to the railway bridges. I am sorry that the Railway Board has not taken direct interest in their construction. I have to apprise you of the fact that during the recent cyclone in South, the old Railway Bridges constructed by the Britishers withstood the onslaught of cyclone, but the new bridges have been washed away. This shows that greater attention should be paid to the construction of railway bridges so that they survive such natural calamities. The Railway Board should take direct and personal interest in this matter.

[Shri R. Anna Nambij]

Coming now to the Inland Water Transport, sufficient attention has not been paid to this. By constructing small mechanised boats and by modernising the traditional catamarans, we will be able to develop inland water transport. We should do this in a massive manner. The Inland Water Transport authority should be expanded and strengthened. A detailed inland water transport policy should be formulated and implemented throughout the country. This can be done only when the inter-state rivers are nationalised forthwith. The Constitution, if necessary, should be amended for this purpose. I demand that the interstate rivers should be nationalised for the purpose of developing inland water transport.

Sir, it is axiomatic that only when there is an effective national transport policy, the industrial development and the agricultural development of the country can be sustained and their tempo maintained. In the first Five Year Plan the allocation for transport was 20% of the total plan. In the 6th Plan it has dropped to 12%. In many five year Plans scant attention has been paid to the development of inland water transport. It is necessary to point out the vital role being played by the national highways. Though the roads are just 6.1% of the total route mileage, yet they carry 40% of the transport. In this background we have to invest more money on the development of roads. Similarly, the national asset of our rivers should also be utilised better for transportation purposes.

I am constrained to refer to Tamil Nadu because of the stupendous progress that has been made by the Government headed by our Parachi Thalaiyar Dr. M.G.R. 60% of the bus transport has been nationalised. All the villagers in Tamil Nadu have got link roads and they are connected by bus-routes. The Transport Corporations are serving the needs of rural masses. Out of 11 Transport Corporations, 10 corporations are functioning profitably. I suggest that the Centre should ensure that the other States emulate the example of

Tamil Nadu in this matter. I may take this opportunity to demand that more financial incentives are needed to be given by the Centre to Tamil Nadu for strengthening further the States Transport Corporations.

Before I conclude, I would refer to the vital role being played by bullock carts in the rural economy of our nation. They are about 150 lakhs in number. They have to be modernised in order to ensure that our villages also enter along with urban areas the 21st Century. With these words I conclude my speech and resume my seat.

[*Translations*]

SHRI GIRDHARI LAL VYAS (Bhilwara) ; Mr. Deputy Speaker, Sir, the National Transport Policy is being discussed in the House. First of all I would like to submit in this regard that the importance and priority which should have been given to transport, has not been given from the First Five Year Plan to Sixth Five Year Plan. This is being particularly felt because with greater development, increase in industries, agricultural output and around progress, greater difficulty is being experienced in transportation of goods. If we look into these difficulties vis-a-vis our Railways, motor transport system shipping and air services, pipe line or rope link system, we find that all these services are inadequate. With the increase in the pace of development, there will be rapid increase in the pace of industrialisation and by 2000 A.D. all these transport systems will not be able to cope with the development. This will cause a big setback to our progress. The Planning Commission should, therefore, be particularly careful to give same priority to transport as has been given to irrigation and power and only then it will be possible to maintain the pace of development of the country. But if you make a comparative study of the allocations made for transport from the First Five Year Plan to the Sixth Five Year Plan vis-a-vis irrigation and power, you will definitely feel that Planning Commission has not paid any attention to transport which has hampered the pace of progress of country.

Therefore, this matter should get special attention.

I would like to say something about Railways particularly. The Railway is our biggest transport system, be it transportation of goods or passengers. There has not been desired development in this regard even after 37 years of independence. In the Budget presented by the hon. Minister of Railways yesterday, there is provision of only two new railway lines of 50 kms each whereas surveys have been made for more than 100 lines. Demand for new railway lines has been coming from all over the country. People are asking for new railway lines so that their areas can be developed, industries can be set up there, their economic condition can be improved and poverty can be removed. But without funds, these things cannot be done and the Government of India or the Planning Commission dose not provide sufficient funds to the Railways to enable them to lay new railway lines, replace the old tracks, which is the cause of accidents, or repair or replace obsolete coaches, which are so old that they catch fire while moving. There is great need to set up new wagon factories. We should think of measures to remove shortage of wagons and carriages. Only then our means of transport, through which we want to take our country forward, will be successful.

In this connection I would like to state the position specially about Rajasthan. In Rajasthan you have been able to provide only two Railway lines, i.e., Suratgarh-Anupgarh and Chittor-kota. Kota-Chittorgarh line has been provided because there are cement factories in that area but the central part of Rajasthan is lying underdeveloped where no railway line has been laid till daty and for which we have been making a demand for several years. We had also demanded that a separate zone should be formed for that area because the area is served by metre-gauge line, to which Government of India and the Planning Commission have not paid any attention. Formation of a separate zone will help in more development of Rajasthan and

laying of new lines will be considered independently which will speed up our economic development. I would also like to submit that several surveys for new lines have been conducted in our area but due to paucity of funds those projects are lying unimplemented. Planning Commission is not prepared to provide funds for them with the result that no new railway line has been laid. The hon. Planning Minister is sitting here and I would like to make a special request to him that all the surveys made so far in Rajasthan should be approved so that Rajasthan also marches ahead on way to progress.

Geographically, half of Rajasthan is mountainous and the remaining half is desert. The economic development of a small area, like the constituency of Shri Natwar Singh, can be speeded up but if the remaining area which is mountainous or desert is not developed, the whole of Rajasthan will lag behind. The rest of the country is progressing and if nothing is done in our State, it will remain backwards. I, therefore, request particularly the Minister of Planning, Mr. Narayanan to pay attention towards it and sanction funds for those railway lines in Rajasthan for which survey has already been completed so that construction of railway lines there is speeded up.

Moreover, I would like to submit that Planning Commission should make provision for building carriages. The condition of carriages, is so bad that incidents of fire in them is a daily occurrence. Hence, new factories should be set up for building new carriages. At present, such a factory is functioning at Madras.

[English]

MR. DEPUTY-SPEAKER : Do you want to continue your speech ?

SHRI GIRDHARI LAL VYAS : Yes.

MR. DEPUTY-SPEAKER : You may continue your speech after lunch. Now we adjourn for lunch, to meet again at 2 p.m.

13.01 hrs.

(The Lok Sabha then adjourned for lunch
till Fourteen of the Clock)

14.05 hrs.

(The Lok Sabha re-assembled after Lunch
at Five minutes past Fourteen of
the Clock)

[SHRI SHARAD DIGHE in the Chair]

[Translation]

SHRI GIRDHARI LAL VYAS :
Mr. Chairman, Sir, I was speaking about the transport system, particularly railway lines in Rajasthan. The Planning Commission has not given its sanction to even one line out of those for which survey has been completed in Rajasthan. As a result lot of difficulties are being experienced in removing backwardness of Rajasthan. I, therefore, like to submit to the Minister of planning that we have submitted a proposal for conversion of Delhi-Ahmedabad line into a broad gauge line. This is a long route and large funds are required for this purpose. That is why it has not been sanctioned so far as a result of which development of the entire Rajasthan, Gujarat and Delhi as also the areas around it has been adversely affected.

A demand is being made to convert the small line between Kota and Devgarh into broad gauge line, survey for which has already been completed. If Kota-Udaipur line, in respect of which survey has been completed upto Devgarh, is extended upto Ahmedabad, it would help in the development of this entire area. Similarly, survey of Toda-Raisen-Nathdwara line is still pending. Similarly, the demand for Lambia-Beawar line is still pending consideration. Not a single line has been sanctioned here as a result of which development of the entire area is getting blocked. I, therefore, request particularly the Minister of Planning to pay attention to this aspect and accord sanction to these lines so as to speed up the development of this area.

I Submit that with the laying of railway lines, the shortcomings existing

in Railways should also be removed. There is shortage of goods wagons. A great difficulty is being experienced in transport even top-priority goods like, coal, foodgrains and fertilizers due to shortage of wagons. The number of railway lines and the number of trains should be increased in proportion to the rapid increase in traffic as well as population. New trains are not being introduced due to shortage of coaches, thus causing inconvenience to the people. Augmentation of trains is held up due to shortage of coaches. The case for setting up of a new coach factory has been pending with the planning Commission for a long time for its approval. More trains can be introduced with the setting up of this factory.

Similarly, there has not been any proper development of roads particularly in rural areas. I would like to mention about the National Highways. One of the National Highways in Rajasthan has been constructed from defence point of view only and is in no way related to the development of the state. There are only two national highways. One is from Agra to Bikaner and the other is from Delhi to Ahmedabad. Beside these, two more National Highways should be constructed in Rajasthan. One should be constructed from Ajmer to Bombay via Indore. There is heavy traffic on this line. No other road has got so much traffic as this national highway. The government of Rajasthan has urged the central government to construct this national highway, but no action has been taken so far in this regard. Similarly, the road between Ajmer and Ahmedabad via Pali is a very busy road. Traffic is heavy on this road also. If these two roads are converted into national highways they would definitely be very much beneficial.

A few Members from the opposition have said that villages should be linked with roads. Roads should be constructed in rural areas. No attention has been paid towards this aspect. In the Fifth Five year plan and the Sixth Five year plan, we had made provision to link all villages with a population of

fifteen hundred by fair weather roads. A lot of work was done in this respect but development was not to the desired extent. Therefore, arrangements should be made in such a way that villages are linked with each other and these should be linked by pucca roads so that desired transport facility can be provided and development of the area can take place at rapid speed.

I would like to make a mention about our ports also. Their development is a must. There is heavy congestion in Bombay Port. All the incoming ships have to be detained there for 15 days to one month which results in payment of several charges. Other ports may also be developed so that the ships which cannot find berth at Bombay or Madras can find place there and are not detained unnecessarily. Similarly, coastal lines are not functioning properly. Last time, when we went to Andaman and Nicobar, no ship was available for 15 days. Essential commodities, like kerosene, etc. do not reach these in time. The ship leaves from Calcutta but it cannot reach there in time due to labour problem. I would like to submit that there is an absolute necessity to remove this mismanagement so that development can be made with rapid speed. I would like to read the last para of this report. It says :

[English]

“We are convinced that transport is a vital infrastructure facility for sustained economic growth even for development of core sectors such as power and irrigation. And that inadequacy of transport leading to bottleneck distorts the entire range of economic and social activity and causes overall shortages.”

[Translation]

It has been a great hindrance to our development. The transport system should be accorded the same priority as has been given to power and irrigation sectors, so that our requirements are fulfilled.

SHRI ABDUL RASHID KABULI (Srinagar): Mr. Chairman, Sir, with regard to the motion moved by Shri Dandavate for discussion on Transport Committee's report, I would like to submit that there are many shortcomings in the transport system of the country and the worst affected areas are backward areas and hilly areas. The State of Jammu and Kashmir is one of them. I would not draw attention to other points, because almost all the important points have already been covered by other Members. I would like to draw the attention of the hon. Minister specially towards the State of Jammu and Kashmir. I would like to submit that the State of Jammu and Kashmir is entirely a hilly area. All the beautiful areas and densely populated areas are cut off by the mountains and they are inaccessible even today when the twentieth century is coming to a close.

The transport problem is a hindrance not only to the social progress of the people of the State but also to the development of their cultural ethos. Their economic condition is very miserable. I would like to point out that the State of Jammu & Kashmir has three regions. Jammu region has Rajouri, Poonch, Doda border and Udhampur areas. So far as Kashmir is concerned it is entirely a hilly terrain. In between there is a valley known as the Kashmir Valley where most of the people live in hilly areas. Ladakh region is totally cut off. If a match box costs ten paise in Delhi or Jammu, it costs not less than fifty paise in Ladakh.

I would like to point out that the people of these areas are very backward and they are not able to get due share in the progress and prosperity of modern India. This fact has also been mentioned repeatedly in the State Assembly and we have requested the Centre time and again that for the development of the State of Jammu and Kashmir, it is absolutely necessary to have a network of roads there. The revenue of the State is very meagre and is inadequate to meet the expenditure to lay a network of roads there. There is an acute

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[Shri Abdul Rashid Kabuli] shortage of resources in the State. If you visit Rajouri or Poonch area sometime, one look at the place reveals that even in this twentieth century, the condition in those areas is so miserable and there is so much backwardness and poverty that the State of Jammu and Kashmir regarded as a beautiful valley, is actually very backward. This unfortunate condition of the State is inevitable because of lack of transport facilities there.

The prices of essential commodities, which reach there from other States become two to four times costlier. Besides, sometimes there is an acute scarcity of these commodities also. During winter season, the road leading to Banihal is often blocked and as a result food articles coming from other States are also held up. I would request the hon. Minister to pay attention to these aspects also.

There are three aspects which should be taken into consideration while developing transport system in the State. The first basic point is that there are plenty of forests in the State but there are no approach roads to those forests. These forests are being denuded, but Government is unable to keep a watch due to lack of transport facilities. These areas are either on the border of Pakistan or China, but being inaccessible the forests in these areas, which are valuable assets, are being destroyed. Due to lack of transport facilities forest wealth is not being properly exploited and the State is sustaining huge loss. Resin and forest based as also forest-oriented industries could be set up there and we could derive benefit out of those industries, but due to lack of transport facilities, we have not been able to derive benefit so far. It is therefore necessary to construct roads in that area.

Moreover fruit worth crores of rupees are grown in our State every year but cannot be transported to other States of the country due to lack of transport facilities and railway lines. There are few transport agencies, on which we have to depend for the purpose. Due to utter lack of transport facilities, fruit

growers have been suffering loss to the tune of crores of rupees every year. Fruits worth crores of rupees perish and cannot be transported to other states. Whenever the fruit season starts after September, demand for transportation also increases, which leads to exploitation by middlemen. As a result the fruit growers, who grow fruits with sweat and toil, are denied the benefit. The benefit of the fruits transported to Delhi, Calcutta etc. is derived by the middlemen and not by the growers.

I would therefore submit to the hon. Minister that it is very unfortunate for us that Banihal, which serves as gateway to Ladakh, is generally cut off during the winter season due to breach of road caused by landslides. There is land erosion and the road is damaged. You will have to find a solution to this problem. Before partition our fruit used to pass through Punjab and Rawalpindi served as our outlet. At that time Punjab was united, but now after 1947, Punjab has been divided and a large portion of Punjab has gone to Pakistan. Today Banihal road is our life line. If this road is blocked, our fruit is destroyed and fruit industry is also destroyed. The tourism industry on which we are totally dependent is also badly affected and our forest produce is also blocked. These products cannot be transported out of the State.

The goods, for which we are wholly dependent on Himachal, Punjab and Haryana, and the goods transported from Delhi particularly are held up in transit. I cannot explain the mental torture we suffer due to steep rise in prices and exploitation by middlemen.

You can yourself see the difficulties being faced by almost four million people living in the Kashmir Valley, Ladakh, Poonch, Rajouri or in the border areas, simply because the roads in these areas, get damaged during six months in winter.

We had, therefore, made a plea long back in this august House that the work on railway line upto Udhampur should not proceed at a snail's pace. It needs a lot of boldness and courage. You will have to accept this challenge

and ultimately, railway line will have to be extended upto Srinagar. Only then, the difficulties of the people, who are backward and whose entire economy is in shambles at present could be removed. These are the genuine difficulties which the people are experiencing whereas we put the blame that there is mental distance and lack of emotional integration. These people have been kept so much aloof that they are being denied the benefit of the economic development of the country and hence a situation of mental distance is developing in the area.

I would like to point out to the hon. Minister that our State is a very sensitive State. This border State is situated on the border of China, Pakistan and Afghanistan. Keeping in view this fact, you have to construct roads in these strategic hilly areas. This would not only be beneficial to the people of the State, but would also be beneficial to the Armed Forces, because they have to face the aggressor in this strategic area.

Our State is surrounded on three sides by other countries. I would also like to remind that when Qasim Saheb was Chief Minister, and I was just an MLA, it was demanded in the Legislature that Mughal Road should be opened as it would link Jammu with Kashmir. But it was said at that time that this road would provide easy access to the border area and it would be a risk to the integrity of the country and it is not in the interest of the integrity of the country, but after ten years Qasim Saheb himself said that Armed Forces had conceded that Mughal Road was essential for the defence forces.

I would like to submit that our State is backward—economically and culturally—and the transport system is lagging far behind. The hon. Minister should solve these problems of the State on top priority basis and sufficient funds should be provided in the Seventh Plan for removing our difficulties. That is my only submission to you.

SHRI HARISH RAWAT (Almora) :
Mr. Chairman, Sir, the National Transport Policy Committee had submitted

its report in 1980 and since then the Government have accepted some of its recommendations, but due to paucity of funds even the accepted recommendations could not be implemented. No doubt, there has been an increase in total investment from First Plan to Seventh Plan.

If 12 percent was allocated to the transport sector in the First Plan, I find, this percentage has been reduced successively for each plan after the Second Plan.

I would like to suggest to the Minister of Finance through the Minister of Planning that transport should also be treated as priority sector and its annual investment or plan investment should be raised. There is no coordination between different modes of transport. In order to have such coordination, there should be Inter State coordination and Inter Zonal coordination. But it is strange that three Ministries are looking after this work at central level, one is Ministry of Transport and Shipping another is Ministry of Railways and the third is Ministry of Civil Aviation. There appears to be no coordination among these three Ministries. All three of them should supplement one another's efforts. But, it seems all the three are in competition with one another. Suppose, one Ministry has good traffic flow, then the other Ministry wants to do business in the same sector. The result is that the backward, remote and hilly areas are being neglected and these Ministries have not been able to cater to the needs of backward areas. Their requirements should be met. Most of the stations of all the three services are being located in such places which are already developed and where industrial growth is taking place.

I do not think any of the recommendations of the National Transport Policy Committee in the matter of new railway lines has been accepted since 1980. They have suggested that new growth centres should be identified. At the same time, new railway lines should be laid to link remote and hilly areas. What to speak of laying new railway

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[Shri Harish Rawat]

lines, no survey for this purpose has been conducted in hilly areas, especially in northern India. Even in the projects which are already in hand, the progress is very slow.

I would like to request the hon. Minister that the third Airline should come forward to cater to the needs of hilly areas and at the same time, new railway lines should be laid in order to develop new growth centres.

One of the drawbacks in our country is that there is no long term transport policy. There should be micro level planning where each block may be treated as unit. We should start work on our transport development in the right earnest. But at present, even the district is not treated as unit what to talk of a block. Our entire transport policy is so oriented as to cater to urban needs.

Ring Railway has been constructed in Delhi. It is commendable. The people in urban areas can be provided with more and more facilities by developing the mode of transport existing there, but, the urban elite being a pressure lobby. They are being provided with facilities one after the other. This matter should be given due consideration.

I would also like to submit that we should adopt rural development transport policy instead of urban based transport policy, because 80 percent of the people live in villages. We have not been able to link even 450 villages with all weather roads and there are 3 lakh villages which have not been linked even with fair weather roads. I cannot give the exact number as this is the field of Minister of Planning, but according to my estimates, even today three lakh villages are such which are not linked with fair weather roads what to speak of all weather roads. I would like to request that adequate funds should be allocated to the Transport Ministry and to the departments looking after the work relating to the construction of roads in different States. Your target of linking village having population of 500 with roads at a

distance of about 2—2½ kilometres by the end of the century under Bombay Plan will require 15 thousand crores of rupees and this work will have to be executed through different agencies of the Central Government and the State Governments. You will have to start paying attention to it right now. It was said that all villages will be linked with pucca roads at a distance of four kilometres by the year 1981. Bombay Plan has come into operation but even today it is difficult to give the number of villages especially in hilly areas, where there is road upto 20-25 kilometres. Therefore, I would like to request the Ministry of Transport to expand the network of national highways to cater to the need of remote hilly areas. One or two national highways might have been constructed in the North Eastern region but other areas have been ignored. Our U.P. Government have sent a proposal seeking conversion of state highways into national highways. The Centre should give it a sympathetic consideration.

I would suggest that you should formulate a prospective road development plan for the next 15-20 years. At the same time, the loopholes in the Bombay Plan should be plugged. Besides, the policy regarding state and national highways should be so amended as to facilitate the development of backward areas. Today, the people coming from already developed areas can exist pressure and you come forward for their help, but backward areas remain neglected. Therefore, road plan should be formulated for their future development. Today, a lot of money is being spent on development of roads under Minimum Needs Programme, N.R.E.P. and a number of roads are also being constructed, but how will these roads be maintained? Thought should be given to this aspect also. The situation in our areas is that, link-roads are being constructed, but I am afraid, the top surface of the roads will be washed away with the first showers and as such their maintenance will become problem. This aspect also must receive serious consideration. I suggest that you should direct the State Govts. to deve-

top co-ordination amongst the organisations currently engaged on this work, such as, P. W. D., Panchayat Raj Department, Zila Parishads or other departments.

Today, the Government is laying much emphasis on environment and hills can play an important role in this respect. A lot of difficulty is being experienced in the matter of construction of roads in hilly areas due to Forest Act. It is necessary to pay attention to the construction of roads in hilly areas. I have repeatedly said that you construct roads there in such a way that half the road is carved by cutting and the rest half by filling, but I think, no research is being carried out in respect of hill roads as to how the roads can be constructed by cutting minimum of land.

In the end, I will conclude by adding only one point. Ropeways have been built in some of the coal field areas, but the areas where ropeways are needed most have been ignored. 16 per cent of the total area of our country is hilly area and in this 16 per cent hilly area, three to four ropeways had to be provided for different reasons. These have not been constructed from the point of view of development. If any State Government, whether it is Uttar Pradesh Government or Himachal Pradesh Government is asked to build ropeways. They come out with the plea that they do not have funds. They would not be able to construct them even in hundred years. I would like to request the Hon Minister of Planning and Minister of Transport both that the Central Government should assume the responsibility of constructing ropeways in the same way as construction of national highways in order to facilitate development of these areas.

[English]

SHRI GEORGE JOSEPH MUNDACKAL (Muvattupuzha) : Mr. Chairman, Sir, Kerala is the most densely populated State in our country and the rainfall is also very high there. But the condition of roads is very poor. We are very far away from Delhi and, as such, our State is neglected in the

matter of allotment of funds for the highways and construction of railway lines. There is much scope for water transport in the western parts of our State where there are back waters;

Last year very meagre funds were allotted for Madura-Cochin highway. I hope this year more funds will be allotted. This area earns the maximum foreign exchange for our country by exporting tea, coffee, pepper and cardamom. Hill tribes and Harijans live in this area and it becomes very difficult to transport these foreign exchange earning commodities to the harbour and towns. So, I request the Transport Minister to allot more funds for this Inter-State road and thus also help this backward area.

The biggest pilgrim centre in Kerala is Sabrimalai. No funds have been allotted to construct the Eremeli-Chalakkayam pilgrim road. I request the Transport Minister to allot funds for the construction of this road.

As far as Railways are concerned a step-motherly treatment has been meted out to Kerala. No funds for new railway lines have been allotted this year. We have got only 810 km of railway lines in Kerala whereas considering the population of 26 million people we have to get a share of 2,400 km. That means we have got only one-third of the all India level. There is also no railway industry, namely, wagon building or engine factories in Kerala. Some States have got two to three such industries whereas there is none in Kerala. Although we are thickly populated yet the progress on doubling of lines is very poor. The Railway Minister should allot more funds for this purpose. In the matter of electrification of railway track there is not an inch of railway line which has been electrified. The Kerala Government is even prepared to give 50 per cent subsidy on electricity charges vis-a-vis other States and, as such, I request the Railway Minister to electrify Calicut-Trivandrum railway line. Three weeks ago I gave a memorandum signed by 20 MPs from Tamil Nadu and Kerala for the Inter-State railway line of Madura-Cochin. Although the survey for this

[Shri George Joseph Mundackal]

line was completed last year, yet no funds have been allotted for the construction of this line this year. I request the Railway Minister to take up the Madura-Cochin railway line in this year itself. We are always neglected in the matter of railways and highways. Our rainfall is more. So maintenance of the road is very costly in our State. We earn lot of foreign exchange by exporting agricultural goods like pepper, tea, coffee and also cardamom. We are saving foreign exchange by producing rubber, cocoa etc. Otherwise we have to import these things and waste lot of foreign exchange. So, you have to give more consideration to Kerala. I request the Railway Minister and the Transport Minister to give more attention to Kerala. Sir, Assam was neglected for years. Now, because of the Assam agitation, more funds are allotted to Assam. Please don't create to situation like this in Kerala, I request that for the sake of the unity and integrity of India, you should allot more funds for the construction of railway lines and for maintaining more roads in Kerala. Thank you.

SHRI S. KRISHNA KUMAR (Quilon): Mr. Chairman, Sir, it is gratifying that the House has had an opportunity of discussing this vital policy document concerning a fundamental infra-structural feature of the growth of the national economy. It is also entirely appropriate that this discussion is taking place at a time when the whole country is geared to face the multitudinous tasks facing the nation when fresh ground is being broken, and new perspectives are being forged in the country's march towards the 21st century.

The development of transport in India has its origin in the machinations of a colonial power interested only in the law and order and its stranglehold on the country and also the transport of raw materials to the burgeoning industrial revolution in Britain and Europe. Now we have to develop a new perspective, the perspective of a modern nation marching forward to

a socialist economy. In this context it is disconcerting that while in the first Five year plan and the second Five year plan an average of 22% of the outlay was earmarked for transport, this has become attenuated to about 12 to 10 per cent in the 6th and 7th Plans. Some distortions are also evidence in the outlays within the transport sector itself. For instance there is continued decrease in the outlay for Railways which has fallen from 67 to 30 per cent within the public sector transport outlay itself as the five-year plans proceeded. Even within road transport itself the development of national highway has suffered comparative neglect with the national highway system bearing 25 to 30 per cent of the road traffic with 6 per cent of the total road mileage. Another distortion is the undue emphasis given to personalised motor vehicles as against public transport. The all-vehicle motor density per lakh of population has increased 6 times while the density of buses has remained constant. This points to lack of adequate emphasis on public transport. It is now time to introduce social control over the phenomenal growth of personalised motor vehicles and suitably change our planning to give due importance to pedestrians, to cycle owners who are 23 million in number and animal drawn vehicles which are 15 million in number and public transport.

Sir, these distortions are very evident in the State of Kerala. Kerala, has a service sector, dominated economy. The agriculture is stagnant, industry has failed to make rapid strides. But the service sector fueled by the Gulf remittances is expanding by leaps and bounds. Kerala is a rural-urban continuum and there is ribbon development along with the trunk railway routes. This is an ideal situation for developing a railway mass rapid transit system in the State. The Committee have expatiated on the energy efficient nature of the use of electricity and have strongly recommended that greater emphasis should be given to suburban railway traffic development. Kerala is a case in a

point where, on a State basis, this particular aspect needs greater attention.

Sir, Kerala has already its traditionally developed water transport system from Trivandrum to Manjeswaram with only small breaks. There is an already existing waterway which, if given a little attention, can be developed as one of the best waterway of the world. This should not be taken in isolation as a transport problem. This will also give a fillip to tourism development, harnessing the potential for tourism development in Kerala State. So, it is to be taken in an inter-sectoral perspective. As a first step, the State Government has requested that Quilon-Cochin waterway should be declared as a national waterway. I would therefore request the hon. Minister to give attention to this aspect. Cochin port which is a centre of Kerala's economic growth is constrained because of infrastructure bottlenecks. Yesterday, a mention was made about the Howrah Bridge. There is a similar bridge connecting the Cochin Port with the Islands and the mainland at Mattancherry. This bridge has already outlived its utility and can collapse at any moment. An alternate bridge has already been proposed and sanction for the same was accorded, but the work is stalled.

Sir, yesterday, Mr. K.P. Unnikrishnan had mentioned that some of the aspects of developmental schemes in Kerala especially the coastal road, Calicut, airport, etc. have not received proper attention because some of the Members in the Opposition hailed from that area. Perhaps he has put the cart before the horse. Some of us feel that it is because of the perception of the people in Kerala that such vital schemes have not received the attention they deserve that Members like Mr. Unnikrishnan get elected from the State. Thank you.

THE MINISTER OF STATE IN
THE MINISTRY OF PLANNING
(SHRI K. R. NARAYANAN) : Mr. Chairman, Sir, I am very grateful to the House for the very high level of discussion that has taken place here and for the constructive suggestions

given by the hon. Members on this important subject. Prof. Madhu Dandavate who initiated the discussion was present almost at the creation of this high powered Committee on National Transport Policy. It must have been a matter of satisfaction for him to see how this report was debated in this House, how constructively it was debated and also how exhaustively it was dealt with here. There has been a charge, in fact a repeated charge, that this report has been gathering dust in the archives of the Planning Commission. I should like to give some dates with regard to the report and the action taken to show the manner in which it was dealt with.

As the House knows, the Committee was constituted in April, 1978. It submitted its report in August 1980 and thereafter the report was placed on the Table of the House. Copy of the recommendations and plan of action on each recommendation was placed in the Library of the House in July, 1982. This fact was mentioned in response to a question raised by Prof. Madhu Dandavate in the House on July 21, 1982.

As regards the processing of the report, it was processed in a series of discussions with other Ministries as well as concerned people and the recommendations as well as the plan of action on each recommendation was cleared with the Cabinet. Thus, as far as dealing with the report is concerned, I think, it has been done in a serious and expeditious manner.

The report itself is a comprehensive one. In fact, it is so sweeping in its comprehensiveness that the report itself admitted that it is a perspective plan covering about ten years. At one place, the report even says that it is a report to deal with the problems raised until 2000 A.D. Such a report by the very nature of it cannot be implemented immediately. It can be implemented step by step by systematic and coordinated action.

This report came about at a time when the Planning Commission was

[Shri K. R. Narayanan]

engaged in a series of exercises about the 6th Plan. It was an opportune time. As a result, most of the ideas and recommendations in the report got incorporated into the 6th Plan itself. This is something that has not happened to many reports. Not only that, if one looks at the Approach Paper on the 7th Plan, you will find that some of the major ideas and recommendations in the report have also found their way into the approach paper and this might constitute part of the agenda for the 7th Plan itself. I am mentioning this because there has been no tardiness and reluctance in considering the recommendations of the report and in dealing with them frankly and seriously.

I would like to say what has been mentioned in the Approach Paper, which, flowing more or less from the report. The approach paper emphasises the need for integrated development for all modes of transport—it is one of the recommendations of the report—the need for energy, efficient modes of transport, the need for giving priority to investments for completion of on-going schemes which would readily and to transport capacity, the need for replacement and maintenance, the need for electrification, specially on high density roads, provision of public transport system for metropolitan cities and of aural roads through the Minimum Needs Programme. Almost all of them, in one way or the other, flow from the recommendations of this important report.

About the major questions dealt with in this report, I would like to take up a few of the more important one. First of all, there is the question of inter-modal mix of transport.

Prof. Madhu Dandavate talked about it and even mentioned how important it was to have such a mix, in fact such diversification of the modes of transport, so that we can not only meet the economic needs of the country but also the strategic needs by the method in which we mix the modes of transport.

In this Report itself, priority has been given to the development of railways. One of the main reasons has been the fuel crisis. As a result of this, it was thought that one of the most effective ways of saving fuel would be to develop railway transportation for passengers as well as the traffic in goods. Electrification of the railways was also suggested as an important measure.

Now, you might ask what we have actually done after accepting these recommendations. It is probably the crucial question. We cannot say that all these recommendations have been carried out in practice because by the nature of these recommendations, they are very long term recommendations and they can really be implemented in the long term. But with regard to electrification of railways, I might give the facts. The hon. Railway Minister is here and he may kindly correct or add to the facts that I am giving. 1600 km of railway lines have been electrified during the Sixth Plan. It is short of the target, but still it is a significant improvement in the electrification of the railway system.

AN HON. MEMBER : What is the target ?

SHRI K. R. NARAYANAN : Around 1800 KMs according to the Report. The Sixth Plan target was 2800 KMs. We have not reached the target. But as you know, between conception and execution, there always falls a shadow. It is a normal thing

PROF. MADHU DANDAVATE : There is always a slip 'twixt the cup and the lip !

SHRI K. R. NARAYANAN : It is not a slip. It is only a shortfall.

About some of the other recommendations, the Report recommended that cost-based traffic system should be introduced on the railway. You have heard the Railway Minister's presentation of the Budget yesterday. I think the House would agree that we have made some progress in that direction.

Another suggestion was about computerisation of goods traffic as well as passenger traffic. An important start has been made in this direction in some of our major railway stations.

Another one is regarding electrification, which I have already mentioned.

The fourth recommendation in the report was increase in the black rake loading on the railways. I understand that this is also a project which is being undertaken by the railways in a serious manner.

Now, many members have raised the question of development of the backward areas and especially, of the North Eastern Area, Kashmir and also other places in the context of transportation development. I should like to give some facts about what has been done with regard to North Eastern Region. This is only one region, but a very important region, as it is cut off from the mainstream of our life and it is an important border region too. I shall read out some of the programmes, which are ongoing programmes, in this region---

(i) Construction of six new railway lines. This has been in progress.

(2) Conversion of metre gauge rail track into broad gauge. This has been sanctioned, but I understand it is still at the beginning stage.

PROF. N.G. RANGA (Guntur) : Upto Gauhati it is there, I think.

SHRI K.R. NARAYANAN : Then there is the construction of a new railcum-road bridge across Brahmaputra at Jogighopa. It is at the design stage, I understand. A large number of road development schemes, both on the national highway and under the sponsored programme of the North Eastern Council are there, in addition to the roads developed by the Council. These are at various stages of development.

Lastly, there is the introduction of Vayudoot air service to this area. In connection with this air service, I should like to say that Prof. Madhu Dandavate probably forgot the recommendation in

the Report of the National Transport Policy Committee. Actually, this third middle level airline arose out of a recommendation made by the Committee itself. This has been adopted with respect to north-east; and I think it would be extended to some of the other remote, backward regions too.

The case of Kashmir has been mentioned. I think Kashmir is, as far as direct transportation is concerned, slightly better than the north-eastern region. But I am sorry I am not able to say anything more to-day. Probably some of my colleagues may be able to throw some light on details of development envisaged. But I would like to say that Kashmir is very much in the mind of the Government, from the development point of view-in transportation as well as in other respects.

PROF. MADHU DANDAVATE : In Kashmir, MLAS are also transported.

SHRI K.R. NARAYANAN : We are also transported to this place by our constituents.

There is another important recommendation of this Committee. That is about the freight equalization proposal. It is one of the most important recommendations. When I heard the discussions here, I found that there was a consensus that this freight equalisation with respect to steel and cement should be done away with. It is also the recommendation of the Committee. It was accepted by the Planning Commission. It was accepted by the Cabinet As a matter of fact...

SHRI RAM PYARE PANIKA (Robertsganj) : I want to correct Mr. Dandavate. MLAs are transported from Andhra Pradesh to Karnataka, and from Karnataka to Andhra Pradesh-not in Kashmir.

SHRI K.R. NARAYANAN : As regards the implementation of it, you will kindly notice that the Committee did not conceive of it as something which can be or ought to be done away with immediately. It talked about

[Shri K. R. Narayanan] gradual phasing out of the freight equalisation. As far as Planning Commission is concerned, we have held consultations with the other concerned Ministries. In fact, I think some month ago, the Secretary of the Planning Commission held meetings with the other concerned Ministries, urging them for the implementation of this particular scheme.

PROF. MADHU DANDAVATE : What about the freight equalisation to be extended to commodities of mass consumption ?

SHRI K.R. NARAYANAN : I understand that strictly speaking, freight equalisation does not apply to commodities like foodgrains or petroleum products which are transported to other places. This is some kind of a freight pool which the companies or corporations have formed, and a kind of subsidy which they give. It is not freight equalisation in the strict sense of the term.

[MR. DEPUTY SPEAKER in the Chair]

15.05 hrs.

But some sort of subsidy is given by the Company. Anyway, I don't think that there is any dispute about this particular issue...

SHRI INDRAJIT GUPTA : What is holding up in phasing out ?

SHRI K.R. NARAYANAN : In phasing out, there is one problem involved because the Committee said, when it is phased out or stopped with regard to the under-developed regions, remote, inaccessible, isolated regions, then some compensation must be given by the government. Probably, that is one of the things which is holding it up. But, even otherwise, the assistance which has been in existence, while you stop it, it has to be a gradual process so that we do not dislocate the economy of the State concerned,

SHRI INDRAJIT GUPTA : But the process must be some time !

SHRI K.R. NARAYANAN : This is what we have been trying our best to

get it going and I think it will be carried out.

SHRI INDRAJIT GUPTA : There will be some vested interests, I think, blocking it.

SHRI K.R. NARAYANAN : Another important recommendation of the Committee is with regard to coordination and formation of a national Transport Commission. Many hon. member mentioned that there is a need for coordination. Obviously, it is very essential in a country so vast and with so many kinds, so many modes of transport systems. But this particular recommendation of forming a National Transport Commission was not accepted by the Government in that form. It was thought that the Planning Commission is there and another high power Commission of the same type dealing with one subject was not necessary. There is already a transport division in the Planning Commission. The recommendation of the government was that this Division should be strengthened so that it would be strong enough, big enough to take up the question of coordination. Apart from it, there is also the Department of Coordination in the Cabinet Secretariat, which is also involved in coordinating some of the aspects of this transportation system ..

PROF N.G. RANGA ; They have made a suggestion that there should be a standing committee to coordinate all these ideas and then advise the government from time to time, because you have got 3-4 Ministers dealing with all these various aspects.

SHRI K.R. NARAYANAN : This is a very important suggestion. I don't think I can give any kind of positive answer myself at this stage. This is something which I would be prepared to put up for consideration of the government. There are some specific questions which were raised about the airways and one was that of the third level airline which I have already answered. Then there was a suggestion about the Airport at Calicut made by Mr. Unnikrishnan proposal has been taken up for the improvement of the Airport and that the work would be finalised,

completed by December 1987. There was a proposal about the telescopic rates of fares for the Indian Airlines, and what has been done with regard to this proposal which has been pending for some time. The Indian Airline has been advised to review their tariff rates. We have to wait the result of that review with regard to such telescopic rates of fares. Another suggestion was about the Airport at Bombay. It was enquired as to what was being done about it. This has been occupying the attention of the government and a committee has been set up to go into it and find out a method of dealing with this question. I have taken up some of the important general issues involved in the discussion.

There is another level at which we have to look at transpotation. Many hon. Members have raised this. That is the question of rural transportation and-of rural roads. Hon. Members have given some statistics about it, how many numbers of villages are without any sort of proper roads. These are staggering statistics but some of them have been given in the report itself relate to 1980. Since then we have had some programmes and about 1.6 lakh more villages have been added to those having roads—not just *kutch*a roads but proper roads of the type we know. But I know that still we have around three lakhs of villages without proper roads. The Government is fully aware of this problem and have come up with programmes.

I have read in another context about what they call the 'Last Mile Problem' this has been used in relation to the mass communication, that you can go anywhere, you can travel from London or New York or Tokyo to Delhi or Bombay and you can travel easily to Madras, or to Trivandrum in my state Kerala, but to reach your own place in a village for four or five miles—sometimes 10 miles—is the real problem of transportation and communication in the villages. That is the last mile problem. We can deal with this problem not merely by Governmental action, there are many schemes, four or five

schemes for rural development which are concerned with the development of roads.

SHRI ERASU AYYAPU REDDY : Can any incentive be given by the union Government to State Governments and the local bodies or local institutions say 20 percent or 30 percent for laying these rural link roads? Or can any matching grant from the Centre be given to the States and the local bodies so that the rural link roads may be taken up immediately

SHRI K. R. NARAYANAN : Actually under the programmes like the Minimum Needs Programme and IRDP and similar programmes some Central assistance is given for this purpose. I would agree with this, that we have to do more in this field because firmly believe that our rural areas can be awakened and made dynamic by opening them up through roads, village industries and small projects etc. If we can do this I think India would be on the march in a very real sense and the whole economy of the country will bubble with enthusiasm. But I would also like to add here that while Government has a great role to play, both the Central and the State Governments, I cannot visualise a major massive programme like this really succeeding without the active cooperation voluntary cooperation of the people themselves.

SHRI VAKKOM PURUSHOTHAMAN : With regard to electrification of Railways, where the State Government is prepared to give power at a reduced rate, the Planning Commission can take that into account.

SHRI K. R. NARAYANAN : It is a question about future. The Planning Commission will take the case of all the States including Kerala.

SHRI VAKKOM PURUSHOTHAMAN : Can any preference be given to a State where the Government is prepared to give power at a reduced rate?

SHRI K. R. NARAYANAN : There are many factors other than power

[Shri K. R. Narayanan]

involved in this but this a very reasonable suggestion.

In this context I want to say that there is a question of resources. It has been pointed out how the percentage spent by the Government on transportation has diminished from Plan to Plan. It is true that it has come down from 22 per cent to 12 per cent. There are several reasons for it. After independence, we were rehabilitating the transport system like railways, etc. Secondly, we were building up all our major transportation system whether it was airlines, shipping, or road transport. Therefore, in the early stages considerable investment went into this particular sector, the benefits of which we are reaping today. Then other priorities emerged in the process of development. For example, in the Seventh Plan, we have food, work and productivity as the major priorities. Supposing you put all the money that you need for rural roads, I doubt whether we would have much left for the other important tasks in the present period of resource constraints. Therefore, it is a question of balancing. It was a British Socialist, Aneurin Bevan, who said: "the language of priorities is the religion of socialism". If that so, one can put it in a democratic context and say that priorities are the religion of development. There are many priorities in a developing country like India. Almost every major need of the country is a priority. If you look at the Plan you will find in how many fields in a genuine intrinsic way we have our priority needs. Therefore, we have to choose priorities from among priorities. This is a political decision. This is also a moral decision as to what are your priorities for which you have to spend a little more money. We have tried at the same time to balance our priorities, so that while our move forward may not be very spectacular in one field or other we have moved on all fronts steadily though somewhat gradually.

I think, I have tried to answer many of the questions which have been raised

by the hon. Members. In summing up, I would like to say that the Government considers this Report as a very important report of far reaching significance. It is not just in four or five years we can implement it. It has got incorporated in the Sixth Plan. It will go in the agenda of the Seventh Plan and maybe beyond.

PROF. MADHU DANADAVATE : If you delay it too much, we will have to implement it.

SHRI K. R. NARYANAN : We are in the process of implementing it. We will implement it so that you are deprived of that botheration in the future.

THE MINISTER OF STATE OF THE MINISTRY OF SHIPPING AND TRANSPORT (SHRI Z. R. ANSARI) : Mr. Deputy Speaker, Sir, I have just to supplement the debate on this National Transport policy Committee Report. I shall confine myself to the sectors of road transport and shipping. As far as the major policy issues are concerned, my hon. colleague has thrown enough light on those subjects and, therefore, I propose to answer two or three questions which have been raised during this debate. I am thankful to the Members of this House for a lively discussion and am especially thankful to some Members who have pleaded our case for more allocations in this core sector.

I shall deal with ports first. As far as the port capacity and traffic is concerned, this issue has been raised by some hon. Members and I just want to apprise this august House of the improvement in the aggregate capacity of the ports during the Sixth Five Year Plan period. At the commencement of the Sixth Plan, the capacity of the major ports was 101.31 million tonnes and because of some measures which have been taken during the Sixth Plan period, this capacity has increased to 136.73 million tonnes. I can mention five or six major schemes which have been undertaken during the Sixth Plan period for the development of ports, both for modernising the ports and for some berths heving improved cargo

handling facilities, because of which the capacity has been increased. The general cargo berths at ports of Kandla, Marmugao, New Mangalore, Madras, Tuticorin, Visakhapatnam and Pradeep have been created. The POL handling facilities at the ports of Bombay, Cochin, Kandla and Visakhapatnam have also been created. Facilities have also been created for handling fertilizers at the ports of Cochin and Paradeep. A container terminal has been constructed at Madras and container handling equipments have been provided at the ports of Bombay, Madras, Cochin and Calcutta. These are the few things which have been created. Over and above these, the Government has taken a decision and we are going to construct a new major port near Bombay, that is, Nhava Sheva Port with the World Bank assistance with an estimated cost of Rs. 500 crores and we hope that with the facilities at Nhava Sheva Port, our capacity will increase considerably.

As far as the future programme for the Seventh Plan is concerned, the working Group has recommended an outlay of Rs. 1500 crores. The main emphasis is on replacement of cargo handling equipment, floating berths, and commissioning of Nhava Sheva port. Schemes also envisage utilisation of existing ports and improvement of port infrastructure. This is the general picture and the general improvement which we envisage in the Seventh Plan.

Some specific questions have been raised regarding some particular ports, like the Calcutta port. My hon. friend, Shri Indrajit Gupta, certainly and rightly, is worried about the low draught at Calcutta and Haldia. Government are conscious of this problem of low draught. The navigational channels in the Calcutta port have deteriorated so badly that a draught of 7.9 metres i.e. 26 ft. was available only for 50 to 60 days in a year. This problem is very much before us. We have taken action by increasing the discharge into the Bhagirathi from Farraka Barrage and by implementation of the river training measures on the Bhagirathi-Hooghly stretch of the river with the result that the draught of 7.9 metres or 26 ft. is

now available for 250 days a year. We have also a comprehensive scheme, which will further improve the situation.

In Haldia also we have the same problem of low draught. A comprehensive scheme of Rs. 40 crores has been sanctioned by the Government in 1982 to further improve the draft, through measures of river training, conservancy, construction of dyke walls etc. and this scheme is under implementation. After its completion in 1986-87, there will be further improvement in the draft in Haldia for the most part of the year.

SHRI INDRAJIT GUPTA : When Haldia was constructed, it was expected that the Haldia channel would have a draft of at least 40 ft. But now it seems that we are nowhere near that.

SHRI Z.R. ANSARI : We have a scheme costing Rs. 40 crores for Haldia. As far as Calcutta is concerned, for the Seventh Plan the Working Group has recommended an outlay of Rs. 75 crores and for Haldia it has recommended Rs. 77 crores for further development of these posts and for improving the draught.

MR. DEPUTY-SPEAKER : Mr. Ansari, how long will you take? It is 3.30 now and we have to take up the Private Members' Bill.

SHRI Z. R. ANSARI : I have touched only one aspect of the Report. I have to touch upon other aspects like roads, national highways etc.

MR. DEPUTY-SPEAKER : That means you will take more time. Because we have to take up the Private Members' business now, you may continue after 6 p.m.

PROF. MADHU DANDAVATE : That means you will take it up after 6.0'Clock. I think it should be taken up after the Budget on Monday.

MR. DEPUTY-SPEAKER : We can do so if the Members feel that way.

PROF. SAIFUDDIN SOZ : That means we shall conceive more ideas.

on Land in the Name of Religion Bill

Bill

PROF. MADHU DANDAVATE : We will conceive the ideas, but he must deliver the goods.

MR. DEPUTY-SPEAKER : In the alternative we can allow Mr. Ansari to finish this now and then we will take up and finish the Private Members' Bill.

SHRI INDRAJIT GUPTA : Please do not start any practice of encroaching upon the Private Members' Bill.

MR. DEPUTY-SPEAKER : No full time will be given for Private Members' Bill.

PROF. MADHU DANDAVATE : As far as this private sector is concerned, we want it to be protected.

MR. DEPUTY-SPEAKER : We will see later. Let us now take up the Private Members' Bill.

SHRI YOGENDRA MAKWANA : You can take this up after 6 p.m.

MR. DEPUTY-SPEAKER : Let us see how it goes.

PROF. MADHU DANDAVATE : They like to do things in the darkness of the night.

MR. DEPUTY-SPEAKER : If there is light we can sit after 6 p.m.

15.30 hrs.

REMOVAL OF ENCROACHMENTS
ON LAND IN THE NAME OF
RELIGION BILL*

[English]

SHRI B. V. DESAI (Raichur) : I beg to move for leave to introduce a Bill to prevent the encroachment on land in the name of religion.

MR. DEPUTY-SPEAKER : The question is :

*Published in the Gazette of India Extraordinary Part II Section 2 dated 15.3.85

"That leave be granted to introduce a Bill to prevent the encroachment on land in the name of religion."

The motion was adopted

SHRI B. V. DESAI : I introduce the Bill.

PREVENTION OF MISUSE OF
RELIGIOUS PLACES BILL*

[English]

SHRI B. V. DESAI (Raichur) : I beg to move for leave to introduce a Bill to prevent misuse of religious places.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to prevent misuse of religious places."

The motion was adopted

SHRI B. V. DESAI : I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL*

(Amendment of Article 326)

[English]

SHRI SATYAGOPAL MISRA (Tamluk) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted

SHRI SATYAGOPAL MISRA : I introduce the Bill.

*Published in the Gazette of India Extraordinary Part II Section 2 dated 15.3.85.

CONSTITUTION (AMENDMENT)
BILL*

(Insertion of new Article 31, etc.)

[English]

SHRI SAIFUDDIN CHOWDHURY
(Katwa) : I beg to move for leave to
introduce a Bill further to amend the
Constitution of India.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill further to amend
the Constitution of India.”

The motion was adopted

SHRI SAIFUDDIN CHOWDHURY :
I introduce the Bill.

PROMOTION OF SECULARISM
BILL*

[English]

SHRI SAIFUDDIN CHOWDHURY
(Katwa) : I beg to move for leave to
introduce a Bill to promot secularism in
the country.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill to promote
secularism in the country.”

The motion was adopted

SHRI SAIFUDDIN CHOWDHURY :
I introduce the Bill.

CONSTITUTION AMENDMENT
BILL*

(Insertion of new article 16A)

[English]

SHRIMATI GEETA MUKHERJEE
(Panskura) : I beg to move for leave
to introduce a Bill further to amend
the Constitution of India.

MR. DEPUTY-SPEAKER : The
question is ;

“That leave be granted to in-
troduce a Bill further to amend the
Constitution of India,”

The motion was adopted

SHRIMATI GEETA MUKHERJEE:
I introduce the Bill.

MARRIAGE LAW (AMENDMENT)
BILL*

[English]

SHRIMATI GEETA MUKHERJEE
(Panskura) : I beg to move for leave
to introduce a Bill further to amend
the Code of Criminal Procedure, 1973
and the Hindu Marriage Act, 1955.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill further to amend
the Code of Criminal Pro-
cedure, 1973 and the Hindu
Marriage Act, 1955.”

The motion was adopted

SHRIMATI GEETA MUKHERJEE:
I introduce the Bill.

REGULATION OF EMPLOYMENT
OF CHILD LABOUR BILL*

[English]

SHRIMATI GEETA MUKHERJEE
(Panskura) : I beg to move for leave
to introduce a Bill to regulate employ-
ment of child labour.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill to regulate
employment of child labour.”

The motion was adopted

SHRIMATI GEETA MUKHERJEE:
Sir, I introduce the Bill.

CONSTITUTION AMENDMENT)
BILL*

(Amendment of articles 200 and 201)

[English]

SHRIMATI GEETA MUKHERJEE:
I beg to move for leave to introduce a
Bill further to amend the Constitution
of India.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill further to amend
the Constitution of India.”

The motion was adopted

SHRIMATI GEETA MUKHERJEE:
Sir, I introduce the Bill.

CODE OF CRIMINAL PROCEDURE
(AMENDMENT) BILL*

(Amendment of Sections 125 and 127)

[English]

SHRI G. M. BANATWALLA
(Ponnani) : Sir, I beg to move for
leave to introduce a Bill further to
amend the Code of Criminal Procedure,
1973.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill further to amend
the Code of Criminal Pro-
cedure, 1973.”

The motion was adopted

SHRI G. M. BANATWALLA: Sir,
I introduce the Bill.

LAND ACQUISITION (AMEND-
MENT) BILL*

(Amendment of Section 4)

[English]

SHRI G. M. BANATWALLA : Sir,
I beg to move for leave to introduce
a Bill further to amend the Land
Acquisition Act, 1894.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill further to amend
the Land Acquisition Act,
1894.”

The motion was adopted

SHRI G. M. BANATWALLA ; Sir,
I introduce the Bill.

FREEDOM OF RELIGION (REMOVAL
OF RESTRICTIONS) BILL*

[English]

SHRI G. M. BANATWALLA : Sir,
I beg to move for leave to introduce a
Bill to provide for removal of undue
restrictions on freedom of religion.

MR. DEPUTY-SPEAKER : The
question is :

“That leave be granted to in-
troduce a Bill to provide for
removal of undue restrictions
on freedom of religion.”

The motion was adopted

SHRI G. M. BANATWALLA : Sir,
I introduce the Bill.

HIGH COURT OF HIMACHAL
PRADESH (ESTABLISHMENT OF A
PERMANENT BENCH AT HAMIR-
PUR) BILL*

[English]

PROF. NARAIN CHAND
PARASHAR (Hamirpur) : Sir, I beg
to move for leave to introduce a Bill
to provide for the establishment of a

permanent Bench of the High Court of Himachal Pradesh at Hamirpur.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the establishment of a permanent Bench of the High Court of Himachal Pradesh at Hamirpur.”

The motion was adopted

PROF. NARAIN CHAND PARASHAR : Sir, I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL*

(Amendment of article 366, etc.)

[English]

PROF. NARAIN CHAND PARASHAR : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

PROF. NARAIN CHAND PARASHAR : Sir, I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL*

(Amendment of Eighth Schedule)

[English]

PROF. NARAIN CHAND PARASHAR : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

PROF. NARAIN CHAND PARASHAR : Sir, I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL*

(Amendment of articles 60 and 159)

[English]

PROF. NARAIN CHAND PARASHAR : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

PROF. NARAIN CHAND PARASHAR : Sir, I introduce the Bill.

CONSTITUTION (AMENDMENT)
BILL*

(Insertion of new article 18A)

[English]

SHRI SATYAGOPAL MISRA (Tamluk) : Sir, I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI SATYAGOPAL MISRA : Sir, I introduce the Bill.

WORKING WOMEN WELFARE BILL*

[English]

SHRIMATI BIBHA GHOSH GOSWAMI (Nabadwip) : Sir, I beg to move for leave to introduce a Bill to provide for the welfare of women employed in various industries and establishments.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the welfare of women employed in various industries and establishments.”

The motion was adopted

SHRIMATI BIBHA GHOSH GOSWAMI : Sir, I introduce the Bill.

MR. DEPUTY-SPEAKER : Shri Ajit Kumar Saha—not present.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 326)

[English]

SHRI PURNA CHANDRA MALIK (Durgapur) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI PURNA CHANDRA MALIK; I introduce the Bill.

MR. DEPUTY-SPEAKER : Shri Ajit Kumar Saha—not present.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 155, etc.)

[English]

SHRI SUDHIR ROY (Burdwan) : I beg to move for leave to introduce a Bill further to amend to Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI SUDHIR ROY : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of article 19)

[English]

SHRI SURESH KURUP (Kottayam) : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Constitution of India.”

The motion was adopted

SHRI SURESH KURUP : I introduce the Bill.

ELECTION LAWS (AMENDMENT) BILL*

[English]

PROF. P. J. KURIEN (Idukki) : I beg to move for leave to introduce a Bill further to amend the Representation of the People Act, 1950, and the Representation of the People Act, 1951.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Representation of the People Act, 1950, and the Representation of the People Act, 1951.”

The motion was adopted

PROF. P. J. KURIEN : I introduce the Bill.

INDIAN TOBACCO COMPANY LIMITED (TAKING OVER OF MANAGEMENT) BILL*

[English]

SHRI RAM BHAGAT PASWAN (Rosera) : I beg to move for leave to introduce a Bill to provide for the taking over of the management of the undertaking of the Indian Tobacco Company Limited for a limited period order to secure the proper management of the same.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill to provide for the taking over of the management of the undertaking of the Indian Tobacco Company Limited for a limited period in order to secure the proper management of the same.”

The motion was adopted.

SHRI RAM BHAGAT PASWAN : I introduce the Bill.

ONE-FAMILY ONE-JOB NORM BILL*

[English]

SHRI RAM BHAGAT PASWAN (Rosera) : I beg to move for leave to introduce a Bill to provide for the adoption of the norm of one-family one-job in public services.

MR. DEPUTY-SPEAKER : The question is :

* Published in the gazette of India Extraordinary Part II section 2 dated 15.3.85

“That leave be granted to introduce a Bill to provide for the adoption of the norm of one-family one-job in public services”.

The motion was adopted.

SHRI RAM BHAGAT PASWAN : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL

(Amendment of article 102, etc.)

[English]

PROF. MADHU DANDAVATE (Rajapur) : I beg to move for leave to withdraw the Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to withdraw the Bill further to amend the Constitution of India”.

The motion was adopted

PROF. MADHU DANDAVATE : I withdraw the Bill.

ANTI-DEFECTION BILL

[English]

PROF. SAIFUDDIN SOZ (Baramulla) : Sir, before I move the motion for leave to withdraw the Bill, I think, there is some objection from certain Members for withdrawing the Bill. So, I must explain my point of view.

MR. DEPUTY-SPEAKER : Do you want to move ? First you move.

PROF. SAIFUDDIN SOZ : I beg to move for leave to withdraw the Bill to eradicate the malpractice of political defections.

MR. DEPUTY-SPEAKER : Motion moved :

[Mr. Deputy-Speaker]

"That leave be granted to withdraw the Bill to eradicate the malpractice of political defections".

SHRIMATI GEETA MUKHERJEE (Panskura) : Sir, I oppose the granting of leave to withdraw the Bill.

SHRI RAM PYARE PANIKA (Robertsganj) : This is unprecedented.

SHRIMATI GEETA MUKHERJEE: At the introductory stage, you have opposed the Bill.

THE MINISTER OF STATE IN THE DEPARTMENT OF HEALTH (SHRI YOGENDRA MAKWANA) : After all, you are a gracious lady. Be gracious and allow him to withdraw the Bill.

SHRIMATI GEETA MUKHERJEE: After all, it is up to you people.

The Bill is property of the House and mine is only the right to oppose.

MR., DEPUTY-SPEAKER : You can be brief in your speech.

SHRIMATI GEETA MUKHERJEE: Naturally, I will be brief.

My purpose in opposing this Bill is this. It is true that a Bill has been passed on anti-defection in January. That was the Constitution (Amendment) Bill. But Prof. Soz's Bill was not a Constitution (Amendment) Bill. It has given several ideas as to what is to be done with regard to defection etc.

Now, Sir, my specific purpose in opposing the withdrawal of the Bill is that to my mind whether technically or not in reality still in Kashmir a government of defectors is there. I would like to hear what are his opinions on the situation that is prevailing.....

(Interruptions)

SHRI RAM PYARE PANIKA : There is a split. It has been accepted by the High Court. (Interruptions)

SHRIMATI GEETA MUKHERJEE: Really from the moral point of view this government should have been dismissed. Therefore, I oppose the leave to withdraw the Bill.

PROF. K.K. TEWARY : Sir, it is very unfair. The hon. Member has cast aspersions on the State Government.

(Interruptions)

SHRI SUDINI JAIPAL REDDY : Mr. Deputy Speaker, Sir, I oppose the leave to withdraw the Bill because the purpose for which this Bill was originally introduced by Mr. Soz has not been served. I may bring to Your notice that Mr. Soz introduced this Bill in 1984 also. It lapsed, so, he had to re-introduce this Bill. In the meantime, of course, Government was good enough to come forward with the Constitution Amendment-Bill in this respect. What happened in Kashmir does not have to be specially recalled. Fifteen members defected.....

SHRI RAM PYARE PANIKA : Mr. Deputy Speaker, Sir, verdict of the High Court is there. High Court has accepted it as a split and not defection.

(Interruption)

PROF. MADHU DANDAVATE : Sir, he is right. They did not defect. They were kidnapped.

SHRI SUDINI JAIPAL REDDY : Now, as I mentioned in my speech on the anti-defection law there must be a provision to say that such of the people who from the so-called break-away group on the basis of split should not be allowed to enjoy and office for one year to come. This I am saying on the basis of the recommendation of the Y.B. Chavan committee. All the fourteen MLAs who defected from National Conference are now Ministers in J & K government and they are ministers because the Congress (I) partly which is now trying for clean politics has support to them. They may lay claim to any concept of clean politics but the Congress (I) partly must instantly withdraw support to the present government.

Sir, it cannot be said to be split also because fifteen members out of the working strength of forty-seven did not even constitute one-third. They had to be sixteen to become a split under the new law. Therefore, before Mr. Soz is allowed to withdraw the Bill let the

Congress (I) government assure the House that they will withdraw the support to the present government.

PROF. MADHU DANDAVATE : I have to make him one request. Before you seek our leave to withdraw your Bill, you please explain for their misdeeds.

PROF. SAIFUDDIN SOZ : Yes, that I will try. Mr. Deputy-Speaker, Sir, I am indeed very much thankful to my friends Mrs. Geeta Mukherjee and Mr. Jaipal Reddy raising objections to my withdrawing the Bill. Now the point is this. I would like to tell you that I am withdrawing the Bill with a heavy heart because I have been told** that my Bill had become infructuous. There is already a law in our hands. *(Interruption)* I am not yielding. Let the hon. Member not interrupt me now.

SHRI G.M. BANATWALLA : Sir,** You may continue with your argument**

PROF. SAIFUDDIN SOZ : I have not cast aspersion on anybody. I differ with my respected senior colleague. I have not cast any aspersions. I have told that since this august House has already passed a Bill, therefore, my Bill has become infructuous. I am not objecting to anything. I am not casting any aspersion on anybody. I have no grievance, because, I have been explained about the position in this regard. I introduced Anti-defection Law in Seventh Lok Sabha in 1984. It lapsed. I introduced the Bill even before Government introduced its Bill. I had not sought any amendment of the Constitution.

I had suggested that we could have additions made to disqualifications in Article 102 (1) (e) and 191 (1) (e). When I made my point on the Government Bill, Shri A.K. Sen, the Legal luminary, could not explain as to why it was necessary for Government to introduce the Bill seeking amendment of the constitution of India. Actually it was not necessary at all. But he did not

answer this point. Probably the Government of India was trying to create public opinion ; it might be a politically motivated attempt or design. So they thought they were giving a gift to the people of India by way of this Act. Now it has become an Act, true, the spirit behind that Bill is something which we accept. But the point is this. You not solved the problem I wish the Prime Minister well. In a section of the Press he has been called, 'Mr. Clean'. I have no objection to that. I really wish him well because, he has already done certain things which indicate his bent of mind. I wish him all success. But the point is this, the real test lies in Jammu and Kashmir State. Why don't you apply the spirit of Anti-defection law which you have produced to the State of Jammu and Kashmir? The first occasion to prove your credentials and your intentions is here. *(Interruption)* Sycophancy will not pay you any longer. You see things with your own eyes. There is a defector Government in Jammu and Kashmir State which even according to you does not constitute a split. It is not split under the law on anti-defectin. There is no provision for split in our law in J & K state. They are defectors. 12 plus 3 means 15. One of them has become the Deputy-Speaker there. There are only 14. National Conference had a strength of 46. It does not constitute even a split according to the law on defection. Now you kindly try to understand the situation. What is the spirit of the anti-defection law which you have passed in this august House?

We expected that you would withdraw your support to that defector Government. But you have not done it so far. But Kindly do it now. I am raising a very important point that the defector government which is not responsible to the people of the State is involved in a big scandalous all-pervading corruption in Jammu and Kashmir State. *(Interruption)* I want to make a practical suggestion to the Prime Minister through his colleagues here that he must rise to the occasion and give a proof that his intentions were honest

[Prof. Saifuddin Soz] when he asked his colleague, Mr. Sen to introduce the Bill concerning defections. That defector Government is not responsible to the people and is involved in the worst kind of corruption which is unparalleled anywhere in the country. They have abolished all recruitment boards and 10,000 people were appointed on an *ad hoc* basis for the last two months and the stooges of the Government were collecting money. Only recently that Cabinet took a decision authorising the Finance Minister to arbitrate on the arrears of Sales Tax. (Interruptions) Sir, I must have the opportunity to explain the dimension of corruption in the State. (Interruptions) Now, I would like to make some concrete suggestions.

MR. DEPUTY-SPEAKER : You have already made suggestions. Please conclude.

(Interruptions)

PROF. K.K. TEWARY : It is extremely a serious matter if he is allowed to mention the State subject here. (Interruptions)

PROF. SAIFUDDIN SOZ : But you must know what is happening in Jammu and Kashmir State.

PROF. K.K. TEWARY : Mr. Deputy-Speaker, Sir, matter relating to the State Governments is not discussed here. (Interruptions)

PROF. SAIFUDDIN SOZ : I want the Central Government to know the extent of corruptions rampant in the State of Jammu and Kashmir. For that, I want the Prime Minister to convene a meeting with two former Governors, Shri L.K. Jha and Shri B.K. Nehru as also the present Governor and understand the situation in J & K. The P.M must also hold a meeting with MP's drawn from J & K.

MR. DEPUTY-SPEAKER : You have already given your suggestions. You are raising Other matters here. Please conclude.

(Interruptions)

PROF. SAIFUDDIN SOZ : Please give me one minute and I will conclude.

MR. DEPUTY-SPEAKER : You have to restrict your points.

PROF. SAIFUDDIN SOZ : The defector Government in Jammu and Kashmir state is not a responsible Government.

MR. DEPUTY-SPEAKER : This is beyond the scope of the discussion.

(Interruption)

PROF. SAIFUDDIN SOZ : Therefore, Sir, I would request the Central Government to impose Governor's rule there and then dissolve that Assembly so that we can go back to the people to enable installation of the Government of the people.

MR. DEPUTY-SPEAKER : Are you withdrawing the Bill ?

PROF. SAIFUDDIN SOZ : Yes, Sir. I seek leave of the House to withdraw my Bill.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to withdraw the Bill to eradicate the malpractice of political defections".

The motion was adopted.

PROF. SAIFUDDIN SOZ : I withdraw the Bill.

16.00 hrs :

SHRI AJIT KUMAR SAHA : Mr. Deputy-Speaker, Sir, I was not present to introduce my Bills, when you called me. Kindly allow me now to introduce my Bills, now.

MR. DEPUTY-SPEAKER : All right.

INDUSTRIAL WORKERS' INSURANCE BILL*

[English]

SHRI AJIT KUMAR SAHA : I beg to move for leave to introduce a Bill to provide for life insurance of industrial workers.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill to provide for life insurance of industrial workers."

The motion was adopted.

SHRI AJIT KUMAR SAHA : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL*

(Amendment of Article 31B)

(English)

SHRI AJIT KUMAR SAHA : I beg to move for leave to introduce a Bill further to amend the Constitution of India.

MR. DEPUTY-SPEAKER : The question is :

"That leave be granted to introduce a Bill further to amend the Constitution of India."

The motion was adopted.

SHRI AJIT KUMAR SAHA : I introduce the Bill.

CONSTITUTION (AMENDMENT) BILL

(Amendment of Eighth Schedule)

BY

SHRI SATYAGOPAL MISRA

(English)

MR. DEPUTY-SPEAKER : Before I call upon Shri Satyagopal Misra to

move his Bill for consideration and passing, we have to fix the time limit for this Bill. Shall we fix two hours ?

MANY HON. MEMBERS : Yes.

MR. DEPUTY-SPEAKER : Two hours are allotted to this Bill.

SHRI SATYAGOPAL MISRA : I beg to move :

"That the Bill further to amend the constitution of India, be taken into consideration."

*SHRI SATYAGOPAL MISRA (Tamluk) : Sir, this Bill that I am presenting before this House today is totally noncontroversial, and I hope that it will meet with the approval of all sections of this House and will be passed without any opposition. This simple Bill seeks to add one more important language of our country viz., Nepali, to the list of the fifteen languages already included in the Eighth Schedule of our Constitution. On several occasions in the past discussions and debates had taken place over the question of including the Nepali language in the eighth schedule of the Constitution. There was never any major opposition to that proposal from any side of the House. Today also I hope that this Bill be passed with the help and cooperation of all sections of this House and the Nepali language will find its due place in the eighth schedule of the Constitution. I am reminded of what Pandit Jawaharlal Nehru had once said in the context of the eighth schedule, he had said that 'the eighth schedule is not an in exhaustible list'. That means that he too had thought that in the future some more languages can be added to that list. In keeping with that idea, the Sindhi language was included in the eighth schedule in the year 1967. Therefore there are no legal or constitutional impediments in the way of including the Nepali language in the eighth schedule. If all of us can agree and be unanimous, then this objective can be achieved quite easily

*Published in the Gazette of India Extraordinary Part II section 2 dated 15.3.85

*The speech was Originally delivered in Bengali.

[Shri Sataygopal Mishra] and smoothly. Our desire and effort in including the Nepali language in the eighth schedule does not mean that we are against or opposed to other languages. There are other languages which, I hope will gradually find a place in the eighth schedule of the Constitution. In this context I want to place before you the famous statement of the renowned linguist, Dr. Suniti Kumar Chatterjee. He had said "other Indian languages are to be added to the eighth schedule following the wishes of the speakers and their importance i.e. Sindhi and Nepali." Half of what Dr. Suniti Kumar Chatterjee had stated has been achieved in so far as 'Sindhi' has since been included in the eighth Schedule. The remaining half we can fulfil today by passing this Bill. If we look to some other provisions of the Constitution, we will find that there is a need to include the Nepali language in the eighth schedule of the Constitution.

In Article 351 of the Constitution, it has been stated that those languages will be included in the eighth schedule which will ultimately help in the development of Hindi. For further development, further progress and further enrichment of Hindi, it is necessary to include the Nepali language in the eighth Schedule. This is because the script and alphabets of the Nepali language is 'Devnagari'. The same is the case with Hindi which also uses 'Devnagari' script and alphabets. Therefore we can utilise the wealth of the Nepali language and literature in further development and enrichment of Hindi.

In Articles 29 and 30 of the Constitution, provision has been made for protecting the interests of the linguistic minorities. To hold the importance of Article 29 and 30, it is necessary to accord recognition to other languages also and to protect the interest of all those who use the Nepali language, it is very necessary to include the Nepali language, in the eighth schedule.

One more provision of the Constitution may be quoted in this context.

Article 19(1) (a) speaks about freedom of speech and expression. Freedom of speech and freedom of expression is a fundamental right. I fail to understand how one can have freedom of speech and freedom of expression without the use of his own language or mother tongue. This is just not possible. In the past, one hon. Member of this very House, Shri Ratan Lal Brahman: was not even permitted to take oath in Nepali. The provision of freedom of speech and freedom of expression therefore becomes meaningless in this context.

Looking to all the above mentioned provisions of our Constitution, the importance and need of including the Nepali language in the eighth Schedule becomes quite apparent. This issue has been discussed in the Lok Sabha many times before. In 1971, 74 hon. members of that time had sent a Memorandum under their signatures, demanding the inclusion of the Nepali language in the eighth schedule. Many other eminent members of this House had put forth this demand again and again S/Shri Samar Mukherjee, Jyotirmoy Bosu, Indrajit Gupta, Ananda Pathak, Ramavatar Shastri, Dr. Karan Singh, Ratan Lal Barhman, Somnath Chatterjee, Chitta Basu etc. had repeatedly raised this issue in this House, so that 'Nepali' may find a place in the eighth schedule.

Sir, the Nepali language is a rich language. All the wealth of any rich language can be found in the Nepali language. It has its own alphabets, and script. It has got a rich literature in drama, poetry, folk songs etc., etc. Today nobody can deny the richness and wealth of the Nepali language. We cannot deny the contribution of Nepali language to the composite culture existing in our country. From that angle also Nepali language occupies an important place. There are some people who want to project the Nepali language as a foreign language. But the scholars in linguistic matters and knowledgeable persons have said again and again that 'Nepali' is not a foreign language. Actually Nepali belongs to the Indo-Aryan group of languages. It has taken

birth from a 'Satem' language of the Indo-European group and through successive stages of development has taken the form of the present 'Nepali' language. The eminent linguist Dr. Parasmani Prodhan has clearly stated that the Nepali language has taken its birth from khag 'Prakrit'. Later on this language was known as 'Gorkhali'. During the British rule, the Nepalis residing in India renewed this language as 'Nepali' and that name continues to this day. In many Government documents of the British period we find mention of 'Nepali' language. In a Government Circular dated 8th January, 1927, the 'Nepali' language was given recognition as an official language. Through these stages of gradual development, 'Nepali' has attained its present form.

Not only that, Sir, our Nepali friends residing in this country had played a very important role in our freedom movement and our struggle against British imperialism. Major Durga Mulla, Captain Dal Bhadur Thapa and many others fought against British imperialists and helped this country in attaining freedom. Even in the post-independence era, Nepali Jawans have played an important role in guarding our borders and in preserving the sovereignty and freedom of our country.

Sir, you are aware that the area in which 'Nepali' is mostly used falls in the Himalayan region, the Himalayan valley, which is our border areas and hence very sensitive border areas. Now the people of these sensitive areas are asking for the recognition of their language as one of the important languages of India. I think we will be doing justice to them by extending this recognition. This will also be an effective step towards solving the problems of these sensitive border areas.

The 'Sahitya Akademi' of our country has already recognised the 'Nepali' language as one of the major languages in the field of literature. The left front Government of West Bengal have in recent times set up the 'Nepali Sahitya Akademi' for the development of Nepali language and literature. Sir, on 2nd July 1977 a resolution was passed

unanimously in the West Bengal legislative Assembly, irrespective of party affiliations, demanding the inclusion of 'Nepali' in the eighth Schedule of the Constitution. On 11th October, 1977, a similar resolution was adopted in the Sikkim assembly and that too unanimously. On 28th June 1978 a similar resolution was unanimously passed in the Tripura assembly. Now, three State assemblies of West Bengal, Sikkim and Tripura passed unanimous resolutions demanding and appealing for the inclusion of the Nepali language in the eighth Schedule. The time has now come to do justice to their appeals in this respect. Sir, ten important Universities of our country like Calcutta, North Bengal, Patna, Gauhati etc. have recognised Nepali as their University language and in these universities facilities for studying Nepali have been provided. The All India Radio also broadcasts regular programmes in Nepali from their Delhi, Gauhati, Karsiang, Shillong etc. radio stations. In this way 'Nepali' has today emerged as a major language in the North-Eastern border regions of our country, and it is functioning as the lingua franca of the Himalayan Valley. There can be no justification for not extending due recognition to this language in the Constitution.

Now a person speaks his own language. His thoughts, his attitude, his knowledge, his intellect, his science and technology all develop properly in that very language. India is a multi-lingual country. The culture, the literature, the scientific development that takes place in all these different languages, goes to frame the composite culture of India. That is why we say that unity in diversity is the corner stone of India's culture and Indian life. The cultures of different language speaking people come together and helps in the progress of the composite Indian culture. In this way the different languages gradually develop, and when one reaches a particular stage of development the need for its inclusion in the eighth schedule arises. The Nepali language has today arrived at such a

[Shri Satyagopal Misra] stage where it is felt necessary to include it in the eighth schedule of the Constitution.

What was the condition of the Sindhi language in 1967 when it was included in the eighth Schedule? If we make a comparative study of the stage of development of Sindhi in 1967 and of the Nepali language today, we will find that the Nepali language is far more developed and advanced than the Sindhi language at that time. Moreover much larger number of people, comparatively, speak the Nepali language. Looking to all these, there is simple justification for including Nepali in the eighth Schedule.

On account of India being a multi-lingual country, the linguistic minorities may develop a feeling that they are getting separated from the main stream of the country if their language and culture are not given proper importance and recognition in our national life. This way a separatist tendency may develop. This sort of feeling gradually develops in a secessionist movement and with the help of interested foreign imperialist powers assumes dreadful dimensions later. The happenings in Assam and Punjab are all too fresh in our minds. Therefore, all these languages, when they reach a particular stage of development, should be gradually included in the eighth schedule. Nepali has today reached that stage of development when it should be included in the eighth schedule. The linguistic minorities should be made to feel that they are part of the main stream of the country.

Since 1973 many things have been said at different times by the ruling party and the Government in support of the Nepali language. This has been accepted in principle. Particularly at the time of elections many verbal assurances are given in this respect, much sympathy is expressed. But when the actual occasion comes for including the Nepali language in the eighth schedule, they retrace their steps and start hesitating.

In 1973, the then Prime Minister had told Shri Indrajit Gupta, M. P. in this connection, that, "It is better to decide across the table than to allow it to get hotted up and that is what we are trying to do." This was said in 1973, more than 10 years have elapsed since then. Then again, towards the beginning of the 7th Lok Sabha in June 1980, a similar Bill was brought forth in the Lok Sabha. At that time also the Minister had repeatedly stated that a decision regarding inclusion of 'Nepali' in the eighth Schedule will be arrived at, at the negotiating table with the concurrence of all concerned. More than 10 years have passed since then. I will like to know clearly and categorically today what is the Government's decision in this respect.

Without prolonging my speech I invite other hon. members to participate in this valuable discussion. I appeal to all sections of this House to extend their unanimous support to this Bill.

I will also request the Government to accept this Bill and include the Nepali language in the eighth schedule; to fulfil the verbal assurances given by them on numerous occasions and thereby prove the firmness and honesty of their assurances. I again appeal for full support to this Bill from all sides of this House.

With that Sir, I conclude.

[Translation]

SHRI RAM PYARE PANIKA (Robertsganj): Mr. Deputy Speaker, Sir, I honour one Sentiments of my hon. friend Shri Satyagopal Mishra and thank him for introducing this constitution (amendment) Bill. It is true that this language is spoken in a vast area which is a sensitive area and in fact the question of language itself is very sensitive. But in the past 35-37 years we have seen the parochal approach and activities in the name of language, communalism and regionalism and the results have been frightening.

Recently, Shri Bhajan Lal gave a Suggestion regarding Punjab. We have committed a few mistakes in the past

like demarcation of States on the basis of language, inclusion of several languages in the Eighth Schedule—I feel this was a mistake on our part because ours is a country where it is believed that after every third mile the language changes. So if we try to include all these languages in the Eighth Schedule there will be no end to it whereas we say there is unity in diversity in our country let us have a look at the languages spoken by our tribals. They too have a rich literature. Like Nepali language, we too have our literature. If we go on agreeing to it I feel, a day will come when we will have to include their languages and the dialects also in the Eighth Schedule. I would like to remind hon. Shri Misra that at the end of his speech he had said that people were preparing for an agitation. Does it not indicate that we should not give undue importance to regionalism and communalism and such other things as may create parochial feelings in us. There are many languages in our country and we have accepted Hindi as a national language and till the time everybody does not learn Hindi we have accepted English too. The three language formula that we have accepted can bring about the feeling of national integration...

(Interruptions)

[English]

DR. A. KALANIDHI: No we have not accepted it.

SHRI RAM PYARE PANIKA: Please listen to me. You can reply later on.

[Translation]

Mr. Deputy Speaker, Sir, I believe that the House will have to discuss this subject seriously. It is a serious subject. There is no doubt that on the one hand he has given figures to show that there are two crore Nepalis in India—our sympathies and the country's sympathies are with them—but I feel...

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRIMATI RAM DULARI SINHA): According to the 1971 census, it is not two crores, but 10 lakhs.

SHRI RAM PYARE PANIKA: The hon. Minister says it is 10 lakhs. There

are over two crore tribals in India and they have their own languages. Therefore my submission is that we should not take any action on the basis of a threat of agitation by ten lakh people lest it should provoke crores of people to agitate. The country is passing through a grave situation at present. On the one hand we see a threat to our borders and on the other hand the Punjab and Assam issues are still alive. If we are caught in the regional tangles it will not be good for us. Regional parties are being formed in the country in the name of language and Telugu Desam is one such party. In this situation can we talk like this? Therefore I appeal that we should not do anything which may harm our national unity. This is a serious issue. I welcome Shri Misra's sentiments but at the same time I would like to warn that we should not do any such thing which may disintegrate our nation. After all, you have seen how in some areas various parties are raising their heads which is certainly against the national unity and national integration. Therefore I would like that the House should consider sensitive issues very carefully and should not make any legislative or constitutional changes in the name of region, language, caste colour or creed which may weaken the society. I respect my friend Shri Misra's sentiments but I would like to say that I am not in favour of including this in the Eighth Schedule. If something is to be done, then I would appeal to the hon. Minister of State for Home and the hon. Home Minister who are present here to constitute a committee in order to find out the languages spoken in various regions of the country and to suggest what can be done for them. The need of the hour is national unity and no issue should be raised purely on the basis of a group or a caste. The Sarkaria Commission has been appointed and Mr. Misra can refer this question to it. I feel that reorganisation of state on linguistic basis was not proper. It is being proposed that Urdu should be the second language. Mr. Misra told us that this language has been accepted in Bengal & Tripura. Your CPM Government has agreed to it and it must have been done because of your influence there. This has been

[Shri Ram Pyare Panika]

made the second official language in Bengal and Tripura with an eye on the ballot box and to make political capital out of it.

[English]

SHRI SATYA GOPAL MISRA :
There your party also supported this.

SHRI RAM PYARE PANIKA :
May be due to political reasons ; I do not disagree with that.

[Translation]

I was saying that the hon. Home Minister should constitute a Committee or the Government should itself refer it to the Sarkaria Commission to find out the regional languages and the tribal languages which have not been kept in view in the Constitution. If you include a few and leave others, it can create discontent. Therefore I would suggest rethinking on this subject and if necessary a comprehensive constitution (Amendment) Bill should be brought wherein a provision should be made in respect of all these things. It should not be that whenever a member wishes to speak in some language he starts insisting that the language be included in the Eighth Schedule of the Constitution. We should try to strengthen national unity and integrity. To appease small groups or tribes would not serve any purpose. I would not take much time of the House and would suggest to the hon. Home Minister that discussion on sensitive issues which give rise to parochial feelings, should be deferred for a few days. To solve this problem if the Government considers it proper a Commission can be appointed to look into these things.

Sarkaria Commission has been constituted and is examining Centre-State relations if you need allocation for development you demand more funds from Centre, if there is talk of development in your State you ask for more money from the Centre. You talked at length about the Sixth Finance Commission report. You don't say anything definite. Just now you spoke of overdraft also.

Sir, the confrontation on these issues leads to deterioration of Centre State relations which weakens national unity.

I would request our hon. Minister to seriously consider it and bring forward a new comprehensive Bill in this regard. Though I respect the sentiments of the hon Member who has introduced this Bill, I would like to advise him that in the present situation he should withdraw this Bill and I would also request the Government to bring forward a comprehensive Bill which would strengthen the sense of unity and integrity in the minds of 65 crores people of our country.

[English]

DR. A. KALANIDHI (Madras Central) : I express my thanks to the hon. Deputy Speaker for having permitted me to express my opinion and views on behalf of the DMK.....

(Interruption)

SHRI RAM PYARE PANIKA : Sir, today it has been decided that everyone will speak either in his regional language or in the national language, that is Hindi..... (Interruption)

DR. A. KALANIDHI : We cannot accept that. It is an encroachment on my fundamental rights. We cannot accept Hindi as the national language. I have every right to speak in any language I like. Being a senior Member the hon Member should learn that I have every right to speak in my own language or in English. In fact, Pandit Jawaharlal Nehru accepted English as a link language. He should understand that.

MR. DEPUTY SPEAKER : Please carry on.

DR. A. KALANIDHI : Sir, I express my thanks to the Deputy Speaker for having permitted me to participate in the Bill moved by Shri Satyagopal Misra seeking inclusion of Nepali in the Eighth Schedule of the Constitution. As you know, language is the soul and breath of a human being. Human being remains a human being only through the language he speaks.

Language is as dear as the mother, and that is why we call language as the mother tongue. But unfortunately what is happening in our country? We should know no importance is being given to the other languages. I am quite happy the Member has drawn the attention of the Government to include Nepali in the Eighth Schedule of the Constitution. This is not a matter of today, there has been a long standing demand from the people of West Bengal for this. Hindi is one of the languages that are included in the Eighth Schedule but what is happening? You have given extraordinary importance to Hindi. You have spent not a crore of rupees but hundreds of crores for the development and growth of this language. You have sent teams to foreign countries to find out how Hindi is being implemented in the embassies and in other places, but have you taken any interest in the other languages? You have included fifteen languages in the Eighth Schedule but have you taken any interest at any time to know about Tamil? In fact, I want tell you that Tamil language has the richest tradition. It has got a good literature. Recently an archaeological survey made by the people of USSR in the Mohenjodaro and Sind Valley has revealed that the scripts belonging to the Dravidian language are likely to be of Tamil origin. They go to the extent of saying that other languages have originated from Tamil language only. So, Tamil is the mother of all other languages. Whereas people in the USSR are able to appreciate and understand the value of Tamil, the Union Government fails to understand the importance and the richness of the Tamil language. I am sorry to say this.

Whereas we are spending Rs. 10 crores for the Hindi language, for Tamil and other regional languages we are spending only Rs. 1 crore per annum. It is not a partisan attitude which you are adopting? My hon. friend was referring to the unity and integrity of the country. We are second to none, so far as our faith and belief in the unity and integrity of the country is concerned. We have many

stalwarts from our part of the country, who have fought for the freedom, unity and integrity of the country. Rajaji is one such stalwart. He did not fight only for the Southern States.

The hon. Member was saying that the inclusion of the Nepali language in the Eighth Schedule will lead to the disintegration of the country. This is an illusion and it probably arises out of fanaticism. I would request the hon. Minister to take note of it. If you really want the integrity of the nation, you have to give equal importance to all the languages. Otherwise, all such talk about unity and integrity have no real meaning. It is only a mirage.

The Government is not going to incur any expenditure by the inclusion of Nepali language in the Eighth Schedule of the Constitution. So, why not accept the spirit of the Bill and, I ter on, bring your own Bill? Kindly try to accept it.

Our language existed even in 5,000 BC. That is the tradition of our language. As the saying goes :

*Kal thonri Mann Jhonra Kalathe
Mun Thenriya Mootha Mozhi*

It is the oldest language which had appeared, when rock but not sand had appeared. Bharati Dasan said :

*Tamizhukku Amudenru peyar Anda
Thamiz*

Inba Thaniz Yengal Uytrukku Ner.

Tamii is called nectar; that Tamil is the breath of our life. He has gone to the extent of saying that it is the soul of all languages.

You should try to understand the sentiments of the people of a particular region. You should not unnecessarily try to impose a language on unwilling people. What is happening in this country is that you are imposing Hindi in every shape and form. You have issued a circular to the State Bank of India that the maximum number of Hindi typewriters should be purchased, the maximum, number of circulars

[Shri A. Kalanidhi]

should be in Hindi and that the heads and top officials should write letters only in Hindi. This is a circular, which has been issued by the Government of India. Since you have 15 official languages, why do you not treat Tamil, Marati or Malayalam on the same footing? Why do you want to give the entire importance only to Hindi? That is why we are opposing it. Otherwise, why should I oppose it unnecessarily? We are opposing it, because you are not giving equal importance to all the languages, because you are ignoring some language.

If you are talking about the unity and integrity of the country, we are second to none in supporting you. But, unfortunately, you are paying only lip sympathy to those expressions. Everywhere you talk of the integration of this country. But, do you really believe in the unity of the country and the integration of the country? If so, please try to give equal importance to all the languages. Please try to see what is happening in the USSR, which is our brotherly country, your good friend.

SHRI RAM PYARE PANIKA : I am not against any language. I am equally concerned with all languages...

(Interruptions)

DR. A. KALANIDHI : Very recently, our hon. Prime Minister visited USSR. I would request the hon. Prime Minister and the Minister in charge to see how USSR is giving equal importance to all their languages, how they are treating all their languages. For example, in Malaysia their local language and Tamil are given equal importance. It is the same in Singapore also. But in India only one national language namely, Hindi, is given importance. You should try to understand our feeling and our viewpoint. If you really believe in the integrity of this country, if you really believe in the unity of this country, as you proclaim from every political platform, what is the meaning of giving importance and the pride of place to only one of the national languages, to the neglect of

the others? So, I would request you to kindly give equal importance to all the national languages which are included in the Eighth Schedule of the Constitution.

So far as the inclusion of Nepali in the Eighth Schedule is concerned, I would request the Government not to oppose this Bill. After all, the Nepalese are our own people and two crores of people in West Bengal converse in that language. So, there is nothing wrong in its inclusion as one of the official languages I support the Bill, moved by Shri Satyagopal Misra, and request the Government not to oppose it.

[Translation]

SHRI MOOL CHAND DAGA (Pali) : Mr. Speaker, Sir, there is a difference between principle and balancing. The politicians bother less about principle and prefer balancing. The politics of votes creates difficulties. It sometimes brings such an odd situation that we forget our principles and prefer balancing...(Interruptions)

I think Bengali language is used more in the Bengal Legislative Assembly and maybe, Nepali language is spoken in the Bihar Legislative Assembly. If you include all the languages then you can understand where the politics of votes will take you. The people of Rajasthan will make demand for inclusion of Rajasthani language. The hilly people will demand for Pahari language. After all which are the languages that you want to be included in the Eighth Schedule. Dr. Karan Singh had also demand for Dogri language...

(Interruptions)

SHRI NARAYAN CHOUBEY (Midnapore) : Retain Hindi and leave the rest.

SHRI MOOL CHAND DAGA : The Constitution is very clear in this respect. You please listen to me...(Interruptions) I want to inform you as to what had happened during the rule of Janata Party :

[English]

"The Government is of the view that Schedule VIII to the Constitution should not be enlarged. However, the Government's endeavour is to encourage development of the cultural and literary heritage of all languages the Schedule VIII or not."

That is the policy of the Government.

Then again it was repeated. This question was put in the year 1979.

[Translation]

This decision was taken when the Janta Party was in Power...
(Interruptions) Then the Home Minister had replied :

[English]

"The Government are of the view that the inclusion of more languages in the Schedule VIII would create other repercussions and reactions. As stated above, it is the endeavour of the Government to develop the cultural and literary heritage of all the languages irrespective of their inclusion in the Schedule VIII."

[Translation]

You might have read the decision taken by the Government that all the languages should be developed. It is stated in the Statement of Objects and Reasons and Reasons that 2 crore persons speak Nepali language. What is the source of these figures...

(Interruption)

16.43 hrs.

[SHRI ZAINUL BASHER in the Chair]

[English]

SHRI MOOL CHAND DAGA : There also he is not certain. In the Objects and Reasons he states : "About two crores of people scattered all over India." About two crores of people,

Now, what does the Chief Minister of Sikkim say ? He says only 50 lakhs of people.

[Translation]

This is your statement...

(Interruptions)

SHRI NARAYAN CHOUBEY : What is the number of Sindhis in India ?

SHRI MOOL CHAND DAGA : About 5 crores... (Interruptions)

SHRI NARAYAN CHOUBEY : Mr. Daga, You are not correct...

(Interruptions)

SHRI MOOL CHAND DAGA : Will you please tell me whether the names of Nepalese mentioned earlier were those of poets, writers or M. Ps. Choubeyji always interrupts...

(Interruptions)

Article 351 already embodies the decision to this effect, which says :

[English]

"It shall be the duty of the Union to promote the spread of the Hindi language, to develop it so that it may serve as a medium of expression for all the elements of the composite culture of India and to secure its enrichment by assimilating without interfering with its genius, the forms, style and expressions used in Hindustani and in the other languages of India specified in the Eighth Schedule, and by drawing, wherever necessary or desirable, for its vocabulary primarily on Sanskrit and secondarily on other languages."

[Translation]

We want the development of all the languages included in Article 29 and 30 but here you are starting a new trend. If some person belonging in to Rajasthan, with an eye on the ballot box, demands that Rajasthani languages should be included in the Eighth Schedule of the Constitution and similarly some people raise the question of inclusion of Dogri language

[Shri Mool Chand Daga]

in the Eighth Schedule then you may be able to please people of your area and may also secure their votes, but here the question is quite different. The question is which language you want to develop. As far as I know about Rajasthan, the people living around Alwar speak Hindi, people living around the area of Sirohi speak Gujarati, in Shekhavat people speak Shekhavati and people of Marwar speak Marwari. These are all different languages. I do not know on what basis these are termed as Rajasthani language? No language can become rich and beautiful by merely singing a few songs in praise of kings and monarchs...

(Interruptions)

So far as Shri Satya Gopal Misra, the mover of this Motion is concerned, I would like to ask whether he has ever delivered a speech in Nepali, can he recite a poem in Nepali, does he know the names of Nepali poets: can he give the names of Hindi magazines and of places where they are published...

(Interruptions)

MR. CHAIRMAN: All languages are beautiful, all languages are good.

SHRI MOOL CHAND DAGA: I also agree that all languages should develop and should be respected.

MR. CHAIRMAN: You may please confine your opinion about the question of inclusion of Nepali in the Eighth Schedule.

SHRI MOOL CHAND DAGA: That is what I am saying that it should not be included.

MR. CHAIRMAN: But please do not deride any language.

SHRI GIRDHARI LAL VYAS: Mr. Chairman, Sir, the words used by him in criticising the Rajasthani language should be expunged.

MR. CHAIRMAN: All the languages are good, beautiful and rich.

SHRI MOOL CHAND DAGA: A language can be considered rich when its literature in science and technology

becomes rich and advanced. The question here is whether the mover of the Motion has given his speech in Hindi, whether Nepali is spoken in his State Legislative Assembly and whether Nepali language is used somewhere else also?

[English]

DR. A. KALANIDHI: Hindi language had no richness or culture or tradition or literature. It has developed only in course of time. In the same way if, you give time for Nepali language, naturally it will definitely be developed in the course of time.

[Translation]

MR. CHAIRMAN: Mr. Daga, you confirm your speech.

SHRI MOOL CHAND DAGA: Sir, my submission is that this Bill has been introduced here just to get certain votes in Darjeeling. There is no other purpose of this Bill. (Interruptions)

MR. CHAIRMAN: What difference does make to you, let him speak.

SHRI MOOL CHAND DAGA: Perhaps he is not aware that earlier also I opposed Rajasthani language. Such things harm us because we can speak neither English nor Hindi properly and will lag behind in learning Rajasthani also. If from tomorrow he starts speaking in Nepali, their strength in Parliament will further decline. Who is going to listen to Nepali? There is one National language and that should be enriched.

(Interruptions)

SHRI MOOL CHAND DAGA: Otherwise, there are other languages also.

SHRI K. P. UNNIKRISHNAN (Badagara): I do not accept that there is only one language.

SHRI MOOL CHAND DAGA: We do not want to impose our will. We know that you see Hindi pictures and listen to Hindi songs. Love for Hindi is increasing automatically. We do not insist that South India should learn our language. We may be knowing

many languages, but in the evening you like to see films in our language and hear songs in our language.

(Interruptions)

SHRIMATI GITA MUKHERJEE : Have you not listened Rabinder Nath's songs ?

(Interruptions)

MR. CHAIRMAN : Mr. Daga, just express your own views.

SHRI MOOL CHAND DAGA : I was saying that if you want to include any language in the Eight Schedule, it should be done only when it is facing any difficulty in any region. You have not stated that in what way non-inclusion of Nepali language in the Eighth Schedule has hampered its development. Merely saying that as Nepalese, have started living in India in considerable number and they speak Nepali language, therefore, Nepali should be included in Eighth Schedule is not logical. Do we put hindrance in its development? We rather spend money on the development of Nepali language.

(Interruptions)

[English]

DR. A. KALANIDHI : In what way it harms the country ?

[Translation]

SHRI NARAYAN CHUBEY : What is the harm in including it in the Eighth Schedule.

SHRI MOOL CHAND DAGA : There is no use including it in the Eighth Schedule, there are 14 languages in it and Sindhi is the latest addition. Inclusion of more languages in the Schedule will be a wrong step. The Government should not take this step. All the languages of the States have already been included. Nepali is not a language of any particular State and, therefore, should not be included in the Schedule. I, therefore, oppose it vehemently.

[Translation]

SHRI ANAND PATHAK (Darjeeling) : Mr. Chairman, Sir, I shall try to speak in Hindi.

While supporting the Bill, I would like to reiterate what my friend Shri Satyagopal Misra said at the time of introduction of the Bill. While demanding inclusion of Nepali in the Eighth Schedule of the Constitution, we do not intend to oppose other languages. Our aim is to provide opportunity for advancement of all the languages of our country including Sanskrit. But it is a matter of regret that Government's attitude is different in this respect.

Every time it is said that Government would not enlarge the Eighth Schedule. I had tabled a question in respect this :

"Will the Minister of Home Affairs be pleased to state :

- (a) Whether the Government of India have decided to include Nepali language in the Eighth Schedule of the Constitution; and
- (b) if so, by what time it is proposed to be implemented ?"

The reply was as under :

"(a) No, Sir.

(b) Question does not arise."

The reply 'question does not arise' is beyond our comprehension. This is the attitude of the Government. It is said that amendment would be brought forth but no amendment has been made so far.

Sir, you might be aware that when in June 1980 this matter was discussed in the Lok Sabha, the hon. Home Minister had given us an assurance that they would look into the matter and would convene a round-table conference and would find a solution unanimously. But it is very strange that no round-table conference has so far been convened. I would like to say that the assurance given by you should be ful-

[Shri Anand Pahtak]

filled. There is no use giving assurances if no solution is found.

The Government repeatedly says that it would endeavour for the advancement of cultural and literary heritage of all the languages irrespective of the fact whether they are included in the Eighth Schedule or not. But this does not solve the problem and this assurance is not enough. The languages which have not so far been included in the Eighth Schedule should be included therein. We, the Nepali-speaking people have to suffer in economic field and other spheres of life. Consequent upon the exclusion of some of the languages from the Eighth Schedule, the language have been divided into two categories. The languages included in the Schedule have benefited and those not included have to suffer a lot.

We were of the view that we all are equal and we will march forward together. These impressions are now no more. If one has to take any examination conducted by the Public Service Commissions, one can take the written examination in one of the Indian languages included in the Eighth Schedule. Since the Nepali language has not been included in the Eighth Schedule, the Nepali-speaking people are deprived of this facility. Mr. Speaker, Sir, you can imagine the difficulty these people have been experiencing.

I would like to draw your attention to the importance of languages included in the eighth Schedule. On 7th December, 1967 Official Languages (Amendment) Bill was passed by Lok Sabha. It says :

[English]

‘Whereas the Eighth Schedule to the Constitution specifies 14 major languages of India besides Hindi, and it is necessary in the interest of the educational and cultural advancement of the country that concerted measures should be taken for the full development of these languages . . .

[Translation]

It means Government will spend money for the advancement of only those languages which have been included in the Eighth Schedule. Crores of rupees are being spent by Government, but nothing is being done for the advancement of cultural and literary heritage of those languages which have not been included in the Eighth Schedule and for providing employment to the people speaking these languages. It is clear from above that concerted efforts can only be made for full development of the languages which have been included in the Eighth Schedule.

I would like to draw your attention to this fact also that only those languages which have been included in the Eighth Schedule can be accepted as alternative languages for taking examinations conducted by Union Public Service Commission. I am making it clear before you that the other languages are deprived of these facilities even to this extent.

The said Bill further says :

[English]

‘‘And, whereas, it is necessary to ensure that the just claims and interests of persons belonging to non-Hindi speaking areas in regard to the Public Services of the Union are fully safeguarded . . .’’

[Translations]

It has been stated further :

[English]

‘‘That all the languages included in the Eighth Schedule of the Constitution and English shall be permitted as alternative media for All India and Higher Central Services Examinations after ascertaining the views of the UPSC on the future scheme of the examinations, the procedural aspects and the timings.’’

[Translation]

I would like to tell you that here also, they are being deprived.

In 1979 also, when I was a Member of Rajya Sabha, I had raised this issue and at that time, the then Minister of State in the Ministry of Home Affairs, Shri Dhanik Lal Mandai had stated that no other language can be included in the Eighth Schedule, but he had added that if there would be any difficulty, the matter would be considered. At that time I had stated that it would be very difficult for Nepali-speaking candidates to appear in the UPSC examinations, if they had not learnt any other alternative languages. From the above it is abundantly clear as to how the people knowing a particular language are being deprived because their language has not been included in the Eighth Schedule.

I would also like to give certain other examples. National Prize competition is held for literature and adult education, but for that competition also only those languages have been prescribed which are included in the Eighth Schedule and other languages have not been prescribed. I would like to quote an advertisement :

[English]

“First National Prize competition of posters on adult education.

Twenty-fifth National Prize Competition for Literature for Neo-literates.”

[Translation]

For those competitions, only those languages such as Assamese, Bengali, Gujarati, Hindi, Kannada, Kashmiri, Malayalam, Marathi, Oriya, Tamil, Telugu, which are in the Schedule have been prescribed. I am happy that these languages have been included in the Schedule and I am thankful for the same, but the people knowing those languages which have not been included in the Eighth Schedule are being deprived of the benefits. If Nepali language is included in the Eighth Schedule of the

Constitution, it would strengthen the unity of the country. I am putting this point before you for your consideration.

One of the biggest problems is that if any foreigner applies for naturalisation, he is asked if he can speak any of the languages included in the Eighth Schedule of the Constitution or not and whether he has any knowledge of them. If he does not have any knowledge of any of those languages, he is not issued the certificate. I would, therefore, like to submit that various languages are involved in this issue and some languages get the benefit whereas some other languages are deprived of these benefits. Some languages get an opportunity for literary development and economic advancement. The people knowing a language, which is not included in the Eighth Schedule, are being deprived of those benefits. If you adopt the policy of divide and rule, unity of the country cannot be maintained. It is also said that one can enter government service only if one has knowledge of any of the languages included in the Eighth Schedule. I would, therefore, urge upon the government to solve this problem.

The Nepali speaking people have made sacrifices out of a sense of patriotism, but even then they are called foreigners time and again. Their language is also often called a foreign language. By calling it a foreign language, injustice is done to them. Even today they stand like a rock to defend the country. I would, therefore, like to submit that this language should be included in the Eighth Schedule of the Constitution. Just now my friend was saying that several Assemblies have passed this resolution unanimously and urged upon the Government to include this language in the Eighth Schedule of the Constitution.

The Nepali-speaking people are ready to sacrifice their lives for maintaining the unity and integrity of the country and are always prepared to provide help in the nation-building task ; even then they are being discriminated against. As my friend has said,

[Shri Anand Pathak]

I would also like to endorse his view that Nepali language has its origin in India. It has grown in India and this enriched language is spoken by many people in India. The hon. Minister has said that the number of Nepali-speaking people is one million. Shri Daga has said that their number is 1.5 million, I do not know as to what is the source of his information.

This language is spoken in the entire himalayan region, right from higher ranges down to the foot-hills and the number of Nepali-speaking people is over two crores. It does not, of crores in India. This was what Shri Misra had said, I do not know what my friend has heard.

At the time of census, not only in one area but in Dehradun, Himachal Pradesh and other places also when the personal engaged on enumeration approach the people, they do not ask what their mother-tongue is, but instead ask whether they can speak Hindi and all the people are shown as Hindi-speaking. This is gross injustice. Therefore, I would like to say that the number of Nepali-speaking people in India is not less than 60—70 lakhs. Why do we demand that Nepali language should be include in the English Schedule? The Constitution provides that our official language will be Hindi in due course. It means that if Hindi is to be developed as a language of the entire country, cooperation of all languages of the country will have to be taken for its enrichment and from this point of view all other languages have been included in the Eighth Schedule. With the inclusion of Nepali in the Eighth Schedule, Hindi will be further enriched as it is similar to Hindi. Its script is Devnagri, script of Nepali is the script of Hindi. Its words and sentences are almost similar. If there is any language which can enrich Hindi as official language it is Nepali which will contribute maximum in enriching Hindi as national language. And by including Nepali in the right Schedule the resentment in the minds of Nepali-speaking people will be removed

It will go a long way in strengthening the unity of the country further. This can also add to emotional integration.

I have tried to express my views here taking into account all points of view and I would like to request again that time has come to include Nepali language in the Eighth Schedule as soon as possible, because any delay in this matter may lead to adverse consequences which will not be good for the country. You know as may friends have said that non-acceptance of this demand may create separatist tendency in them. Therefore, my submission is that all should be given equal rights.

Shri Daga is not present here at the moment. He said that nobody knew Nepali here. Therefore, I shall speak before you a few words in Nepali.

An hon'ble member has just now said in the House that no member in the House can speak Nepali. Therefore, I want to speak in Nepali. Nepali is a rich language. Nepali is written in Devnagri script and it is a beautiful and simple language. Almost all people who speak Indian languages can understand Nepali. This language has a rich literature. By accepting the proposal of including Nepali in the Eighth Schedule, the emotional integration of the country will be strengthened and at the same time our literature will also become rich.

Mr. Chairman, Sir, it is not correct to say that Nepali language has no literature. I would like to submit that Shri Bhanubhakta Acharya was the greatest poet of Nepali language who wrote Ramayana in Nepali. Besides, there were other great poets and writers like Poet Laxmi Prasad Devkota Dr. Paras Mani Pradhan, Pandit Dhruv-dhar Sharma and Shri Suryavikram Gyavali who wrote large volumes of poetry, stories, novels and numerous other books. In addition to these, there had been a number of other poets whose names I cannot mention for want of time. There is a vast literature in Nepali and it is a rich language.

**This part of the speech was originally delivered in Nepali.

MR. CHAIRMAN : Nepali is a very rich language

SHRI ANANDA PATHAK : With these words I conclude my speech and hope that Government will not reject this proposal outright and will give it due consideration and approve its inclusion in the Eighth Schedule. While replying to this debate, the hon. Minister must keep these points in mind and approve the inclusion of Nepali language in the Eighth Schedule. I am thankful to you for having given me an opportunity to speak.

17.17 hrs.

SHRI VIRDHI CHANDER JAIN (Barmer) : Mr. Speaker, Sir, I would like to express my views on the Constitution (Amendment) Bill introduced by Shri Misra in the House.

We have included 15 languages in the Eighth Schedule of the Constitution and some norms and criteria have been laid down on the basis of which we have included them in this Schedule. Therefore, if we wish to include any other language in the Eighth Schedule, we will either have to lay down some norms or to follow the norms already laid down and decide on their basis. About Nepali language too we will have to decide in the same manner. We will have to see whether it is rich or not ; whether the Nepali dictionary contains scientific and technological words. At the same time information will have to be gathered about the literatures and poets who have written novels and other important masterpieces and a detailed study of them will have to be undertaken. We will also have to ascertain the number of Nepali-speaking people. I mean to say that so many factors will have to be taken into account. We see at times there is this issue of Maithali language or Rajasthani or Bhojpuri or Dogri or for that matter Nepali language. Likewise, issues about other languages are also raised and there will be more of such demands. I would like to submit that we will have to decide once for all with regard to these languages and we

should constitute a committee or commission which can study in detail whether these languages can stand the test of our norms and criteria. In this context this criterion should be adopted whether these languages, irrespective of the fact that they originate from Sanskrit or 'Prakrit' language, have such vocabulary with which the people knowing these languages can promote their knowledge about science. Secondly, it should be kept in mind whether that language can serve as a medium of instruction for education in science. We have unity in diversity in our country. We have never opposed any language and that is why we have 15 language in the Eighth Schedule of our Constitution. We want that all the languages should be promoted and respected. As they progress, Hindi should also become rich. Hindi should have power to adopt and absorb words from these languages. Hindi should not be rigid. It can become richer if it tries to adopt more words from these languages. (*Interruptions*) These words may be from any language for example, from Urdu, Hindi should adopt words from all language. I mean Hindi should not be rigid. It should borrow words from all languages, even from English and make itself rich. Likewise, Hindi should absorb words from Nepali language.

I have never said that Nepali is a foreign language. We should not have such an attitude. Nepali has originated from 'Prakrit' language Sanskrit and 'Prakrit' language go together. All the languages in our country should progress and develop and become rich. But I would also like to point out that to include any language in the Eighth Schedule, some norms and criteria should be laid down and followed. 15 languages are already enlisted in this Schedule. If the list goes up to 50 languages it can create difficulties. We can have difficulty in translating them here in Lok Sabha. Therefore, some yardstick should be laid down.

As regards Rajasthani language, it has a vast vocabulary and is a literary language. Daga Sahib was deriding it and was saying that it was the language

[Shri Vridhi Chander Jain]
of kings and emperors. This language not only contains literature of Kings Emperors but many poets also have contributed to the enrichment of this language through their literary pieces.

Therefore, my submission is that a committee should be constituted which can consider this problem. The Committee should also consider Rajasthani language and how it can help and develop other languages and Hindi.

With these words, I would like to say that we must keep this point of view in mind while taking a decision. I hope the suggestions made by me will be accepted.

[English]

SHRI K. P. UNNIKRISHNAN (Badagara) : Mr. Chairman, Sir, I am grateful to you for giving me this opportunity. As a matter of fact, it was my esteemed friend Mr. Gaga's speech which provoked mean little. I did not want to intervene, but I thought it was important that certain things must be but in proper focus.

While I support this move, it is not a question of accepting X language or Y language; it is a question of our approach to the problem of unity of India and certain fundamental facts of our existence as a nation, which to my mind, more important than a language being included or excluded from the Eighth Schedule or being used in Centre or in the State; and this concept of unity which has its roots in our existence is important and more so important in the present context when we have a trouble present because we refuse to recognise certain realities of our existence. The most important thing to my mind. I submit, is that India is essentially a land of minorities; India is very different from other national agglomerates like the United States or the USSR or China. These are the three comparisons that would come naturally and obviously to your mind or to any one's mind when we discuss this problem.

I recall a speech of the Soviet leader, Mr. Brezhnev. I think it was in the 26th Congress of the CPSU when he referred to the great mother culture and the great Russian culture which is accepted by all nationalities; and that is, mind you, after the revolution in the Soviet Union, one of the great landmarks of human history. Every effort has been made not only to develop the Russian language but to develop the languages of minorities, not even languages. but, mind you even dialects. One of the significant things of the Soviet experiment has been this tremendous attention paid even to the language. dialect, dialects which were fully developed, half-developed or not developed at all. If you go to Turkmenia or Kirghiz and so on, you will find that languages have helped the people who speak these languages or use these languages as the medium; they have been helped to develop themselves and their respective regions. When Mr. Brezhnev, made that speech, he was only referring to this great tradition. Similarly, in the United States you will find if you go through the history of the United States, that the most significant thing he has been the role of the WASP (White Anglo Saxon Protestants) and the English Languages in the development of the United States during the last 152-200 years. Today, it is a fact, that migrants from Southern Europe like Italy or Eastern Europe like Poland or from the Latin American countries to the United States accept the English Language because of the acceptance of this White Anglo-Saxon predominance and their languages and culture; that is today the most important thing about the very existence of the United State. If you go to China you will find that non Han minorities are less than 5 per cent. You have the problem there also, as you know, as we are very familiar with the problem of the Tibetan minority. Therefore, I submit the problem of the Indian subcontinent is different. Here a question is what kind of unity you want. That was the question raised even before partition. Do you want unity in uniformity? Do you want unity where any kind of dissent or any culture of a

different kind will be wiped out. That was the question posed even during the freedom struggle which Mahatma Gandhi answered : the question was raised whether India was a nation. You know, one of the first tasks, fundamental tasks of our nationalist movement in the early years was to reply to this question. There again, we had emphasised that Indian unity can only be promoted through diversity. Unity cannot be found in uniformity and our acceptance of this encouraged nationalist forces to emerge on the top. And that is why Mahatma Gandhi in 1920 in the Nagpur Session of the Congress, said that these provinces that the British colonialists have made in the subcontinent are artificial, they have no relationship to the needs of India and that was a historical interpretation that he gave because during the last five hundred years or so, ever since the *Bhakti* movement, the most important factors of India has been the emergence of these assertive regional cultures and languages. We in South, have a languages with thousands of years of history, the great Tamil language; but other regional languages which have developed during the last five hundred years or so and contributed immensely to the richness and diversity of our culture cannot be wiped out and as we go along we will find that there will be many more demands. Some people here were referring to the demand for inclusion of Mathili and even small Manipuri language. But one cannot forget that there are people who speak Manipuri language ; there are people who have their cultural roots in Manipuri language, there are people who are devoted to Mathili, as Abdul Ghafoor Sahib will tell you. If there is a people's movement we have to recognise this fact of our national existence whether it is Nepali, Manipuri or Maithili and India will not get weakened. The concept of Indian unity will, on the country, get strengthened because for the last five thousand years, the most important thing about this country has been, even dominant religion not to be confused with the dominant nationality in India. There has been a continuing conflict between the liberal Hindu, and the

Hindu who refused to absorb, the Hindu who wanted to absorb, who wanted to absorb the best things, who wanted to merge himself with the larger things and the Hindu who looked to himself and his immediate environment. And this was the greatest significance of Mahatma Gandhi, he brought this again in this aspect of looking at our culture and nationhood when he said "I shall defend the right of every minority, every linguistic minority in India." If we had only listened to Mahatma, what he said in Assam or Punjab, I am sure, we could have solved many other problems which we are confronted with even today.

Therefore, my point is that even in the Indian nationalist movement there were distinguished men who were Hindu nationalists. I have great respect for Vir Savarkar as a great revolutionary, as a freedom fighter. But I cannot accept his approach to the problem of India nationhood. Therefore, there is a confrontation between Mahatma Gandhi's approach and the approach of people like Vir Savarkar, Hindu nationalists. There had to be and the battle had to be fought, and therefore, there was nothing lost in the battle. Therefore, when Mahatma Gandhi talked about these regional languages or Urdu,— because after all Urdu represents a symbol of our composite culture— we cannot forget five hundred years of Indian history and so you can go back and back.

There are people who want to make Sanskrit our national language. There were people who wanted it, at the time of the Constituent Assembly— if you go through the debates you will find it — but it could not be accepted. With the highest respect and regard for Sanskrit as a student of Sanskrit, I tell you, it cannot be the national language in the present context.

Gandhiji wanted Hindustani. But as Shri Abdul Ghafoor, a little while ago, referred to in a jocular manner, there are people who want to impose a vocabulary which nobody will understand, who, violating the principles even of the Constitution,

[Shri K.P. Unnikrishnan]

are trying to impose certain set of numerals. In my State and your State, on the national highways I can read, but I am sure that many of you cannot read, what is written there. Is there any justification for that? That the money of the Union must be sent so that nobody will understand. There are similarly people who want even English language to continue. There are States of Meghalaya and Nagaland. There is nothing wrong. The whole edifice will not collapse because somebody wants to use a particular language. If the prime Minister wants to take this country to the 21st century and he could privately start a movement — I know politically he cannot do it — and say that down with all the Indian scripts, we are going to adopt Roman script for all Indian languages, then possibly, that will be a great jump and social advance, because even during the last two wars we have seen how Urdu was promoted, how people come to learn Hindustani through Romanised Urdu. You will find even in South a large number of people who have learn Urdu and Hindustani in Roman script. Therefore, there is nothing wrong in the the script. While we may have attachment and say that Devanagri script is a very scientific script, I accept this fact, but it is also equally true for the modern purposes that if this nation is to move forward, it would be advantageous to have Roman script. There is nothing wrong. The edifice of our unity is not that brittle that it will collapse by adopting Roman script or by accepting Nepali or Manipuri or Sindhi or any of these languages which are people's languages. It is very important for use to remember that this was the approach of the nationalist movement. While trying to integrate, they also wanted to give self-respect to these people. That is why, when Mahatma Gandhi went to Assam, while addressing Assam Sahitya Sammelan he said: "I will come and defend your rights if anybody violates it." He said the same thing in Punjab. He had written something about the Sikhs in the *Young India* that they were Hindus. Sikhs protested. When

Mahatma Gandhi went to Punjab he said: "I am sorry. You have brought certain facts which I did not know." That was the greatness of the man. He said: "Hereafter I shall not call you Hindus. If you do not want to be called Hindus, you shall not be called Hindus." Similarly, the genesis of the present movement in Punjab began with the movement in 1951 during the census period when certain sections of Hindus, under the influence of Arya Samaj and RSS, asked Hindus themselves, who were using Punjab language, to give Hindi as their mother tongue. This continues in attitudes to other languages in Uttar Pradesh and Bihar or in other northern States — I am very happy that something has been done for Urdu in Bihar recently — or in attitudes to the smaller languages or the attitudes of certain Hindi sellers to the question of Union language. In all these things we have adopted an approach which does not promote unity as is being claimed by the protagonists of this. On contrary, it only promotes dis-unity. India had always been great when it looked outward. If you go to Cambodia or Indonesia you will find that whenever India is looked outwardly India has always been on the top in the historical cycle. But whenever we have looked India inwards, we have refused to absorb or merge our identity, we have gone down. That is exactly the point. Therefore, I am not prepared to accept the concept of unity based on Hindi, Hindu, Hindustani. That will be negative and destroy the very concept of Indian Unity. Any price is worth giving for fighting this concept. That is the task today. While supporting this Bill. I want to emphasise that you will have to fight this tendency. This trend which is trying to assert itself in the nation. That alone shall promote unity.

SHRI PRIYA RANJAN DAS MUNSHI (Howrah) : Mr. Deputy Speaker, Sir, I must congratulate Shri Anand Pathak for his constructive contribution so far in support of this Constitution (Amendment) Bill moved by Shri Satyagopal Misra. I had an occasion to very closely watch the

developments and the demands of this Nepali language's recognition and I must say, what Mr. Unnikrishnan has stated, that forgetting the politics from this side or that side, if you really think at this hour of the question of unity, we must think of Gurndev Rabindra Noth Tagore who said unity in India means unity in diversity, if at any moment that string is slashed, you will find that there is a threat to the very basic of the unity of this country. I quite well appreciate the problems of the Government, because you have dealt with this matter many times, that if Nepali is included today to the Eighth Schedule, naturally the Santhalis tomorrow, the Dogris day after and some others will come forward and if any part of India is left in terms of language, naturally, instead of doing good to the Nepalese, it will create more problems for the unity of the country. Therefore, my suggestion is very brief and very simple. I would request that all the languages and all the dialects, whether they are spoken by the plain tribes or in hill tribes, among the hill tribes of Himachal Pradesh, Garhwal, Darjeeling, Sikkim as well as in Bastar area of Madhya Pradesh, Ganjam or Keonjhar areas of Orissa, Jhargram of Bengal or among the Santhalis, be taken into consideration before you begin the Seventh Plan, I would request the Government to consider this and take a firm approach as to how they can accommodate all the hill tribes' languages and among those Nepali should get the highest priority and it should be included first. I think that will serve the purpose for ever. If you just take Nepali, it may not help. Shri Misra or some other friends may have to come to this House with other Bills. So, this is my first suggestion. Secondly, I would tollet our DMK friend who contributed to this debate today that we all agree that the regional languages should be promoted, the languages of the minorities should be encouraged. But you cannot think of unity in this country if you do not give priority for one national language of the country. You should not forget that responsibility. My DMK friend was referring to USSR. He must be knowing the

fact that it was possible for Lenin to build up the Revolution not by the teachings of Marx only but also because he was able to persuade every Soviet person to speak in one language after the Revolution, and that is Russian language. Today the basis of unity of Russia and Soviet Union is not only because of many other things but also because of the common language. They speak in Russian. They may have the protection of various dialects in Turkmenia, in Tashkent and in many other places.

SHRI NARAYAN CHOUBEY :
Wrong.

SHRI PRIYA RANJAN DAS
MUNSHI : If it is wrong, you just go through the speeches, why contradict me? You are a communist, you know better, If it is wrong that they talk in Russian language, if it has hurt you, better you print your speech in New Age and see what your party does to it. What I say is that Hindi language should not be imposed but it is also very wrong to have been saying for the last fifteen years that imposition of Hindi will not be tolerated. What is tolerance? I say I have every respect for Tamil language. Tamil is one of the richest languages of our country with the highest culture, and if I bow down to any language, I bow down to Tamil because I have gone through the history of the language in my class of philology. It is nearest to Sanskrit and it has a rich heritage. But what is wrong in Tamil Nadu is that in Tamil Nadu you write the first sentence in Hind, second sentence in Tamil and the third in English. Let people talk in Tamil. No matter (*I interruption*).

DR. A. KALANIDHI : How can it be... (*Interruptiods*).

SHRI PRIYA RANJAN DAS
MUNSHI : Don't misunderstand me.

DR. A. KALANIDHI : Are you prepared to take our language to your birth place?

SHRI PRIYA RANJAN DAS
MUNSHI : Please listen to what I say. Don't get impatient. I say each State language should be given highest

[Shri Priya Ranjan Das Munshi]
 priority. But having given priority to the State language, also give promotional avenues and opportunities to the national language to become akin to the people. This is what I have said. I do not say Hindi should be spoken by everybody. What I say it is not wrong to ask a person in Tamil Nadu or in Bengal to learn Hindi. In Bengal, people read Bengali first and in Tamil Nadu, they read Tamil first. But if they find time to learn Hindi, there is nothing wrong in that. It is not imposition. This is my approach. If you talk of national unity, that should be the approach.

DR. A. KALANIDHI : Sir, on a point of order. We are opposing the imposition of Hindi. It is being imposed. That is the reason why we are agitated.

SHRI PRIYA RANJAN DAS MUNSHI : Similarly, I am. I am also opposing the imposition of Hindi. So, what is the difference between us? I entirely share your view...*(Interruptions)* I am also opposing imposition. But, while talking of Hindi...*(Interruption)* What I am saying is, in whatever language you may talk in this country, be it Tamil, Bangla or Oriya, when we talk to the whole world, we have to talk in a language which is shared and understood by a large number of people in the country. There is nothing wrong in it. I do not understand this opposition. When I read the names of my great friends in Tamil Nadu, I feel proud because most of the names carry Sanskrit, the original culture of the country...*(Interruptions)*

DR. A. KALANIDHI : You are misleading the House...*(Interruption)*

MR. DEPUTY-SPEAKER : You can explain or clarify it, when you get your chance.

SHRI N. V. N. SOMU : When Mahatma Gandhi visited Madras city, he exhorted all people to learn Tamil...*(Interruptions)* The Father of the nation has told us that. Are they prepared to follow that?

SHRI PRIYA RANJAN DAS MUNSHI : I love that language and I will be most happy to learn that language. While participating in a discussion on a private Members' Bill, I do not talk in terms of Congress or opposition. I am not speaking in the spirit of DMK or ALDMK...*(Interruptions)* I shall continue to say that while we promote regional languages, all efforts should be made to see that Hindi is taught to almost every section of the people in this country.

SHRI N. V. N. SOMU : We are Tamilians by language and Dravidians by race...*(Interruptions)*

SHRI PRIYA RANJAN DAS MUNSHI : I do not want to talk in terms of Tamil and non-Tamil. We have to have a common language, which will be a common link for all of us and that is either Hindi or English...*(Interruptions)* Perhaps, you have not followed what I said. I have referred to the ancient culture of Tamil; I have said it. Among the languages of India, I will first bow down to Tamil.

MR. DEPUTY-SPEAKER : You talk about the Nepali language.

SHRI PRIYA RANJAN DAS MUNSHI : I am coming to Nepalese. You have allowed all the members to talk about Hindi, Tamil or other languages before coming to Nepali. Why don't you allow me also to do that?

MR. DEPUTY-SPEAKER : You have also done that. Further, the time is only ten minutes.

SHRI PRIYA RANJAN DAS MUNSHI : Secondly, I entirely share the view expressed by Shri Satyagopal Misra and I support it. But, we have had enough of movements and agitations. This is not the time for force, coercion or confrontation. Further, even if you achieve something by those means, ultimately it does not help. So, let us leave it to the wisdom of the Government. Let us not talk now only in terms of the Nepalese language. Then, what about the language of the hill tribes, the plains people, the

Manipuri of Dogra? Let the Government bring a comprehensive legislation for amendment of the Constitution to incorporate the various languages in the Eighth Schedule, rather than giving opportunity to any particular language to say "we are neglected". That is my concrete proposal, not exclusive of Nepali only, though I fully support the Bill by Shri Ananda Pathak and Shri Satyagopal Misra. If I have hurt the sentiments of my Tamil friends, I am sorry. Let us see that all our languages, including Tamil and Malayalam develop, but ultimately one day or the other we should also speak Hindi.

[Translation]

****SHRI A.C SHANMUGAM** (Vellore): Hon. Mr. Deputy Speaker, Sir, my hon friend, Shri Satya Gopal Misra, has introduced the Constitution Amendment Bill seeking the inclusion of Nepali language in the VIII Schedule of the Constitution. On behalf of my party the All India Anna D.M.K. I welcome this Bill, While doing so, I would like to express my view relevant to this Bill. I thank you very much for giving me this opportunity to participate in the discussion.

The hon. Members who preceded me changed the direction of the debate to suit their pet theories. They talked about the pre-eminence of Hindi and about India's language policy. They referred to the imminent danger that the country will have to face if Nepali language is included in the VIII Schedule of the Constitution. For years there have been agitations and demonstrations for the constitutional recognition of Nepali language. By making Nepali as the 16th language in the VIII schedule of the Constitution, India is not going to be enveloped in great chaos. India's economy is not going to be foundered. Hindi language is not going to be threatened with grave consequences. The arguments of hon. Members in this regard are based on the quick-sand of unwarranted fears.

The Nepali speaking people living in North Bengal, Himachal Pradesh,

****The speech was originally delivered in Tamil.**

Sikkim, Assam, Arunachal Pradesh, Tripura etc. have been demanding for long that their language Nepali should be included in the VIII Schedule of the Constitution. On behalf of my party the AIADMK, I demand that their sentiments should be respected by the Government. Nepali language should be given constitutional recognition.

Some hon. Members referred to 15 languages enlisted in the VIII Schedule and the financial allocations for their growth and development. They have fanned the flame of such unseemly controversy during this debate, I would like to echo the voice of my party the AIADMK that we are opposed to three-language formula, which my friends wanted to be implemented throughout the country. So far as Tamil Nadu is concerned, we are unequivocally committed to two-language formula. From the days of Perarignar Anna to our beloved leader Puratchi Thalaivar Dr. M.G.R. two-language formula is our cherished ideal. I can say without any hesitation that the history of Tamil Nadu will not see any wavering in this committed policy of Tamil Nadu Government. I have to apprise this House of this unalterable two-language formula of the Government of Tamil Nadu.

The members referred to the 15 languages of the VIII schedule. Hindi is also one of the 15 languages. Hindi is not, therefore, occupying any pre-eminent place. I say with all the force at my command that India will not accept Hindi as the leader of all languages in the country. Is Hindi being spoken by 75% of the population in the country? You know, Sir, that 400 Members have been elected to this House on Congress-Party ticket. Is Hindi the mother-tongue of 350 member belonging to the Congress Party in this House? It is not so. Hindi is spoken by just 35% of the people in India. Please do not forget this basic fact. The Government should not fail to honour the sentiments of 65% of the population speaking other languages.

Several crores of rupees are being spent for the growth of Hindi language. Why should not similar amounts be

[Shri A. C. Shanmugam]

spent for the development of other 14 languages in the VIII Schedule of the Constitutions? Give 10 crores, 20 crores or 30 crores for each of these languages, while you are spending 100 crores of rupees for Hindi. On the other hand only one crore is given every year for each of the languages enshrined in the VIII Schedule. From this it is patently obvious that the Central Government is partisan in its language policy and is adopting step-motherly attitude for other languages of the VIII Schedule.

Some hon. Members were apprehensive that India's unity will be undermined if Nepali language is given the constitutional recognition. I am of the firm view that India is not going to be dominated by people speaking only one language or people wearing only one kind of uniform or by people professing only one kind of culture or by people affiliated to only one kind of religious concept. India is a land of diverse cultures. India has lived for ages with this unity in diversity. We cannot afford to forget that for millennium India will continue to live with this kind of unity in diversity. I take this opportunity to demand that at least 50% of the amounts being spent on Hindi should be allocated for other languages of VIII Schedule.

My hon. friends stated that they are not opposed to Tamil and they will learn Tamil. On behalf of 5 crores of Tamil people, I assert that we are not opposed to Hindi; we learn Hindi; we see Hindi cinema; we hear Hindi songs. But we are opposed to Hindi imposition we will not tolerate Hindi imperialism.

Sir, you must know that there is an Official Language Committee, in which the M.P.S. are members. This committee is in existence for several years. So many times this Committee has gone around the world—for what purpose? That is for finding out how Hindi has progressed in Indian Embassies abroad. Is this necessary? Lakhs and lakhs of valuable foreign exchange has been wasted in this kind of wild-goose chase

throughout the world. Sir, our illustrious Chief Minister, Dr. M.G.R. has been repeatedly and ceaselessly assuring in several Conferences of Chief Ministers that we are committed to one India; we will foster for ever India's unity; we will lay our lives for protecting India's sovereignty and unity. He has publicly stated in many forums that India's unity is our soul-breath. India's integrity is our irrecocable concern.

But, we would like to warn the Hindi profaganists that we will oppose till our last breath Hindi imposition and we will not allow the suppression of other languages by Hindi. It is time that they change their stance soon. I would take this opportunity to request our dynamic Prime Minister to ensure that Pandit Jawaharlal Nehru's solemn assurance to non-Hindi speaking people is given the statutory support. Pandit Nehru had categorically assured non-Hindi speaking people that so long as they do not want Hindi, English will be allowed to be continued as the official language, as the link language. On behalf of my party the AIADMK, I appeal to the hon. Prime Minister, who is sworn to nurture and nourish the unity of the country, that he should translate his grand-father's assurance into a law. This is a must, because you see the general trend in the country that Hindi is being insidiously imposed. Take the U.P.S.C. examinations, State Banks and other public sector banks. CA examinations and other competitive examinations. Only when the candidates write Hindi examination, they will be selected promotions will be given only if they pass the Hindi examination. Such orders are being issued day in day and day out.

Now, Tamil Nadu is confronting another serious problem. Upto 9.30 PM in TV Tamil programmes were being telecast. Six months ago the national programme was advanced to 8.30 PM, thus denying the opportunity to telecast Tamil programmes upto 9.30 P.M. We agitated against it and the earlier arrangement was revived, enabling Tamil programme to be telecast upto 9.30 P.M.

Now, again the national programme has been advanced to 8.30 P.M. Naturally Tamil programmes cannot be telecast till 9.30 P.M. I would like to know whether any of the Central Ministers see this national programme on T.V. Before I conclude, I demand that the earlier timing must be revived, so that Tamil programmes can be telecast upto 9.30 P.M. With these words, I conclude my speech extending my support to the Bill of Shri Satya Gopal Mishra.

(English)

MR. DEPUTY-SPEAKER : This discussion on the Constitution (Amendment) Bill moved by Shri Satyagopal Mishra can be continued next time. Let us go to the next item.

RESIGNATION OF MEMBER

[English]

MR. DEPUTY-SPEAKER : I have to inform the House that the Speaker has received a letter from Shri Nar Bahadur Bhandari, an elected Member from Sikkim constituency of Sikkim resigning his seat in Lok Sabha. He has accepted his resignation with effect from today, i.e. the 15th March, 1985.

STATEMENT RE SITUATION IN SHRI LANKA

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI KHURSHEED ALAM KHAN) : Sir, Many Members have expressed serious concern over the situation in Sri Lanka, and its repercussions on us. From time to time, Government have shared with the House its views on this extremely important and sensitive subject.

2. The situation in Sri Lanka continues to be tense, and its fall out on us has been severe. A very large number of refugees has left Sri Lanka over the last month; more than 15,000 have arrived in India over and above the 50,000 who have been here since July, 1983. This is a matter of deep concern to us, and places a severe strain on the State Government of Tamil Nadu as well as on us. While we are providing temporary shelter and food to the

refugees, we have conveyed to the Sri Lanka Government that there should be no army excesses, that Sri Lanka should ensure that no more refugees come to India, and that conditions are created so that refugees can return to their country in honour and safety, capable of pursuing their peaceful avocations.

3. In the past few months, there have been incidents in the Palk Straits where our fishermen have been killed, injured or arrested. We have expressed our concern to the Sri Lanka Government in the strongest possible terms, and sought compensation for the loss of lives and property. Full protection is being provided to our fishermen inside our own maritime zone and Coast Guard and Naval Patrolling has been intensified. Since last month, additional air surveillance has been introduced. I assure the House that Government will ensure the safety and security of our citizens.

4. While the situation in Sri Lanka continues to be unstable, it would be unwise to enter into an exchange of recriminations. All parties need to consider the problem in a constructive and sympathetic spirit. We continue to believe that only a political solution within the framework of Sri Lanka's unity, sovereignty and territorial integrity, acceptable to all concerned can resolve the ethnic problem. Violence, from whatever source, is not the answer.

5. I should like to inform the House that Government is in touch with the Sri Lankan Government to explore all possibilities that would defuse the situation and facilitate an enduring settlement. The House will recall that with a view to having a personal exchange of views which might facilitate the resumption of the political dialogue in Sri Lanka, at the Prime Minister's suggestion, the Sri Lanka President sent his National Security Minister, Mr. Athulathmudali as his emissary to Delhi early last month. They had useful talks. The Prime Minister had emphasised to him that the Sri Lankan Government

would have to find a political solution to the problem. We conveyed to the Sri Lankan Government that we would be willing to help in any appropriate way if they so desire.

6. A number of suggestions have been made. All these have to be viewed in the totality of the situation prevailing in Sri Lanka and its fall out on us. As the nature of our ongoing discussions is confidential, I cannot divulge any details at this moment. However, at the appropriate time, we will take the House into confidence.

DR. A. KALANIDHI (Madras Central): They have committed enocide...

SHRI P. KOLANDAIVELU (Gobichettipalayam): Sir, this is very vague...
(Interruptions)

MR. DEUPTY-SPEAKER: Please. This is a statement made by the Minister. You cannot make a speech now. (Interruption)**

MR. DEPUTY-SPEAKER: Please sit down. No. This is a statement made by the Minister. Therefore, we cannot discuss at this moment.
(Interruption)

DR. A. KALANIDHI: As a protest, we are walking out.

(At this stage, Dr. A. Kalanidhi and some other hon. Members left the House.)

STATEMENT re : CONSTITUTION OF THIRD WAGE BOARD FOR SUGAR INDUSTRY

[English]

THE MINISTER OF STATE OF THE MINISTRY OF LABOMR (SHRI T. ANJIAH): The First Wage Board

for Sugar Industry was constituted by the Government of India in 1957 and it submitted its report in 1960. The Second Wage Board for the Sugar Industry was constituted in 1965 and its recommendations were received in 1970. These recommendations were accepted by Government. The Third Wage Board could not be constituted for a variety of reasons particularly as the major sugar producing States notified the revised rates of wages for sugar workers in their respective States on the basis of decisions reached at the Tripartite at State level.

After the change of Government in 1980 representations were received that the Third Wage Board for Sugar Industry should be set up. Having carefully examined the matter in consultation with the major sugar producing States, I am happy to inform the House that the present Government has now decided to constitute the Third wage Board for Sugar Industry in the interests of workers, the industry and the economy as a whole. With this decision a long pending demand of the workers in the sugar industry will have been met.

Steps are being taken to compose the new Wage Board and the Board will be requested to complete its work within one year after its constitution.

MR. DEPUTY SPEAKER: The House stands adjourned to re assemble tomorrow at 5 p.m.

18.07 hrs.

The Lok Sabha then adjourned till Seventeen of the Clock on Saturday March 16, 1985/Phalgun 25, 1906 (Saka)

*Not recorded.